



2018 Annual Budget

Commission Meeting - 12/06/17



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Operating Budget - Summary

	2016 Actual	Prior 12 Months	2017 Projected	2017 Budget	2018 Budget
Operating Revenues					
Wharfage	\$ 42,337,275	\$ 45,489,808	\$ 45,662,918	\$ 48,728,666	\$ 53,117,848
Dockage	11,970,562	12,448,959	12,910,551	13,147,692	13,513,588
Security	6,070,139	6,427,384	6,474,351	7,878,254	9,278,669
Freight Handling	2,595,153	2,580,691	2,733,878	2,462,395	2,525,080
Storage	868,440	791,464	863,055	695,500	1,423,481
Rail Charges	1,427,837	2,303,974	2,173,436	2,405,470	2,875,536
Dredging Revenue	1,908,347	1,918,286	39,239	522,686	-
Other Revenue	700,941	784,364	804,236	1,174,800	931,113
Conference Center Services	2,315,777	2,299,922	2,257,341	2,275,119	2,323,468
Building and Land Rentals	12,444,298	15,107,190	15,275,316	12,178,304	15,482,043
Foreign Trade Zone User Fees	224,000	232,000	228,333	264,000	224,000
Intergovernmental Revenues	152,412	136,448	144,684	175,454	-
Operating Revenues	83,015,181	90,520,490	89,567,338	91,908,340	101,694,826
Operating Expenses					
Employee Services	20,924,855	23,106,841	22,360,130	23,423,178	25,908,645
Maintenance	5,331,998	3,420,344	3,887,172	8,835,770	6,573,470
Utilities	1,143,054	1,168,189	1,167,464	1,074,520	1,105,231
Telephone Expense	188,870	190,602	192,154	193,036	185,859
Insurance	1,668,916	1,498,592	1,467,291	1,665,228	1,490,393
Professional Services	5,623,146	6,109,883	5,224,046	6,487,681	5,861,058
Police Expenses	21,942	19,674	24,151	49,200	55,600
Contracted Services	1,823,598	1,915,290	1,886,826	1,697,462	1,827,298
Office and Equipment Rental	266,581	305,282	297,385	279,670	298,070
Operator and Event Expenses	1,712,142	1,769,233	1,668,225	1,638,745	1,569,366
Administrative Expenses	2,579,357	2,736,996	2,651,702	3,112,159	2,765,854
Trade and Sales Development	411,404	351,837	331,517	357,546	407,516
Media Advertising	327,641	306,953	263,214	227,430	308,640
Production Expenses	23,768	33,185	35,529	44,500	36,923
Safety/Environmental Expenses	130,374	123,273	117,362	128,401	118,850
Other Expenses	271,081	255,411	294,942	200,750	207,206
Depreciation	13,140,056	12,791,495	12,554,997	13,128,071	12,581,831
Operating Expenses	55,588,783	56,103,080	54,424,107	62,543,347	61,301,810
Net Operating Income(Loss)	27,426,398	34,417,410	35,143,231	29,364,993	40,393,016



Operating Budget - Summary

	2016 Actual	Prior 12 Months	2017 Projected	2017 Budget	2018 Budget
Other Revenue(Expenses)					
Interest Income	\$ 1,184,692	\$ 2,245,353	\$ 3,337,127	\$ 1,622,700	\$ 1,369,114
Other Income	182,863	225,439	166,527	254,257	203,188
Gain(Loss) Sale of Assets	(67,639)	(18,239)	(20,170)	-	-
Interest/Bond Issuance Expenses	(2,973,844)	(2,950,343)	(4,121,752)	(4,117,573)	(4,063,293)
Other Expenses	(3,003,978)	(3,072,584)	(4,091,474)	(3,000,000)	(3,000,000)
Other Revenue(Expenses)	(4,677,906)	(3,570,374)	(4,729,742)	(5,240,616)	(5,490,991)
Net Income(Loss) Before Hillcrest	22,748,492	30,847,036	30,413,489	24,124,377	34,902,025
Hillcrest Project					
Hillcrest Expenditures	(1,904,088)	(4,832,215)	(5,294,330)	(32,369,500)	-
Hillcrest Reimbursement-TXDOT	-	-	-	30,932,000	-
Hillcrest Project Expenditures	(1,904,088)	(4,832,215)	(5,294,330)	(1,437,500)	-
Net Income(Loss) Before Contributions	\$ 20,844,404	\$ 26,014,821	\$ 25,119,159	\$ 22,686,877	\$ 34,902,025



Operating Budget – Three Years

	2018	2019	2020
Operating Revenues			
Wharfage	\$ 53,117,848	\$ 58,671,150	\$ 66,059,381
Dockage	13,513,588	14,061,015	14,692,032
Security	9,278,669	9,829,716	10,559,877
Freight Handling	2,525,080	2,575,582	2,627,093
Storage	1,423,481	1,451,951	1,480,990
Rail Charges	2,875,536	2,933,047	2,991,708
Dredging Revenue	-	-	-
Other Revenue	931,113	949,735	968,729
Conference Center Services	2,323,468	2,323,468	2,323,468
Building and Land Rental	15,482,043	15,770,043	18,416,143
Foreign Trade User Fees	224,000	224,000	224,000
Intergovernmental Revenue	-	-	-
Operating Revenues	101,694,826	108,789,707	120,343,421
Operating Expenses			
Employee Services	25,908,645	27,397,097	27,945,038
Maintenance	6,573,470	6,908,939	11,892,118
Utilities	1,105,231	1,127,336	1,149,882
Telephone Expense	185,859	189,576	193,368
Insurance	1,490,393	1,520,201	1,550,605
Professional Services	5,861,058	6,791,372	6,060,200
Police Expenses	55,600	56,712	57,846
Contracted Services	1,827,298	1,863,844	1,901,121
Office and Equipment Rental	298,070	304,031	310,112
Operator and Event Expenses	1,569,366	1,600,753	1,632,768
Administrative Expenses	2,765,854	2,821,171	2,877,595
Trade and Sales Development	407,516	415,666	423,980
Media Advertising	308,640	314,813	321,109
Production Expenses	36,923	37,661	38,415
Safety/Environmental Expense	118,850	121,227	123,652
Other Expenses	207,206	211,350	215,577
Depreciation	12,581,831	12,833,468	13,090,137
Operating Expenses	61,301,810	64,515,218	69,783,522
Net Operating Income(Loss)	40,393,016	44,274,489	50,559,899



Operating Budget – Three Years

Description	2018	2019	2020
Other Revenues(Expenses)			
Interest Income	\$ 1,369,114	\$ 930,304	\$ 93,501
Other Income	203,188	203,188	203,188
Interest/Bond Issuance Expenses	(4,063,293)	(3,980,790)	(3,878,502)
Other Expenses	(3,000,000)	(3,000,000)	-
Other Revenues(Expenses)	(5,490,991)	(5,847,298)	(3,581,813)
Net Income(Loss) Before Hillcrest	34,902,025	38,427,191	46,978,086
Hillcrest Project			
Hillcrest Expenditures	-	-	-
Hillcrest Reimbursement-TXDOT	-	-	-
Total Other Revenues(Expenses)	-	-	-
Net Income(Loss) Before Contributions	\$ 34,902,025	\$ 38,427,191	\$ 46,978,086

Capital Budget – Three Years

Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2018	2019	2020	Out Years
Strategic Projects								
Oil Docks								
1 New Public Oil Dock 20	NP	31,085,600	85,600	31,000,000	2,250,000	750,000	0	28,000,000
2 Oil Dock 14 Upgrades	NP	2,000,000	0	2,000,000	400,000	1,200,000	0	400,000
3 GCGV Berth Dredging - La Quinta	NP	3,450,000	0	3,450,000	3,450,000	0	0	0
		36,535,600	85,600	36,450,000	6,100,000	1,950,000	0	28,400,000
Dry Cargo Docks								
4 New North Bank Cargo Dock	UD	21,570,000	70,000	21,500,000	14,500,000	7,000,000	0	0
		21,570,000	70,000	21,500,000	14,500,000	7,000,000	0	0
Bulk Terminal								
5 Bulk Liquid Handling Facility at Bulk Dock 3	UC	7,720,000	5,120,000	2,600,000	2,600,000	0	0	0
6 Bulk Terminal PM/CM, Design, Studies	NP	500,000	0	500,000	250,000	250,000	0	0
7 Bulk Dock 1 - Phase I Crane Purchase	NP	9,575,000	75,000	9,500,000	6,270,000	3,230,000	0	0
8 Bulk Dock 1 - Phase I Dock Restoration (Maint Dredging, Electrical, Fenders)	NP	3,307,000	0	3,307,000	3,307,000	0	0	0
9 Bulk Dock 1 - Phase III - Import Yard (Public Pad Civil, Conveyors, Stacker)	NP	3,298,000	0	3,298,000	1,649,000	1,649,000	0	0
		24,400,000	5,195,000	19,205,000	14,076,000	5,129,000	0	0
Property and Buildings								
10 Mike Carrell Road Construction (TXDOT Reimbursement) **	UC	4,673,939	771,600	3,902,339	3,500,000	402,339	0	0
		4,673,939	771,600	3,902,339	3,500,000	402,339	0	0
Railroads								
11 Nueces River Rail Yard Phase 2(21.4/78.6) **	UC	51,131,875	45,969,875	5,162,000	5,162,000	0	0	0
		51,131,875	45,969,875	5,162,000	5,162,000	0	0	0
Total Strategic Projects		138,311,414	52,092,075	86,219,339	43,338,000	14,481,339	0	28,400,000

Channel Improvement Projects								
Canals and Basins								
12 CCSC CIP - 52 Ft Deepening and Widening (50/50) and Barge Shelves (90/10) **	UD	102,000,000	32,000,000	70,000,000	40,000,000	30,000,000	0	0
13 Pipeline Relocation for Ship Channel Deepening and Widening	NP	18,548,000	48,000	18,500,000	2,000,000	2,000,000	5,000,000	9,500,000
14 Tule Lake Foundation Removal	UC	24,700,000	11,200,000	13,500,000	13,500,000	0	0	0
		145,248,000	43,248,000	102,000,000	55,500,000	32,000,000	5,000,000	9,500,000
Total Channel Projects		145,248,000	43,248,000	102,000,000	55,500,000	32,000,000	5,000,000	9,500,000

Security Projects								
Security								
15 Security Grant 15 - Bulk Terminal Fencing(25/75) **	UC	634,800	437,949	196,851	196,851	0	0	0
16 Security Grant 15 - Security Lighting along Fulton Corridor(25/75) **	UD	290,539	5,743	284,796	284,796	0	0	0
		925,339	443,692	481,647	481,647	0	0	0
Total Security Projects		925,339	443,692	481,647	481,647	0	0	0

Capital Budget – Three Years

Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2018	2019	2020	Out Years
Supporting Infrastructure Projects								
Oil Docks								
17 Fire System Pressurization Upgrades at North Bank Oil Terminal Facilities	UC	\$ 2,600,000	\$ 200,000	\$ 2,400,000	\$ 2,400,000	\$ 0	\$ 0	\$ 0
18 Oil Dock 12 Barge Breasting Structure Upgrades	NP	310,000	0	310,000	310,000	0	0	0
19 Improvements to Fire Protection Systems at Oil Docks 4, 7, 11	UD	616,160	56,160	560,000	100,000	460,000	0	0
20 Oil Dock 1 Mooring Upgrade	NP	280,000	0	280,000	30,000	250,000	0	0
21 Structural Repairs, Cathodic Protection and Escape Route at Oil Dock 4	UD	125,000	25,000	100,000	10,000	90,000	0	0
22 Structural Repairs, Cathodic Protection and Escape Route at Oil Dock 7	UD	125,000	25,000	100,000	10,000	90,000	0	0
		4,056,160	306,160	3,750,000	2,860,000	890,000	0	0
Bulk Terminal								
23 Bulk Terminal Paving Improvements	UC	905,000	515,000	390,000	390,000	0	0	0
24 Concrete Paving under Conveyor Belt 2	UD	515,000	0	515,000	250,000	265,000	0	0
25 Equipment Storage Building	NP	850,000	0	850,000	100,000	750,000	0	0
26 New Shiploader Spout	NP	418,000	0	418,000	167,200	250,800	0	0
27 Storm Water Quality Improvements - Bulk Terminal - Phase I	UC	3,148,221	0	3,148,221	3,148,221	0	0	0
28 Storm Water Quality Improvements - Bulk Terminal - Phase II	NP	4,643,142	0	4,643,142	200,000	2,221,571	2,221,571	0
29 Automated Water System at Bulk Terminal-Dust Control	NP	1,361,551	0	1,361,551	361,551	1,000,000	0	0
		11,840,914	515,000	11,325,914	4,616,972	4,487,371	2,221,571	0
La Quinta								
30 La Quinta Waterline Extension	NP	207,000	0	207,000	20,000	187,000	0	0
		207,000	0	207,000	20,000	187,000	0	0
Canals and Basins								
31 Increase DMPA Capacity for Federal, PCCA and Third Party Use	NP	\$ 2,025,000	\$ 100,000	\$ 1,925,000	\$ 1,925,000	\$ 0	\$ 0	\$ 0
32 New Access Road to Good Hope DMPA	UD	460,000	60,000	400,000	400,000	0	0	0
33 Rincon B Mitigation Design, Construction and Monitoring	UD	665,000	35,000	630,000	550,000	20,000	0	60,000
		3,150,000	195,000	2,955,000	2,875,000	20,000	0	60,000
Property and Buildings								
34 New Port Office Building	UD	22,200,000	200,000	22,000,000	5,000,000	12,000,000	5,000,000	0
35 Aransas Corpus Christi Pilots Pier	NP	201,520	0	201,520	201,520	0	0	0
36 Roadway & Parking Improvements OD1, Avery Point Rd, South	UD	1,500,000	70,000	1,430,000	1,430,000	0	0	0
37 North Bank Dock Service Road	NP	700,000	0	700,000	200,000	500,000	0	0
38 Rincon West Storage Area Development	NP	4,850,000	50,000	4,800,000	4,800,000	0	0	0
39 Rincon East Storage Yard Improvements	NP	1,050,000	0	1,050,000	50,000	1,000,000	0	0
40 South Rincon Tract Civil Site Planning	NP	535,000	0	535,000	35,000	0	0	500,000
41 South Rincon Tract-(Brooklyn) Mitigation	NP	1,400,000	0	1,400,000	200,000	700,000	500,000	0
42 New Outfall at North Side Open Storage Area	NP	400,000	0	400,000	50,000	350,000	0	0
43 Lighting Projects(Retrofit Lighting to LED)	UD	550,000	0	550,000	250,000	150,000	150,000	0
		33,386,520	320,000	33,066,520	12,216,520	14,700,000	5,650,000	500,000
Total Supporting Infrastructure Projects		52,640,594	1,336,160	51,304,434	22,588,492	20,284,371	7,871,571	560,000

Capital Budget – Three Years

Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2018	2019	2020	Out Years
Other Projects								
Conference Center								
44 Chiller Replacement at Ortiz Center	UD	350,000	100,000	250,000	250,000	0	0	0
45 Technology Infrastructure Improvements and Upgrades	NP	500,000	0	500,000	500,000	0	0	0
		850,000	100,000	750,000	750,000	0	0	0
Administration								
46 Additional GIS Layers to Support Emergency Mgmt and Mitigation	NP	\$ 100,000	\$ 0	\$ 100,000	\$ 100,000	\$ 0	\$ 0	\$ 0
47 Intelx Software and Configuration	NP	111,287	0	111,287	111,287	0	0	0
48 EMC VNX SAN Storage Expansion	NP	40,000	0	40,000	40,000	*	0	0
49 DR Site to Site Replication and Recovery	NP	80,000	0	80,000	80,000	*	0	0
50 Network Hardware Upgrades	NP	150,000	0	150,000	150,000	*	0	0
51 Servers (12)	NP	280,000	0	280,000	280,000	*	0	0
52 UPS Production DC	NP	25,000	0	25,000	25,000	*	0	0
53 Document Management	NP	150,000	0	150,000	150,000	*	0	0
54 J D Edward Upgrade with Asset Management	NP	500,000	0	500,000	500,000	*	0	0
55 VTIS (HMO/PD/Security)	NP	500,000	0	500,000	500,000	*	0	0
56 Capital Management System	NP	150,000	0	150,000	150,000	*	0	0
57 Data Warehouse/Dashboards	NP	50,000	0	50,000	50,000	*	0	0
58 Kronos Timekeeping Software Upgrade	NP	140,000	0	140,000	140,000	*	0	0
59 Copiers	NP	84,100	0	84,100	84,100	*	0	0
		2,360,387	0	2,360,387	2,360,387	0	0	0
Port Operations								
60 Purchase of Equipment	NP	390,600	0	390,600	390,600	*	0	0
61 Purchase of Vehicles	NP	298,000	0	298,000	298,000	*	0	0
		688,600	0	688,600	688,600	0	0	0
Total Other Projects		3,898,987	100,000	3,798,987	3,798,987	0	0	0
Land Acquisition								
Property and Buildings								
62 Hillcrest Property Acquisition	NP	15,552,000	0	15,552,000	15,552,000	0	0	0
		15,552,000	0	15,552,000	15,552,000	0	0	0
Total Land Acquisition		15,552,000	0	15,552,000	15,552,000	0	0	0
Total Capital Expenditures		\$356,576,334	\$97,219,927	\$259,356,407	\$141,259,126	\$66,765,710	\$12,871,571	\$38,460,000
Less: Federal/State/Local Grant Funding **		(21,490,879)	(19,479,644)	(2,011,235)	(2,011,235)	0	0	0
Total Capital Expenditures - Port Funded		\$335,085,455	\$77,740,283	\$257,345,172	\$139,247,891	\$66,765,710	\$12,871,571	\$38,460,000

Cash Position – Three Years

	2018	2019	2020
Total Cash Reserve Funds Available, Beginning of Period	\$ 244,997,534	\$ 155,634,043	\$ 158,270,203
Less Non-discretionary Funds:			
Operating Reserve	(30,449,987)	(32,301,094)	(35,433,366)
Contingency Reserve	(10,000,000)	(10,000,000)	(10,000,000)
Self Insurance Reserve	(5,000,000)	(5,000,000)	(5,000,000)
Debt Service Reserve	(8,503,096)	(8,503,096)	(8,503,096)
Total Non-discretionary Funds	(53,953,083)	(55,804,190)	(58,936,462)
Discretionary Reserves Available, Beginning of Period	191,044,451	99,829,853	99,333,741
Sources:			
Net Income	34,902,025	38,427,191	46,978,086
Less: Amortized Prepaid Exclusivity/Capital Recovery Payments Included in Revenue	(1,898,789)	(1,898,789)	(1,898,789)
Add: Depreciation	12,581,831	12,833,468	13,090,137
Operating Cashflow	45,585,067	49,361,870	58,169,434
Grant Proceeds/Contributions	2,011,235	-	-
Capital Recovery - GCCM	-	24,570,000	-
Hillcrest Expenditures	(15,434,400)	-	-
Hillcrest Reimbursement-TXDOT	24,183,733	-	-
Additional Borrowing	-	-	-
Total Sources	56,345,635	73,931,870	58,169,434
Total Available Resources	247,390,087	173,761,723	157,503,175
Uses:			
Capital Projects:			
Strategic Projects	(43,338,000)	(14,481,339)	-
Channel Projects	(55,500,000)	(32,000,000)	(5,000,000)
Security Projects	(481,647)	-	-
Supporting Infrastructure Projects	(22,588,492)	(20,284,371)	(7,871,571)
Land Acquisition	(15,552,000)	-	-
Other Projects	(3,798,987)	-	-
Total Capital Projects	(141,259,126)	(66,765,710)	(12,871,571)
Principal Debt Service	(4,450,000)	(4,530,000)	(4,635,000)
Total Uses	(145,709,126)	(71,295,710)	(17,506,571)
Net Source(Use) of Discretionary Reserves	(89,363,491)	2,636,160	40,662,863
Discretionary Reserves Available, End of Period	101,680,961	102,466,013	139,996,604
Total Cash Reserve Funds Available, End of Period	\$ 155,634,043	\$ 158,270,203	\$ 198,933,066

Thank You!



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