

Component Unit Funds

Component unit funds are legally separate organizations for which the elected officials of the primary government are financially accountable.

Freeport Economic Development Corporation Fund (30) - This fund is used to account for revenues derived from the 0.005% local economic development sales tax, which became effective December 1999. Expenditures are restricted to specific projects outlined in State Law and overseen by the Freeport Economic Development Board.

EDC Projects Fund (31) - This fund is used to account for the various projects that have been funded by the Freeport Economic Development Corporation.

EDC Marketing Fund (33) - This fund is used to account for marketing expenditures that have been funded by the Freeport Economic Development Corporation.

Freeport Economic Development Corporation

Economic Development Fund (Fund 30)

The purpose of the Freeport Economic Development Corporation is to promote community improvements and economic development within the City and the State of Texas and the public welfare of, for and on behalf of the City by developing, implementing, providing, and financing projects under the Act as defined by Section 4B of the Act; and for all other purposes allowed by law as permitted by the Development Corporation Act as it now exists or is hereafter amended.

FY2023-2024 Achievements

Economic Development agreement with Taco Bell.
Economic Development agreement with Starbucks.
Successful Business Improvement Grant Program.
Continuing working with Architecture firm to develop the Boardwalk.

Goals & Objectives for FY2024-2025

Complete Renovations of EDC building on W Park Avenue.
Implement a Downtown Grant Program.
Collaborate with the City and private partners on the Park Improvement Project.
Partner with Retail Strategies to bring in potential retail development.
Continue to seek development for the 8.8 acre waterfront property.

Major Changes In FY2024-2025

Salaries have been increased 3% for a cost of living adjustment.
Employee retirement increased by .75%.
Health Insurance is estimated to increase 10%.

Indicators

Fund Summary

Category	FY2021-2022 Actual	FY2022-2023 Actual	FY2023-2024 Adopted Budget	FY2023-2024 Current Budget	FY2023-2024 Estimate	FY2024-2025 Adopted Budget	Increase/ (Decrease)
Revenue							
Tax - Sales Tax	\$ 1,180,898	\$ 1,235,852	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,300,000	\$ 50,000
Miscellaneous Income	5,000	21,702	-	-	24,500	-	-
Investment Earnings	16,654	112,172	25,000	25,000	100,000	75,000	50,000
Lease Income	1,700	3,250	2,000	2,000	2,000	3,000	1,000
Revenue Total	\$ 1,204,251	\$ 1,372,976	\$ 1,277,000	\$ 1,277,000	\$ 1,376,500	\$ 1,378,000	\$ 101,000
Expenditures							
Salaries	\$ 22,225	\$ 182,418	\$ 208,039	\$ 208,039	\$ 193,675	\$ 200,367	\$ (7,672)
Benefits	4,527	170,036	70,400	70,400	66,250	74,098	3,698
Supplies	2,619	13,825	14,500	14,500	5,000	14,500	-
Services	437,830	288,210	305,100	305,100	266,810	345,100	40,000
Maintenance	-	-	-	-	-	-	-
Sundry	140,926	107,937	28,200	28,200	115,200	121,200	93,000
Capital Outlay	-	-	700,000	700,000	250,000	400,000	(300,000)
Expenditures Total	\$ 608,127	\$ 762,425	\$ 1,326,239	\$ 1,326,239	\$ 896,935	\$ 1,155,265	\$ (170,974)
Beg Fund Balance*	\$ 1,583,322	\$ 2,179,446	\$ 1,719,944	\$ 1,646,192	\$ 1,646,192	\$ 1,600,757	
Revenue Less Expenditures	\$ 596,124	\$ 610,550	\$ (49,239)	\$ (49,239)	\$ 479,565	\$ 222,735	
Transfers	\$ -	\$ 1,143,805	\$ 525,000	\$ 525,000	\$ 525,000	\$ 475,000	
Ending Fund Balance*	\$ 2,179,446	\$ 1,646,192	\$ 1,145,705	\$ 1,071,953	\$ 1,600,757	\$ 1,348,492	

* (Unrestricted)

Employee Count

Position	FY2021-2022 Actual	FY2022-2023 Actual	FY2023-2024 Adopted Budget	FY2023-2024 Current Budget	FY2023-2024 Estimate	FY2024-2025 Adopted Budget	Increase/ (Decrease)
Water							
EDC Director	1	1	1	1	1	1	0
Administrative Assistant	1	0	0	0	0	0	0
Economic Development Specialist	0	1	1	1	1	1	0
Water Total	2	2	2	2	2	2	0

Freeport Economic Development Corporation				Economic Development Fund (Fund 30)			
Category	FY2021-2022 Actual	FY2022-2023 Actual	FY2023-2024 Adopted Budget	FY2023-2024 Current Budget	FY2023-2024 Estimate	FY2024-2025 Adopted Budget	Increase/ (Decrease)
Revenue							
318-300 Tax - Sales EDC	\$ 1,180,898	\$ 1,235,852	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,300,000	\$ 50,000
360-100 Interest Income	16,654	112,172	25,000	25,000	100,000	75,000	50,000
360-101 Misc Income	-	21,702	-	-	4,200	-	-
360-200 Sale of Property	5,000	-	-	-	20,300	-	-
360-600 Lease Income	1,700	3,250	2,000	2,000	2,000	3,000	1,000
Revenue Total	\$ 1,204,251	\$ 1,372,976	\$ 1,277,000	\$ 1,277,000	\$ 1,376,500	\$ 1,378,000	\$ 101,000
Expenditures							
Salaries							
100 Salaries/Wages	\$ 21,055	\$ 168,407	\$ 198,604	\$ 198,604	\$ 185,000	\$ 190,032	\$ (8,572)
165 Education	-	485	600	600	550	1,500	900
175 Longevity	-	30	135	135	25	135	-
180 Auto Allowance	-	5,500	6,500	6,500	6,500	6,500	-
181 Cell Phone Allowance	300	1,100	1,200	1,200	1,100	1,200	-
182 Moving Allowance	-	6,500	-	-	-	-	-
190 Overtime	870	396	1,000	1,000	500	1,000	-
Salaries Total	\$ 22,225	\$ 182,418	\$ 208,039	\$ 208,039	\$ 193,675	\$ 200,367	\$ (7,672)
Benefits							
201 FICA & Medicare	\$ 1,579	\$ 13,020	\$ 15,915	\$ 15,915	\$ 14,250	\$ 15,328	\$ (587)
210 Group Insurance	-	21,642	22,219	22,219	22,000	25,941	3,722
230 T M R S	2,948	128,655	31,892	31,892	30,000	32,464	572
240 Workmen's Compensation	-	-	125	125	-	125	-
250 Accrued Benefit Expense	-	6,720	-	-	-	-	-
291 Unemployment Insurance	-	-	248	248	-	239	(9)
Benefits Total	\$ 4,527	\$ 170,036	\$ 70,400	\$ 70,400	\$ 66,250	\$ 74,098	\$ 3,698
Supplies							
310 Office/Computer Supplies	\$ 1,868	\$ 12,208	\$ 7,500	\$ 7,500	\$ 2,000	\$ 7,500	\$ -
311 Postage/Shipping	-	50	500	500	150	500	-
312 Books/Publ/Subscriptions	-	434	1,000	1,000	500	1,000	-
313 Printing	-	45	500	500	100	500	-
335 Clothing	-	-	1,000	1,000	500	1,000	-
352 Furniture & Fixtures	444	684	3,000	3,000	1,000	3,000	-
399 Other Supplies	308	404	1,000	1,000	750	1,000	-
Supplies Total	\$ 2,619	\$ 13,825	\$ 14,500	\$ 14,500	\$ 5,000	\$ 14,500	\$ -
Services							
411 Water	\$ 753	\$ 799	\$ 2,000	\$ 2,000	\$ 800	\$ 2,000	\$ -
413 Professional Services	160,935	136,458	180,000	180,000	180,000	180,000	-
414 Bank Charges	85	-	100	100	-	100	-
416 Professional Fees - Auditor	-	-	4,000	4,000	-	4,000	-
417 Professional Fees - Legal	40,492	35,738	60,000	60,000	80,000	100,000	40,000
426 Physicals	-	139	-	-	-	-	-
430 Advertising	18,732	31,977	50,000	50,000	20,000	50,000	-
434 Marketing	100,111	12,010	-	-	(8,450)	-	-
435 Special Projects	111,391	66,135	-	-	(4,940)	-	-
440 Electricity	5,331	4,952	9,000	9,000	2,500	9,000	-
499 Other Services	-	-	-	-	(3,100)	-	-
Services Total	\$ 437,830	\$ 288,210	\$ 305,100	\$ 305,100	\$ 266,810	\$ 345,100	\$ 40,000
Sundry							
602 Seminars/Dues/Travel	\$ 8,268	\$ 21,663	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 5,000
605 Meal	-	-	2,000	2,000	1,000	2,000	-
629 Property Taxes	504	-	-	-	-	-	-
695 College Reimbursement	-	1,178	-	-	-	-	-
699 Other Sundry	1,100	(3,328)	1,200	1,200	1,200	1,200	-
995 Depreciation Expense	-	88,424	-	-	88,000	88,000	88,000
010 Transfer to General Fund	150,000	-	-	-	-	-	-
018 Transfer from TIRZ	(18,946)	-	-	-	-	-	-
Sundry Total	\$ 140,926	\$ 107,937	\$ 28,200	\$ 28,200	\$ 115,200	\$ 121,200	\$ 93,000
Debt Service							
700 Bond Premium	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ 40,000	\$ -
Debt Service Total	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ 40,000	\$ -
Capital Outlay							
899 Capital Outlay	\$ -	\$ -	\$ 700,000	\$ 700,000	\$ 250,000	\$ 400,000	\$ (300,000)
Capital Outlay Total	\$ -	\$ -	\$ 700,000	\$ 700,000	\$ 250,000	\$ 400,000	\$ (300,000)
Grand Total	\$ 608,127	\$ 762,425	\$ 1,366,239	\$ 1,366,239	\$ 896,935	\$ 1,195,265	\$ (170,974)

EDC Projects Fund (Fund 31)

This fund is used to account for the various projects that have been funded by the Freeport Economic Development Corporation.

Category	FY2021-2022	FY2022-2023	FY2023-2024	FY2023-2024	FY2023-2024	FY2024-2025	Increase/ (Decrease)
	Actual	Actual	Adopted Budget	Current Budget	Estimate	Adopted Budget	
Revenue							
360-100 Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures							
Services							
435 Special Projects	\$ -	\$ 151,594	\$ 1,369,684	\$ 1,369,684	\$ 500,000	\$ 1,118,785	\$ (250,899)
Services Total	\$ -	\$ 151,594	\$ 1,369,684	\$ 1,369,684	\$ 500,000	\$ 1,118,785	\$ (250,899)
Expenditures Total	\$ -	\$ 151,594	\$ 1,369,684	\$ 1,369,684	\$ 500,000	\$ 1,118,785	\$ (250,899)
Beginning Fund Balance	\$ -	\$ -	\$ 969,684	\$ 907,220	\$ 907,220	\$ 807,220	-
Revenue Less Expenditures	\$ -	\$ (151,594)	\$ (1,369,684)	\$ (1,369,684)	\$ (500,000)	\$ (1,118,785)	
Transfers	-	(1,058,814)	(400,000)	(400,000)	(400,000)	(400,000)	
Ending Fund Balance	\$ -	\$ 907,220	\$ -	\$ (62,464)	\$ 807,220	\$ 88,435	

Projects

Project	Budget FY2025	Amount	
		Spent FY2022-2024	Amount Remaining
Business Improvement Grants	\$ 300,000	\$ -	\$ 300,000
Mi Pueblito (Grant #2 Façade & Property)	8,448	-	8,448
Five Cottages (Mark Cambria)	30,000	-	30,000
Sub Total	338,448	-	338,448

Special Projects

Starbucks	150,000	50,000	100,000
Taco Bell	80,000	20,000	60,000
Parks Beautification Phase 2	320,337	-	320,337
Mainstreet Infrastructure	150,000	-	150,000
Gensler - Boardwalk Start	150,000	-	150,000
Sub Total	850,337	70,000	780,337
Total	\$ 1,188,785	\$ 70,000	\$ 1,118,785

EDC Marketing Fund (Fund 33)

This fund is used to account for marketing expenditures that have been funded by the Freeport Economic Development Corporation.

Category	FY2021-2022		FY2022-2023		FY2023-2024			FY2024-2025		Increase/ (Decrease)
	Actual		Actual		Adopted Budget	FY2023-2024 Current Budget	FY2023-2024 Estimate	Adopted Budget		
Revenue										
360-100 Interest Income	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	
Revenue Total	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	
Expenditures										
Services										
434 Marketing	\$ -		\$ 18,592		\$ 125,000	\$ 125,000	\$ 70,000	\$ 75,000	\$ (50,000)	
Services Total	\$ -		\$ 18,592		\$ 125,000	\$ 125,000	\$ 70,000	\$ 75,000	\$ (50,000)	
Expenditures Total	\$ -		\$ 18,592		\$ 125,000	\$ 125,000	\$ 70,000	\$ 75,000	\$ (50,000)	
Beginning Fund Balance	\$ -		\$ -		\$ 71,290	\$ 66,399	\$ 66,399	\$ 121,399	-	
Revenue Less Expenditures	\$ -		\$ (18,592)		\$ (125,000)	\$ (125,000)	\$ (70,000)	\$ (75,000)		
Transfers		-	(84,991)		(125,000)	(125,000)	(125,000)	(75,000)		
Ending Fund Balance	\$ -		\$ 66,399		\$ 71,290	\$ 66,399	\$ 121,399	\$ 121,399		



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