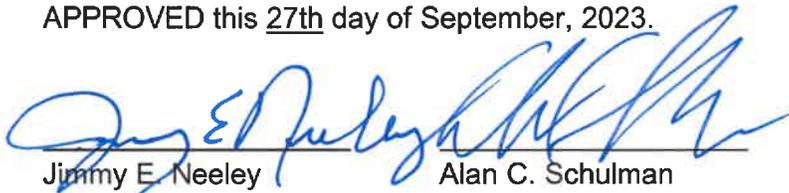


**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET**

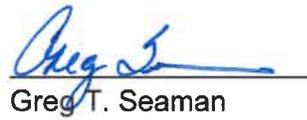
Total Projected Cash Assets - 1 Jan 2024	\$	16,538,120
Total M&O Revenue	\$	1,218,535
RESTRICTED FUNDS:		
Total M&O Expenditures	\$	(1,021,762)
Total Capital Improvements Expenditures	\$	(3,675,000)
TOTAL RESTRICTED FUNDS		<u>(4,696,762)</u>
Net Revenue after Budgeted Expenditures		<u>(3,478,227)</u>
Total Projected Cash Assets - 31 December 2024	\$	13,059,893
Total Committed Funds	\$	(10,670,386)
Free Reserves	\$	<u><u>2,389,507</u></u>

APPROVED this 27th day of September, 2023.



Jimmy E. Neeley
Chairman

Alan C. Schulman
Vice-Chairman



Greg T. Seaman
Secretary



David C. Aparicio
Commissioner



Victor L. Eggemeyer
Commissioner

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET**

REVENUE

Taxes @ 2023 M&O Rate (\$0.00935)	142,198	
Lease & Rental Income	780,347	
Interest Income	261,300	
Other Revenue	<u>34,690</u>	
TOTAL M&O REVENUE		\$ 1,218,535

EXPENDITURES

Personnel Expense	(311,701)	
Operating Expenses	(167,880)	
Property & Equipment Maintenance & Repair	(198,000)	
Professional Fees and Services	(286,181)	
Marketing, Dues, Training & Staff Development	(38,000)	
Promotion & Development	<u>(20,000)</u>	
TOTAL M&O EXPENDITURES		(1,021,762)
NET CASH FLOW FROM M&O		\$ 196,773
TOTAL CAPITAL IMPROVEMENTS EXPENDITURES		(3,675,000)
NET REVENUE AFTER BUDGETED EXPENDITURES		<u>\$ (4,696,762)</u>
TOTAL CASH FLOW		<u><u>\$ (3,478,227)</u></u>

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET**

TAX REVENUE

TAXES

The following summary shows the tax revenue for the MCND #1 over the past two years and the projected total tax revenue for 2023 using the 2023 M&O Tax Rate:

	No New Revenue Rate <u>2021</u>	VOTER-APPROVAL RATE <u>2022</u>	VOTER-APPROVAL RATE <u>2023</u>
Tax Base	\$1,229,273,377	\$1,280,821,547	\$1,520,839,169
Tax Rate - M&O	\$ 0.01031 (2021 M&O Rate)	\$ 0.01026 (2022 M&O Rate)	\$ 0.00935 (2023 M&O Rate)
Tax Rate – I&S	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Rate	\$ 0.01031 (2021 Tax Rate)	\$ 0.01026 (2022 Tax Rate)	\$ 0.00935 (2023 Tax Rate)
Tax Revenue	\$126,738	\$131,412	\$142,198
Tax Revenue – I&S	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL TAX REVENUE	\$126,738	\$131,412	\$142,198

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET**

INCOME

TAX INCOME		<u>SUBTOTAL</u>	<u>TOTAL</u>
Tax Levy Income (2023 M&O Rate @ \$0.00935)			142,198
LEASE & RENTAL INCOME			
Dock -			
TB#4 Bulkhead Dock - <u>2,708lf</u> @ \$5.00	162,480		
Bulkhead Dock - <u>7,840.2lf</u> @ \$4.00	376,330		
Wood Pier Dock - <u>1,461lf</u> @ \$3.00	52,596		
New TB#1 Bulkhead - <u>309lf</u> @ \$4.00	<u>14,832</u>	606,238	
Property -			
Commercial Land Rent	78,666		
Jensen Property - Pasture Lease	15,897		
Hay Leases (2)	480		
Turning Basin #4 Land	-		
Port Commercial Center	-		
Brooking Property	<u>-</u>	95,044	
Commercial Buildings -			
Gar Shrimp - Former Maint Bldg.	18,000		
Palacios Shipyard Inc Port Buildings (2)	6,437		
Allen, Stein & Durbin Office Lease #203	8,285		
Seawall Commission Office Lease	<u>3,000</u>	35,722	
Recreational Slips -			
TB#3 Dock (B, C, D, E & G) @ 100% Occupancy		<u>43,344</u>	
TOTAL LEASE & RENTAL INCOME			780,347
INTEREST & INVESTMENT INCOME			
C2 Portfolio	120,000		
First Financial Trust	34,000		
CD Interest	72,300		
Checking Accounts	<u>35,000</u>		
TOTAL INTEREST & INVESTMENT INCOME			261,300
OTHER INCOME			
Palacios Shipyard Note Receivable	21,665		
TGLO Contract Payment - Bilge Pump out Service	12,925		
Other Misc. Revenue	<u>100</u>		
TOTAL OTHER INCOME			<u>34,690</u>
GRAND TOTAL OF M&O INCOME FOR 2024			\$ 1,218,535

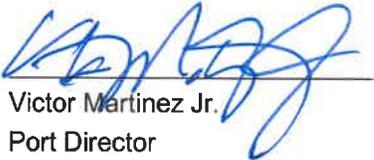
MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET
EXPENSES

PERSONNEL EXPENSE		<u>SUBTOTAL</u>	<u>TOTAL</u>
Salaries - Admin	(202,450)		
Salaries - Commissioners	(30,500)		
Employer Health Insurance Expense	(31,476)		
Payroll Taxes & Other Employee Benefits	(44,789)		
Payroll Taxes & AUL Expense - Commissioners	(2,486)		
TOTAL PERSONNEL EXPENSE		(311,701)	
OPERATING EXPENSE			
Operating Supplies	(25,000)		
Trip, Travel and Meals	(26,000)		
Utility Services & Communication	(40,000)		
Trash Collection	(3,500)		
Port Security	(300)		
Legal Notices & Operational Advertisement	(1,000)		
Insurance (Property & Surety Bonds)	(71,000)		
Rentals	(1,080)		
TOTAL OPERATING EXPENSE		(167,880)	
MAINTENANCE AND REPAIR			
Maintenance Contract (with Equipment Rental)	(91,000)		
Mowing Contract	(50,000)		
General Maintenance & Repair	(20,000)		
Clean Harbor Expense	(1,000)		
Dock Maintenance & Repair	(10,000)		
Road and Access Maintenance	(5,000)		
Admin. Building Maintenance	(11,000)		
Bilge Water Reclamation Equipment & Facility	(10,000)		
TOTAL MAINTENANCE AND REPAIR EXPENSE		(198,000)	
FEES AND SERVICES			
Emergency & In-kind Medical Services	(5,000)		
Fire Protection	(6,000)		
Engineering Expense	(100,000)		
Accounting, Consulting & Other Prof Services	(100,000)		
Attorney Fees	(36,000)		
Audit Fees	(18,000)	Single Audit	
County Treasurer Admin. Fees	(72)		
County Appraisal District Fees	(1,975)		
County Tax Collection Fees	(634)		
Election Fees	(3,000)		
Investment Expense	(15,500)		
TOTAL PROFESSIONAL FEES AND SERVICES		(286,181)	
MARKETING, DUES, TRAINING & STAFF DEVELOPMENT			
Advertising	(2,000)		
Economic Development	(10,000)		
Seminars, Dues, Training, & Staff Development	(26,000)		
TOTAL MARKETING, DUES, TRAINING & STAFF DEVELOPMENT		(38,000)	

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 M+O BUDGET**

	<u>SUBTOTAL</u>	<u>TOTAL</u>
PROMOTION AND DEVELOPMENT- RESTRICTED		
Promotion and Development	(20,000)	
GRAND TOTAL FOR M&O EXPENSE		\$ (1,021,762)
NET PROPOSED CASH FLOW FROM M&O		196,773
SHORTFALL FOR DEBT SERVICE		\$ -
CAPITAL IMPROVEMENTS AND EQUIPMENT		
Admin Building Upgrades/Repairs	(75,000)	
Dock Repair or Replacement	(200,000)	
New Building for Maintenance & Clean Harbor	(1,000,000)	
Repair/Upgrade Docks & Wharves	(2,400,000)	
TOTAL CAPITAL IMPROVEMENTS AND EQUIPMENT		(3,675,000)
TOTAL EXPENDITURES		\$ (4,696,762)
TOTAL CASH FLOW		(3,478,227)

Respectfully submitted,


 Victor Martinez Jr.
 Port Director

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 COMMITTED FUNDS**

CONTINGENCY FUNDS

A. Emergency Contingency Fund	(1,569,336)	
B. Insurance Gap Contingency Fund	(299,159)	
C. Property Replacement Contingency Fund	(1,247,564)	
D. Emergency Dredging Contingency Fund	<u>(2,000,000)</u>	
TOTAL CONTINGENCY FUNDS:		(5,116,059)

DESIGNATED FUNDS

A. Bond Debt Fund	-	
B. Fund for Purchase of Property for Future Dev.	(2,000,000)	
C. Fund for Dev. of Infrastructure for Undev. Prop.	(1,500,000)	
D. Fund for Repair/Upgrade Docks & Wharves Grant	-	
E. Development Incentive Fund	(2,000,000)	
F. Promotion & Development - Restricted	<u>(54,327)</u>	
TOTAL DESIGNATED FUNDS:		<u>(5,554,327)</u>

TOTAL COMMITTED FUNDS: (10,670,386)

APPROVED this 27th day of September, 2023.



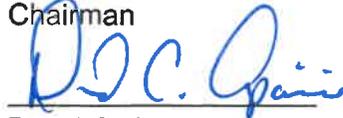
Jimmy E. Neeley
Chairman



Alan C. Schulman
Vice-Chairman



Greg T. Seaman
Secretary



David C. Aparicio
Commissioner



Victor L. Eggemeyer
Commissioner

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 COMMITTED FUND DESCRIPTIONS**

I. CONTINGENCY FUNDS - Percentages shown are contingent upon the Unrestricted Fund Balance being more than \$5,000,000.

A. Emergency Contingency Fund – The MCND#1 FY2021 Financial Audit shows capital assets of infrastructure, buildings, harbors, docks, facilities and equipment valued at \$11,624,714, net of accumulated depreciation, at the end of FY2022. The replacement cost of these properties, based on current costs, is estimated at 135% of net value, or \$15,693,364. District policy provides that a minimum of 10% of the replacement cost of MCND#1 property is set aside in a contingency fund to handle the clean up and repair from a major storm or other emergency. The 2024 Emergency Contingency Fund is \$1,569,336 based on the most current audited property inventory. 1,569,336

B. Insurance Gap Contingency Fund – MCND#1 buildings are insured under Matagorda County's Self-Insurance Pool. The District's self-insured property is limited to docks and wharves. The FY2022 Financial Audit shows the District's self-insured docks and wharves to be valued at \$5,983,184. The District policy provides that a minimum of 1% of the property value not covered by outside insurance, be set aside to assure reasonable repair funds for insurance gap. The Board recommends 5% be set aside. At 5% of \$5,983,184 the Insurance Gap Contingency Fund for 2024 would contain the amount of \$299,159. 299,159

C. Property Replacement Contingency Fund - The District policy provides that a minimum of 1% of the replacement value of all property be set aside to replace worn out property when it reaches the end of its useful life. At the current property replacement cost, estimated at \$24,951,271, a 5% Contingency Fund for 2024 would be \$1,247,564. 1,247,564

D. Emergency Dredging Contingency Fund – The Corps of Engineers is responsible for maintenance dredging of the Federally-authorized sections of the Palacios Channel on a 3-year cycle. The critical nature of keeping our Channel open to maritime commerce and boat traffic make it necessary to include \$2,000,000 in a emergency contingency fund for dredging of the Channel and harbor. 2,000,000

TOTAL CONTINGENCY FUNDS: \$ 5,116,059

II. DESIGNATED FUNDS

A. Bond Debt Fund - MCND #1 completed paying this Bond August 2021. No Bond Debt Fund is needed for 2024. \$ -

B. Fund for Purchase of Property for Future Development - Should an opportunity arise for MCND#1 to purchase property that would contribute to the development of marine-related industry, business or amenities, a fund in the amount of \$2,000,000 is available to draw from for purchase of property and related expenses. 2,000,000

C. Fund for Development of Infrastructure for Undeveloped Properties – MCND #1 has approximately 725 acres of shoreline and inland property available for development. The Navigation District may elect to build infrastructure for development, including roads, utilities and lighting. A designated fund balance of \$1,500,000 is set aside for infrastructure for future development. 1,500,000

D. Fund for Repair/Upgrade Docks & Wharves Grant - Funds allocated in 2023. No funds allocated for 2024 at this time. -

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
APPROVED FY2024 COMMITTED FUND DESCRIPTIONS**

E. Development & Incentive Fund – In order to further induce a prospective tenant to locate in the Port or Commercial Center, a fund is set aside for incentive and/or development that would encourage investment in Navigation District properties. For future development and construction that may enhance or diversify District revenue, the amount of \$2,000,000 should be set aside.

2,000,000

F. Promotion & Development Fund – Under the Texas Water Code, MCND#1 is authorized to designate up to 5% of annual revenue (less tax revenue) \$1,086,537, multiplied by 5% = \$54,327 to be used for promotion and development (P&D) of the Navigation District. The Board of Commissioners will designate an amount up to 5% in order to keep no less than \$50,000 balance at the end of 2023. The budgeted funds are required to be kept in a separate bank account and restricted to P&D use only. Unused funds may remain in the account. MCND#1 will use the P&D bank account for P&D purposes in FY24 as approved by the Board of Commissioners within the FY24 Budget. Projected restricted balance at the end of 2023 is \$50,000

54,327

TOTAL DESIGNATED FUNDS:

\$ 5,554,327