

**PORT OF GALVESTON
REQUEST FOR DISCUSSION**

BUSINESS ITEM

SUBJECT: Discuss and Consider Timely Notifications of Important Issues to the Board and Timely Responses in Answering Questions

DISCUSSION: This item was placed on the agenda for Trustee consideration by Trustee O'Rourke and Trustee Patterson.

Rat

Angie Ramirez

From: Ted ORourke <ted_orourke20@hotmail.com>
Sent: Wednesday, April 7, 2021 10:27 AM
To: Rodger Rees
Cc: Angie Ramirez; ebarragan@portofgalveston.com; Mark Murchison
Subject: Re: Follow up questions on ACFR and cash

Is anyone going to answer these questions I sent in last week. Thanks

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From: Ted ORourke
Sent: Wednesday, March 31, 2021 1:23:02 PM
To: Rodger Rees <rrees@portofgalveston.com>
Cc: Angie Ramirez <aramirez@portofgalveston.com>; ebarragan@portofgalveston.com <ebarragan@portofgalveston.com>; Mark Murchison <mmurchison@portofgalveston.com>
Subject: Follow up questions on ACFR and cash

Rodger, I have three follow-up questions on the 2020 financials presented at yesterday's meeting.

1. I understood that the \$1.18 million was invested in T-bills but still don't understand why the cash flow statement and the bank reconciliation report for total cash do not reflect that investment change on the December 31, 2020 reports provided in the January 2021 board book. It also doesn't seem to be reflected in the January 31, 2021 reports presented for the February board book (March 2, 2021 meeting).

Any help understanding this will be greatly appreciated.

2. Can someone please provide me with a report that shows amounts paid by Royal Caribbean, dates paid, and the description of the payments in 2020? The port provided this type of report for the past mayor when he was on the board for a different vendor.

It is my understanding that there is no promissory note (just a verbal agreement) as to the total amount actually owed by RCL. Hopefully, this report can answer some of my questions and close this issue.

3. If the ending operating cash flow metric can be off by as much as \$2 million, is monthly operating cash flow the most reliable metric? Wouldn't net income be a more reliable metric for making financial decisions?

If I understand it correctly, it appears the positive cash flow is mainly due to the great collections from the finance dept. on accounts receivable which pumped up cash.

Tony, can you please forward to all board members?

Thanks,

Ted

Sent from [Mail](#) for Windows 10

