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CADDO BOSSIER PARISHES PORT COMMISSION

Regular Board Meeting

Monday, July 13, 2020 4:30 PM

GoToMeeting Platform at the following link:

<https://global.gotomeeting.com/join/548383853>

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Access Code: 548-383-853

Commission President Roy Griggs called the Regular Board meeting of the Caddo-Bossier Parishes Port Commission to order at approximately 4:30 p.m. via Go to Meeting. He opened the meeting thanking the Commission that prayed for his family last month and said both his brothers-in-laws are doing extremely well. My God has the power to save and prayer changes things. He thanked Commissioner Bigby for chaired the meeting in his absence last month.

Commissioner Altimus led the Pledge of Allegiance.

The roll was called. Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, Thomas F. Murphy and Rick C. Prescott were present via GoToMeeting. A quorum was present.

Guests: Jacqueline Scott, Jacqueline Scott & Associates; Ed Walsh and Sarah McKinney, Romph & Pou Agency. Staff: Eric England, Dannye Malone (joined the meeting at approximately 4:39 p.m.), Gloria Washington, Tyler Comeaux, Kathy French, and Hettie Agee.

Commissioner Griggs asked if there are any public comments on agenda items. Hearing none, he called for the first item of Unfinished Business.

UNFINISHED BUSINESS:

Motion by Commissioner Altimus, seconded by Commissioner Hall, to approve the Regular Board Meeting Minutes of June 8, 2020 as submitted. Hearing no deletions or additions, motion approved by the following vocal vote: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall and Capt. Thomas F. Murphy. NAYS: 0. ABSENT: Rick C. Prescott. ABSTENTIONS: 0.

"This institution is an equal opportunity provider and employer."

MEMBERS: Roy Griggs, President; Walter O. Bigby Jr., Vice President; Bill Altimus, Secretary Treasurer; Erica R. Bryant; Sam N. Gregorio; James D. Hall; Capt. Thomas F. Murphy; Rick C. Prescott

Motion by Commissioner Altimus, seconded by Commissioner Bigby, to approve the May 2020 Financial Reports as submitted. Hearing no questions, motion approved by the following vote: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall and Capt. Thomas F. Murphy. ABSENT: Rick C. Prescott. ABSTENTIONS: 0.

Approval of Audit Committee Report of June 8, 2020: The Audit Committee meeting was called to order by Committee Chairman Bill Altimus at approximately 3:45 p.m. in the Steering Room at the Regional Commerce Center.

Committee members present: Bill Altimus, Erica R. Bryant (via telephone) and James D. Hall. Commissioner Prescott was present, and Capt. Murphy joined the meeting at 4:00 p.m.

Guests: Jerrod Tinsley and Tim Nielsen (GoToMeeting), Heard, McElroy & Vestal LLC.; Allison Jones, Attorney; Richard Jennings, CPSO. Staff: Eric England, Dannye Malone, Gloria Washington, Rick Nance, Kathy French (GoToMeeting), Layne Chenevert and Hettie Agee.

Hearing no public comments, Commissioner Altimus called for the 2019 Audit Presentation. Jerrod Tinsley made his way to the front

Jerrod said they were here in mid-March for audit field work, I believe the week before the stay at home order was started. I just want to give Gloria and Mary and everyone here that helped out a lot of credit for pushing hard that week.

Jerrod said on pg. 26, No. 1 is that an unmodified opinion was given which is a clean opinion meaning the financial statements are fairly presented in all material respects and in conformity with generally accepted accounting principles. There were no material weaknesses or significant deficiencies noted relating to the basic financials. No instances of non-compliance related to the basic financials were disclosed during the audit. Also, there was no Management Letter issued as a result of the audit.

The report is due to the Louisiana Legislative Auditor by June 30th. We'll want this approved by you and we'll get it filed timely with no issues.

We did not have any difficulties in dealing with management or with any one in finance during the conduct of the audit. There were no disagreements with management involving financial reporting. All significant accounting transactions were recorded in the proper accounting period.

Referring to pg. 3, the Statement of Net Position, these charts show the last five years. Total assets increased \$21.6M or 10% up to \$235M for 2019. You'll see cash is the main reason it's up about \$20M compared to the prior year which is because of the issuance of the Tax Revenue bonds in 2019, a little over \$17M. Investments increased a little over \$2M. Capital Assets remained consistent and you did have \$6.4M in Capital Expenditures during the year which was

offset by Depreciation Expense of \$6.6M. Most of the Capital Projects were warehouse expansion, railway additions, security upgrades, various equipment purchases during the year.

Total Liabilities increased a little over \$19M, to \$59M. Again, that's due to issuing the bonds during 2019. Accounts Payable increased a little over \$2M but that's basically the timing of some capital project invoices. You'll see the Long-Term Debt increased a little over \$16M net which was the \$17.25M in the new bonds and approximately \$900,000 in debt payments made on other bonds throughout the year. Net Assets increased a little over \$2M to \$176M in total. On pg. 5 gives a quick summary of how those changed with a combination of \$300,000, the net Income from operations. There was about \$2M in contributed capital from RRWC. In 2015 Net Assets were \$154M so there's been a 15% increase. Turning to pg. 4, Statement of Revenues and Expenses, total operating revenues decreased \$3.2, \$14.7. Lease Rentals, Oil and Gas increased by a little over \$500,000 during the year compared to 2018. Port Operations expenses decreased \$1.5M which was a result of the outsourcing of the railway activity to Rail Link during the year, mainly going to be your switching and storage charges. The Operating Expenses decreased by almost \$1M, about 5%. There was a decrease in Depreciation, Amortization of about \$450,000. There was also a decrease in the Port Maintenance of over \$800,000 which a lot of that you had a lot of railway repairs and refurbishments in 2018 and didn't have those in 2019. Nonoperating Revenues (expenses) changed by \$100,000. There was an increase in interest expense from the issuance of the new bonds. So overall, Net Income is a little over \$300,000.

I did want to mention the Louisiana Legislative Auditor, the Agreed Upon Procedures Engagement. These are procedures prescribed by the State and is the 3rd year of implementation. There were a few tweaks some of the procedures this year but nothing significant. It's quite a bit of detail and work to do on that. There was only one exception and it was a repeat from the prior year which was the disbursements. The same individual responsible for processing payments has the ability to add vendors into the system. All of these mitigating controls are going to be the Internal Review that the Port has and also the use of the Positive Pay system to the financial institution. This report is submitted along with the Audit Report to the LLA. Does anyone have any questions? Commissioner Altimus called for questions.

Mr. England said we need a recommendation from the Audit Committee to the Board for adoption so we can meet this State Legislative Auditor's deadline of June 30th.

Motion by Commissioner Hall, seconded by Commissioner Bryant to approve the 2019 Audit report and recommend it to the Board. Hearing no public comments or questions, the motion was approved by the following vote: AYES: Commissioners: Bill Altimus, Erica R. Bryant and James D. Hall. NAYS: 0. ABSENT: 0. ABSTENTIONS: 0.

Hearing no further questions, the Audit Committee adjourned at approximately 4:06 p.m.

Motion by Commissioner Altimus, seconded by Commissioner Bryant, to approve the Audit Committee Report of June 8, 2020 as submitted. Hearing no deletions or additions, motion approved by the following vote: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall and Capt. Thomas F. Murphy. ABSENT: Rick C. Prescott. ABSTENTIONS: 0.

NEW BUSINESS:

RESOLUTION NO. 10 OF 2020

BY THE CADDO-BOSSIER PARISHES PORT COMMISSION:

A RESOLUTION TO DECLARE CERTAIN PROPERTY SURPLUS AND AUTHORIZE THE SALE OF SURPLUS PROPERTY OWNED BY THE CADDO-BOSSIER PARISHES PORT COMMISSION, AND TO OTHERWISE PROVIDE WITH RESPECT THERETO:

WHEREAS, the Caddo-Bossier Parishes Port Commission (the "Commission") owns the following immovable property, equipment and materials that are no longer being used or needed for public purposes:

<u>Number Available</u>	<u>Description of Item</u>
1	Black HP LaserJet toner cartridge 647A CE260A
1	Cyan HP LaserJet compatible toner cartridge 648A CE261A
1	Cyan HP LaserJet compatible toner cartridge 648X CE261X
2	Black HP LaserJet compatible toner cartridge 649X CE260X
1	Yellow HP LaserJet compatible toner cartridge 648A CE262A
1	Yellow HP LaserJet compatible toner cartridge 648X CE262X
1	Magenta HP LaserJet compatible toner cartridge 644A CE263A
1	Magenta HP LaserJet compatible toner cartridge CE263X 648X
1	House located at 10166 Harts Island Road, which includes approximately 3,567 SF of HVAC space with a connected carport and back patio. All appliances and appurtenances in the house shall be included, except for the Guardian Generator and associated switches inside of the electrical room in the house.

- 1 Guardian 17 KW (21 KW surge) Generator located at 10166 Harts Island Road along with the electrical connections/switches inside of the house for power conversion. The Generator includes all the items within the current configuration (no outside parts provided by the Commission) necessary for the generator to properly switch from provided power via a utility source to generator power.

WHEREAS, the Commission no longer needs the above-described immovable property, equipment and materials and such immovable property, equipment and materials should be deemed surplus, obsolete, or unusable for the present and future obligations of the Commission; and

WHEREAS, the Commission is authorized to dispose of certain immovable property, equipment, and materials by public auction; and

WHEREAS, the Commission desires to dispose of the above-described immovable property, equipment, and materials, by public auction.

NOW, THEREFORE, BE IT RESOLVED by the Caddo-Bossier Parishes Port Commission in due, legal, and regular session convened that the above-described property is deemed no longer needed for the Commission's public purposes and is declared surplus property.

BE IT FURTHER RESOLVED that the items described above shall be disposed of by public auction and sold on an "as is" basis, without warranty of title or recourse whatsoever.

BE IT FURTHER RESOLVED that any of the above items which are offered for sale at the public auction and are not sold may be disposed of by selling such items to a salvage or scrap dealer or other entity for the current market price.

BE IT FURTHER RESOLVED that the Commission has fixed the minimum price for the sale of the aforementioned immovable property, equipment and materials at Six Thousand Eight Hundred and No/100 (\$6,800.00) Dollars.

BE IT FURTHER RESOLVED that notice of this Resolution and the proposed sale shall be published once at least fifteen (15) days prior to the date of the sale in the official journal of the Commission.

BE IT FURTHER RESOLVED that the Executive Port Director or his designee shall be authorized to do any and all things and to sign any and all contracts and other documents in a form acceptable to the General Counsel/Chief Legal Officer necessary to effectuate the purposes set forth herein.

BE IT FURTHER RESOLVED, that if any provision or item of this Resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Resolution which can be given effect without the invalid provisions, items or applications, and to this end the provisions of this Resolution are hereby declared severable.

BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption.

BE IT FURTHER RESOLVED that all Resolution or parts thereof in conflict herewith are hereby repealed.

Approved as to legal form and content:

/s/ Dannye W. Malone

Dannye W. Malone

July 7, 2020

Date

Mr. England said before we can dispose of property, we have to first declare it surplus. Our plan is to auction these two major items by Lawler Auction.

Motion by Commissioner Gregorio, seconded by Commissioner Bigby, to approve Resolution 10 of 2020. Hearing no questions, motion approved by the following vote: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, Capt. Thomas F. Murphy and Rick C. Prescott. ABSTENTIONS: 0. (To be printed in The TIMES).

TELECOMMUTING POLICY: Mr. England said given the Covid 19 and other infectious diseases we are facing, the Port Commission, and working through the Personnel Committee has drafted a Telecommuting Policy. It codifies the process for the Port Commission to follow in the event that we either have an emergency or a voluntary declaration, it sets forth rules and procedures. It is our plan, with the adoption of this policy today, we'll incorporate it into our existing Employee Handbook. Will be glad to answer any questions or address any comments regarding the policy. It's recommended for adoption at this time and also the Personnel Committee recommended its adoption as well. Commissioner Griggs called for questions.

Motion by Commissioner Prescott, seconded by Commissioner Hall, to approve the Telecommuting Policy. Hearing no questions, motion approved by the following vote: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., Bill Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, Capt. Thomas F. Murphy and Rick C. Prescott. ABSTENTIONS: 0.

PORT DIRECTOR'S REPORT: Mr. England provided an update on matters related to operations and projects.

Commissioner Griggs said Eric, thank you for your leadership and your staff for the great work during this very difficult time, in this time of history that we've never experienced before. So, my hat's off to you and your team.

Commissioner Griggs said if there's nothing else, at this time we'll stand adjourned at 4:52 p.m.

Respectfully submitted,

Bill Altimus
Secretary-Treasurer

Regular Board Meeting, Monday, August 10, 2020
Regional Commerce Center, 6000 Doug Attaway Blvd.
Shreveport, Louisiana 71115