

AGENDA

Port Freeport
Finance Advisory Committee
Special Meeting
Thursday, November 17, 2022, 11:30 am - 12:45 pm
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 Finance Advisory Committee, 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.

The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/83012300354?pwd=RHN5Rk5tWjV0TDA2UXVFeTA1K1A3UT09>

Meeting ID: 830 1230 0354

Passcode: 541486

Dial by your location

1 346 248 7799 US (Houston)

Meeting ID: 830 1230 0354

Find your local number: <https://us02web.zoom.us/j/kbQfRnwov7>

1. Committee Members: Croft (Chairman), Pirtle, Giesecke
2. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
3. Roll Call.
4. Public Comment. (Public comment on any matter not on this Agenda will be limited to 3 minutes per participant and can be completed in person or by videoconference)
5. Public Testimony. (Public testimony on any item on this Agenda will be limited to 3 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.
6. Discussion regarding financial statement reporting changes.
7. Review of quarterly investment reports, portfolio allocation and investment strategies.
8. Discussion regarding contribution to fund Port reserves for capital improvements.
9. Discussion regarding renewal with Texas Association of Counties for Port Freeport Workers Compensation Policy.
10. Review of City of Freeport water meter issues and delayed billing.
11. Adjourn.

The Committee 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 Committee may go into a closed session as permitted by law regarding any item on the agenda.



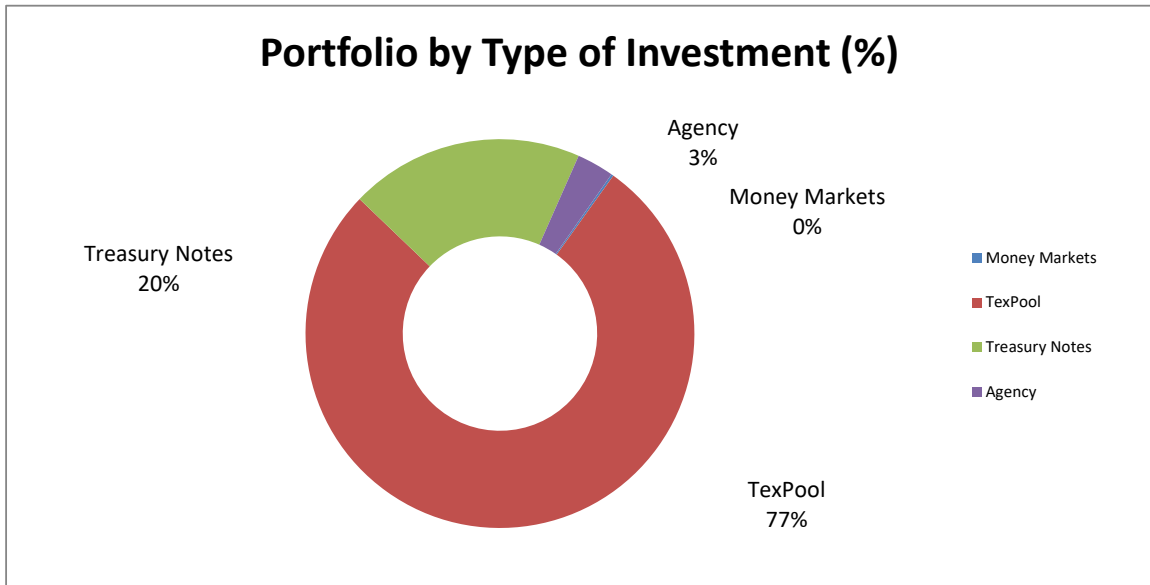
Phyllis Saathoff, Executive Director/CEO
PORT FREEPORT

In compliance with the Americans with Disabilities Act, the District will provide for reasonable accommodations for persons attending its functions. Requests should be received at least 24 hours in advance.

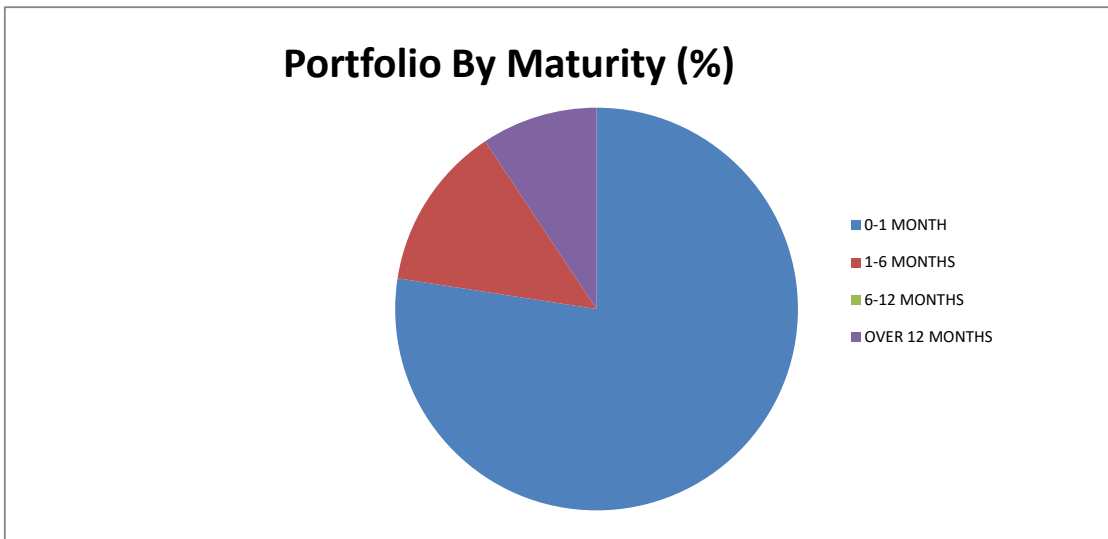
Port Freeport
Finance Committee Investment Review

Portfolio position as of 9/30/22

Money Markets	\$	145,106	0.2%
TexPool		59,281,189	77.2%
Treasury Notes		14,944,000	19.5%
Agency		2,370,000	3.1%
TOTAL	\$	76,740,295	



10/1/22-12/31/22 MATURITIES \$ -



Port Freeport
Finance Committee Investment Review

	<u>Unrestricted:</u>	<u>Restricted:</u>
Current Cash & Money Market:		
Cash & MM accounts	\$ 5,062,641	140,478
Texpool	29,526,210	29,754,979
Maturing in next 90 days:		
Oct-22	-	-
Nov-22	-	-
Dec-22	-	-
Total Funds Available	<u>\$ 34,588,851</u>	<u>\$ 29,895,457</u>
Estimated Cash Flow For Next Quarter		
Estimated Revenues	\$ 7,962,492	\$ -
Estimated expenses	(3,558,353)	
Debt Service		(3,834,760)
Port Improvement Projects, estimated	(8,500,000)	-
2019 & 2021 G.O. Bond Project Funds		<u>(6,580,882) **</u>
Total Cash Flow	<u>\$ (4,095,861)</u>	<u>\$ (10,415,642)</u>
Excess (Shortfall) Cash Available for Investment	\$ 30,492,990	\$ 19,479,815

Recommendation for excess cash- subject to market conditions:

Investments:		
Cash & MM accounts	9,466,780	140,478
Texpool	21,026,210	19,339,337
3 month investment	-	-
6-12 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
12-18 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
18 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
24 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
36 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
60 month investment	-	- Agencies,Treasuries, Municipal or CD's ☒
Total investment recommendations	<u>\$ 30,492,990</u>	<u>\$ 19,479,815</u>

☒ Subject to Market Conditions/Interest Rate Conditions and Evaluated Daily.

** Port Freeport Channel Improvement Project - subject to USACE request for funding

Port Freeport
 Finance Committee Investment Review
 rates as of: 10/19/2022

	Texpool	MM-Hilltop	CD's	Tbill/Note	Callable Agency
MM	2.9671%	2.067%			
3 month			1.350%	3.900%	
6 month			1.400%	4.350%	
12 month			2.500%	4.450%	
18 month			2.550%	4.600%	
24 month			2.650%	4.500%	5.000%
36 month			2.100%	4.500%	5.170%

Agencies Available:

- Federal Home Loan Bank -FHLB
- Fannie Mae-FNMA
- Freddie Mac - FHLMC
- Federal Farm Credit Bank - FFCB

RESOLUTION TO FUND PORT RESERVE FOR CAPITAL IMPROVEMENTS

At a regular meeting of the Port Commission of Port Freeport held in the office of said Port at 1100 Cherry Street, Freeport, Texas, on the 17th day of November 2022, among other business came on to be considered the following resolution, which upon motion duly made and seconded was adopted by the vote of all Commissioners present.

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 has levied an operation and maintenance tax rate of \$0.018144 per \$100 of assessed valuation for tax year 2022, which is expected to produce maintenance and operations tax revenues of \$3,351,718 to be applied to pay maintenance and operations expenses of the Port.
3. Pursuant to the Port's Master Resolution Approving a Revenue Financing System and the supplemental resolutions adopted thereunder, the Port may utilize revenues available after paying operations and maintenance expenses, paying debt service on outstanding revenue obligations, establishing and replenishing debt service reserve funds, and paying other obligations payable from revenues of the Port for any lawful purposes of the Port.
4. The Port previously established a Port Reserve for Capital Improvements account for the purpose of funding Freeport harbor improvements, capital and maintenance dredging, dredge disposal area improvements, land purchased and any other approved Port capital improvements or capital maintenance items.
5. The Port desires to transfer \$3,351,718 from Port revenues available following the payment of the amounts described in the paragraph 3, above, into the Port Reserve for Capital Improvements.
6. Each fiscal year, the Commission shall review such Port Reserve for Capital Improvements fund balance and approve the amount of contributions to and use of funds from such account.

NOW, THEREFORE, BE IT RESOLVED, that the Port having authorized the creation of the Port Reserve for Capital Improvements effective October 22, 2015, directs that \$3,351,718 of available revenues be placed into the Port Reserve for Capital Improvements.

M E M O R A N D U M

TO: Commissioners
Chief Executive Officer

FROM: Rob Lowe
Mary Campus

DATE: November 9, 2022

SUBJECT: Workers Compensation Insurance

The renewal of the Port's workers compensation policy with Texas Association of Counties is based on the fiscal year 2023 budget for salaries and wages. The estimated premium for 2023 is \$37,283. The final actual premium is calculated at the end of each calendar year and trued up based on actual payroll.

Texas Association of Counties is a pool of government entities that share in the workers compensation and has proven to provide the coverage at a discounted premium. The Port has utilized this service for over 27 years. We do have the coverage reviewed and priced by the Port's insurance broker to make sure it is still competitive and the best value.

PORT COMMISSION