BOARD OF COMMISSIONERS OF
THE PORT OF NEW ORLEANS

FINANCIAL STATEMENTS

JUNE 30, 2022 and 2021

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INDEPENDENT AUDITORS' REPORT

The Board of Commissioners of the
Port of New Orleans
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Board of Commissioners of the Port of New Orleans (the "Board") as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Board as of June 30, 2022 and 2021, and the respective changes in financial position, and cash flows, thereof, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board, to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 16 to the financial statements, in 2022 the Board adopted new accounting guidance, GASBS No. 87, *Leases,* which resulted in a cumulative effect of change in accounting principle of $2,762,289 to the June 30, 2021 net position. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-10 and other required OPEB and pension schedules on pages 52–54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The consolidating statement of net position, consolidating statement of revenues, expenses and change in net position, schedule of compensation, benefits, and other payments to the agency head, and revenue bonds debt coverage schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these consolidating statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 27, 2022, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

December 27, 2022
Metairie, Louisiana

This section of the Board of Commissioners of the Port of New Orleans (Board) annual financial report presents a discussion and analysis of the Board's financial performance for the fiscal year ended June 30, 2022. The Board is a political subdivision of the State of Louisiana formed in 1896 which operates the Port of New Orleans (Port). The New Orleans Public Belt Railroad Commission for the Port of New Orleans (Railroad Commission or NOPB) is a parallel political subdivision of the State and funds are consolidated for financial reporting by legislative authority. The Board and Railroad Commission are considered special purpose entities and as such reports transactions related to their activities similar to those found in the private sector. Please read it in conjunction with the Board's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Board's financial performance for the fiscal year ended June 30, 2022 continued its recovery from the global COVID-19 pandemic but was impacted by Hurricane Ida on August 29, 2021. Operating revenues for the fiscal year ended June 30, 2022 were $111 million with increases in all operations due mainly to rebounding from the economic effects of COVID-19. Ocean going cruise operations began returning on September 2021 and revenues significantly increased accordingly. Operating expenses, excluding depreciation decreased by $1.5 million due mainly from GASB 68 entries for pension expenses offset by increases in labor, maintenance costs, and insurance. Net operating income before depreciation was $42.8 million compared to $20.2 million for the fiscal year ended June 30, 2021.

The Board's non-operating revenues (expenses) increased $36.7 million due to the receipt of $27.8 million in Port Relief funds established by the State of Louisiana using American Rescue Plan Funds from the Federal government and $6.0 million gain recognized due to insurance proceeds received for Hurricane Ida in excess of spending as of June 30, 2022. These were offset by a non-cash mark to market loss on investments of $324,000 due to rising interest rates. In addition, the Board's miscellaneous expenses were $3.7 million due mainly for pre-permit spending on the Louisiana International Terminal.

The Board's net position for the fiscal year ended June 30, 2022 increased by $49.7 million to $697.9 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and reports on compliance and internal control over financial reporting.

The Board's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units and implements applicable GASB pronouncements. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Position. The statement of net position presents financial information on all of the Board's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating. The statement of activities presents information showing how the Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal periods (e.g., earned but unused vacation leave). The financial statements are designed to provide readers with a broad overview of the Board's finances, in a manner similar to a private sector business. The financial statements provide both long and short-term information about the Board's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

FINANCIAL ANALYSIS

Net Position

The Board's total assets and deferred outflows of resources at June 30, 2022 are $1.24 billion. This represents an increase of $23.4 million from the prior year. Total liabilities and deferred inflows are $540.5 million for a decrease of $26.3 million from the prior year. Total net position is $697.9 million, an increase of $49.7 million from the fiscal year ended June 30, 2021 (See Table 1). The comparison of fiscal year 2021 to 2020 indicated an increase of $305.7 million in total assets and deferred outflows and a decrease of approximately $9.4 million in net position.

Table 1
Statements of Net Position
(In thousands)

	2022	**2021***	**Change**	**2020**
		(Restated)		
Current assets	**$ 144,926**	$ 120,873	$ 24,053	$ 101,787
Restricted assets	**75,071**	96,778	(21,707)	12,466
Leases receivable, non-current	**145,123**	158,069	(12,946)	-
Capital assets, net	**860,313**	817,288	43,025	781,013
Other assets	**1,665**	2,431	(766)	144
TOTAL ASSETS	**1,227,098**	1,195,439	31,659	895,410
DEFERRED OUTFLOWS OF RESOURCES	**11,343**	19,650	(8,307)	14,020
Current liabilities	**66,498**	52,267	14,231	30,442
Net pension liability	**33,155**	54,550	(21,395)	50,106
Total other post-employment benefit liability, net of current portion	**8,121**	10,766	(2,645)	10,274
Revenue bonds payable	**228,374**	234,539	(6,165)	149,786
Other non-current liabilities	**34,315**	37,586	(3,271)	10,054
TOTAL LIABILITIES	**370,463**	389,708	(19,245)	250,662
DEFERRED INFLOWS OF RESOURCES	**170,057**	177,124	(7,067)	1,085
Net investment in capital assets	**597,839**	549,534	48,305	631,095
Restricted	**75,071**	96,779	(21,708)	12,466
Unrestricted	**25,011**	1,944	23,067	14,122
TOTAL NET POSITION	**$ 697,921**	$ 648,257	$ 49,664	$ 657,683

* 2021 Restated due to implementation of GASB Statement No. 87, *Leases*.
2020 amounts do not include any adjustments related to this implementation.

The item, "net investment in capital assets," consists of capital assets net of accumulated depreciation and reduced by the amount of outstanding indebtedness (offset by the cash related to unspent bond proceeds) attributable to the acquisition, construction, or improvement of those assets.

For the fiscal year ended June 30, 2022, current assets increased by $24 million or 19.9% due to an increase in cash and investments from the Port Relief Fund and insurance proceeds, increase in government receivables mainly from construction projects partially funded with State funds, and general increases in inventories and prepaid insurance expenses. Non-current assets increased by $7.6 million mainly due to an increase in assets due to various construction projects including the purchase of four new ship to shore container cranes and associated construction projects and the continued acquisition of land for the planned Louisiaa International Container Terminal in Violet, Louisiana offset by the reduction in leases receivable due to expected amortization of existing leases.

For the fiscal year ended June 30, 2021, current assets increased by $19.1 million and non-current assets increased by $281.0 million.

For the fiscal year ended June 30, 2022, current liabilities increased $14.2 million or 27.2% due to the additional $11 million line of credit for the acquisition of land. Non-current liabilities decreased by $33.4 million or 9.9% mainly due to the reduction in net pension liability and principle payments on debt. .

For the fiscal year ended June 30, 2021, current liabilities increased $21.8 million and non-current liabilities increased by $117.2 million

Changes in Net Position

Net position for the year ended June 30, 2022, increased by $49.7 million due mainly from operating income, proceeds from the Louisiana Port Relief funds and capital contributions.

Capital contributions decreased by $129 thousand for the fiscal year ended June 30, 2022 as reimbursements from other governmental units were lower due to timing of projects reimbursable from various State and Federal grant funding.

Net position for the year ended June 30, 2021, decreased $9.4 million.

The changes in net position are detailed in Table 2.

Table 2
Changes in Net Position
(In thousands)

	2022	2021* (Restated)	Change	2020
OPERATING REVENUES				
Terminal operations	**$ 46,397**	$ 40,649	$ 5,748	$ 44,040
Rail operations	**40,893**	34,756	6,137	30,325
Cruise and tourism	**8,945**	402	8,543	10,525
Real estate and miscellaneous	**14,825**	14,187	638	10,173
TOTAL OPERATING REVENUES	**111,060**	89,994	21,066	95,063
OPERATING EXPENSES				
Operating expenses	**68,220**	69,756	(1,536)	71,133
Depreciation	**30,577**	30,462	115	29,637
TOTAL OPERATING EXPENSES	**98,797**	100,218	(1,421)	100,770
OPERATING INCOME (LOSS)	**12,263**	(10,224)	22,487	(5,707)
NON-OPERATING REVENUES (EXPENSES)				
Investment income (loss)	**(324)**	356	(680)	1,956
Interest expense	**(9,451)**	(9,154)	(297)	(6,298)
Hurricane gain (loss)	**5,975**	(37)	6,012	(36)
Gain (loss) on disposal of assets	**1,398**	(4,762)	6,160	61
Demolition costs	**-**	(832)	832	-
Port relief fund income	**27,801**	-	27,801	-
Miscellaneous, net	**(3,672)**	(578)	(3,094)	2,497
TOTAL NON-OPERATING (EXPENSES) REVENUES, NET	**21,727**	(15,007)	36,734	(1,820)
INCOME (LOSS) BEFORE CONTRIBUTIONS	**33,990**	(25,231)	59,221	(7,527)
CAPITAL CONTRIBUTIONS	**15,675**	15,804	(129)	(1,295)
CHANGE IN NET POSITION	**49,665**	(9,427)	59,092	(8,822)
NET POSITION, BEGINNING OF YEAR, as restated	**648,256**	657,683	(9,427)	666,505
NET POSITION, END OF YEAR	**$ 697,921**	$ 648,256	$ 49,665	$ 657,683

* 2021 Restated due to implementation of GASBS Statement No. 87, *Leases*.
2020 amounts do not include any adjustments related to this implementation.

For the year ended June 30, 2022, the Board's operating expenses decreased approximately $1.5 million or 2.2%. The major categories of decrease were pension expenses offset by increased in maintenance expenses, insurance and other costs as the Board began the return to normal operations as it recovered from the COVID-19 pandemic. The Board also had a significant reduction in claims expenses due to increased safety measures, lower self-retention for insurance policies and lower than expected claims cost.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the Board had invested $860.3 million in capital assets net of accumulated depreciation; $708.8 million in Port capital assets and $151.5 million in NOPB capital assets. As compared to the prior year, this amount represents an increase (including additions and disposals) of $43 million in capital assets.

Debt Administration

The Board made its regularly scheduled payments on its Port Facility Revenue Bonds and other obligations. Total bond debt payments, principal and interest for the fiscal year ended June 30, 2022 were $14.3 million.

All bond debt and lease covenants have been met.

Additional detailed information relating to capital assets and debt administration is presented in the financial statements and Note 5, "Capital Assets, Net" and Note 6, "Non-Current Liabilities".

ECONOMIC FACTORS

General cargo volumes were generally increasing for over ten fiscal years ending FY2020; however due to economic and supply chain issues related to the recovery from the COVID-19 pandemic, cargo volumes decreased in FY2022. Specifically, related to cargo volumes, Port container volumes decreased approximately 118,000 units or 21.6% when comparing to the fiscal year ended June 30, 2021. However, breakbulk volumes also decreased approximately 1.3 million tons or 102.3% in the fiscal year ended June 30, 2022.

Rail volumes increased by approximately 5,000 railcars or 3.4% as Class-1 railroad activity continued to increase.

The cruise sector was on track to set record passenger counts at the Port until COVID-19 began in March 2020, which completely shut down cruise traffic. By the end of the fiscal year 2022, passenger volumes increased to approximately 563,000 passengers as ocean going cruises returned in September, 2021. In comparison, the Port had approximately 6,000 passengers the fiscal year ended June 30, 2021 due to a limited number of river cruises operating due to COVID 19.

Board real estate revenues for the fiscal year ended June 30, 2022 increased by approximately $638 thousand, or 4.5%, as volume rents recovered from COVID-19 Impacts.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, the public, patrons, and other interested parties with a general overview of the Board's finances and to demonstrate the Board's accountability for the funds received. If you have any questions about this report or need additional financial information, contact Ronald Wendel, Jr., Executive Vice-President, Chief Financial Officer at (504) 528-3559.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
STATEMENTS OF NET POSITION

As of June 30,		***2022***		*2021*
				as restated
ASSETS				
Current Assets:				
Cash and cash equivalents	**$**	**22,814,572**	$	22,077,744
Investments		**59,780,683**		45,705,329
Accounts receivable, net		**23,862,907**		18,775,624
Due from other governments		**3,624,629**		364,045
Leases receivable		**19,158,688**		20,006,163
Stores inventory		**8,207,882**		7,844,397
Prepaid items		**7,476,323**		6,099,214
Total Current Assets		**144,925,684**		120,872,516
Non-Current Assets:				
Restricted revenue bond accounts - investments		**75,071,397**		96,778,405
Leases receivable, non-current		**145,122,985**		158,068,807
Capital assets - net		**860,312,893**		817,288,016
Other assets		**1,664,780**		2,431,437
Total Non-Current Assets		**1,082,172,055**		1,074,566,665
Total Assets		**1,227,097,739**		1,195,439,181
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding		**3,867,604**		4,242,530
Deferred amounts related to total OPEB liability		**1,495,299**		2,005,679
Deferred amounts related to net pension liability		**5,980,112**		13,401,650
Total Deferred Outflows of Resources	**$**	**11,343,015**	$	19,649,859

(Continued)

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
STATEMENTS OF NET POSITION

As of June 30,		**2022**		2021 *as restated*
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	**$**	**12,526,406**	$	11,244,898
Revenue bonds payable - current		**5,100,000**		4,970,000
Line of credit		**30,000,000**		19,000,000
Financing leases payable - current		**2,000,000**		149,844
Accrued interest payable		**2,422,714**		1,606,336
Unearned income		**5,216,256**		5,387,413
Compensated absences payable - current		**1,093,374**		1,150,958
Workers compensation and casualty reserve - current		**1,704,168**		2,719,226
Payable to LASERS for HPERS - current		**-**		113,185
Total other post employment benefit liability - current		**1,036,468**		1,109,909
Other liabilities		**5,398,876**		4,815,115
Total Current Liabilities		**66,498,262**		52,266,884
Non-Current Liabilities:				
Revenue bonds payable		**228,373,951**		234,539,220
Financing leases payable		**28,000,000**		30,000,000
Net pension liability		**33,155,400**		54,550,265
Total other post employment benefit liability		**8,120,849**		10,766,490
Compensated absences payable		**1,508,718**		1,336,555
Workers compensation and casualty reserve		**355,223**		1,799,323
Environmental remediation liability		**4,450,241**		4,450,241
Total Non-Current Liabilities		**303,964,382**		337,442,094
Total Liabilities		**370,462,644**		389,708,978
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to leases		**158,569,026**		175,312,681
Deferred amounts related to total OPEB liability		**1,696,986**		156,333
Deferred amounts related to net pension liability		**9,790,962**		1,655,038
Total Deferred Inflows of Resources		**170,056,974**		**177,124,052**
NET POSITION				
Net investment in capital assets		**597,838,630**		549,533,625
Restricted for revenue bond debt service and construction funds		**75,071,397**		96,778,405
Unrestricted net position		**25,011,109**		1,943,980
TOTAL NET POSITION	**$**	**697,921,136**	$	648,256,010

(Concluded)

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended June 30,		***2022***		*2021*
				as restated
OPERATING REVENUES				
Terminal operations	**$**	**25,862,558**	$	20,683,612
Terminal operations - rentals		**20,534,881**		19,965,650
Cruise and tourism		**8,945,073**		401,796
Switching		**28,240,738**		23,500,199
Real estate rentals		**9,665,373**		8,798,358
Railcar repair		**1,657,641**		1,751,763
Railcar storage		**4,484,595**		4,192,455
Bridge charges		**6,509,811**		5,311,536
Lease interest income		**5,033,629**		5,275,027
Miscellaneous		**125,882**		114,006
Total Operating Revenues		**111,060,181**		89,994,402
OPERATING EXPENSES				
Payroll and benefits:				
Payroll expense		**30,540,967**		30,406,356
Pension expense (benefit)		**(783,935)**		5,182,087
Other benefits expense		**10,074,201**		9,949,741
Total Payroll and Benefits		**39,831,233**		45,538,184
Other operating expenses:				
Travel, promotion and advertising		**843,078**		368,511
Professional fees		**1,526,881**		1,726,422
Utilities		**3,632,592**		3,426,487
Maintenance agreements		**2,969,949**		2,646,841
Maintenance expenses		**10,127,445**		8,369,591
Other costs		**4,124,872**		2,878,697
Capital allocations		**(1,479,641)**		(1,044,231)
Security fees		**(1,196,208)**		(875,116)
Insurance		**7,378,990**		6,078,571
Workers' compensation and casualty losses		**460,952**		642,064
Total Other Operating Expenses		**28,388,910**		24,217,837
Depreciation		**30,576,861**		30,462,088
Total Operating Expenses		**98,797,004**		100,218,109
OPERATING INCOME (LOSS)	**$**	**12,263,177**	$	(10,223,707)

(Continued)

The accompanying notes are an integral part of these financial statements.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended June 30,		***2022***		*2021*
				as restated
NON-OPERATING REVENUE (EXPENSES)				
Investment income (loss)	**$**	**(323,931)**	$	356,382
Interest expense		**(9,450,567)**		(9,153,807)
Hurricane gain (loss)		**5,975,628**		(37,275)
Gain (loss) on disposal of assets		**1,397,525**		(4,761,927)
Demolition costs		**-**		(832,145)
Port relief fund income		**27,800,589**		-
Miscellaneous, net		**(3,672,476)**		(578,054)
Total Non-Operating Revenue (Expense), net		**21,726,768**		(15,006,826)
INCOME (LOSS) BEFORE CONTRIBUTIONS		**33,989,945**		(25,230,533)
CAPITAL CONTRIBUTIONS				
Capital contributions		**15,675,181**		15,803,797
CHANGE IN NET POSITION		**49,665,126**		(9,426,736)
NET POSITION, BEGINNING OF YEAR		**648,256,010**		657,682,746
NET POSITION, END OF YEAR	**$**	**697,921,136**	$	648,256,010
				(Concluded)

STATEMENTS OF CASH FLOWS

For the Years Ended June 30,	***2022***	*2021*
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	**$ 102,169,561**	$ 80,078,966
Payments to suppliers	**(29,956,736)**	(23,358,042)
Payments to employees	**(30,368,804)**	(30,408,770)
Payments to benefits on behalf of employee	**(15,966,487)**	(15,485,743)
Net Cash Provided By Operating Activities	**25,877,534**	10,826,411
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from Port Relief Fund	**27,800,589**	-
Net Cash Provided By Noncapital Financing Activities	**27,800,589**	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Expenditures for acquisition and construction of capital assets	**(87,563,413)**	(80,898,430)
Capital projects reclassified to repair projects	**9,719,148**	9,399,756
Capital contributions from other governments	**15,675,181**	15,803,797
Financial assistance from other governments	**1,967,576**	(578,054)
Proceeds from issuance and refinancing of bonds	**11,000,000**	139,742,160
Payment on refunded bonds and escrow accounts	**(4,744,918)**	(3,317,464)
Repayments of principal borrowed to finance acquisition and construction of capital assets	**816,378**	226,149
Interest paid on amounts to finance acquisition and construction of financed purchases	**(10,515,836)**	(9,153,807)
Demolition costs and other	**-**	(832,145)
Hurricane gain (costs)	**3,396,866**	(37,275)
Net Cash Provided By (Used In) Capital and Related Financing Activities	**(60,249,018)**	70,354,687
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(28,064,986)**	(143,072,085)
Proceeds from sales and maturities of investments	**35,138,329**	72,504,650
Investment income received	**234,380**	356,382
Net Cash Provided By (Used In) Investing Activities	**7,307,723**	(70,211,053)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**736,828**	**10,970,045**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**22,077,744**	11,107,699
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 22,814,572**	$ 22,077,744

(Continued)

The accompanying notes are an integral part of these financial statements.

For the Years Ended June 30,	***2022***	*2021*
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	**$ 12,263,177**	$ (10,223,707)
Adjustments to reconcile operating income (loss) from operations to net cash provided by operating activities:		
Depreciation	**30,576,861**	30,462,088
Workers compensation reserve	**(2,459,158)**	(1,246,836)
Changes in assets, deferred outflows, liabilities, and deferred inflows relating to operating activities:		
Accounts and insurance receivable	**(2,508,521)**	(2,657,284)
Due from other governments	**(3,260,584)**	1,243,526
Leases receivable	**13,793,297**	(178,074,970)
Stores inventories	**(363,485)**	306,303
Prepaid items	**(1,377,109)**	(747,807)
Other assets	**766,657**	(2,287,634)
Deferred outflow of resources related to total OPEB liability	**510,380**	(741,154)
Deferred outflow of resources related to net pension liability	**7,421,538**	(5,263,319)
Accounts payable	**1,281,508**	(1,242,211)
Unearned income	**(171,157)**	(427,853)
Other liabilities	**583,761**	766,518
Net pension liability	**(21,394,865)**	4,444,010
Payable to LASERS for HPERS (note 10)	**(113,185)**	(141,647)
Post-employment benefit liability	**(2,719,082)**	564,452
Compensated absences payable	**114,579**	55,170
Environmental remediation	**-**	(74)
Deferred inflow of resources related to leases	**(16,743,655)**	175,312,681
Deferred inflow of resources related to net pension liability	**1,540,653**	(22,333)
Deferred inflow of resources related to total OPEB liability	**8,135,924**	748,492
Net Cash Provided By Operating Activities	**$ 25,877,534**	$ 10,826,411

SUPPLEMENTAL DISCLOSURE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Accrual of environmental remediation expense	**$ -**	$ (74)

(Concluded)

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Board of Commissioners of the Port of New Orleans (the "Board") is an independent political subdivision of the State of Louisiana, which is authorized by Louisiana Revised Statutes 34:1-47. The Port is governed by a Board of Commissioners consisting of seven members appointed by the Governor. The Board has all the powers and privileges granted to it by the constitution and statutes of the State of Louisiana including, but not limited to, the authority to incur debt, to issue bonds, to construct and maintain wharves and landings, and to charge fees for the use of the wharves and other facilities administered by the Port of New Orleans (the "Port"). The Board also administers the New Orleans Public Belt Railroad (the "NOPB"), a Class III shortline railroad that connects the Port to six Class 1 railroads.

The New Orleans Public Belt Railroad Commission for the Port of New Orleans (the "Railroad Commission") is a political subdivision of the State, duly organized and created pursuant to Section 4530(A) of Title 33 of the Louisiana Revised Statutes of 1950, as amended. Pursuant to Act 359 of the 2020 Regular Session of the Louisiana Legislature, the NOPB was transferred to the Railroad Commission on October 1, 2020. Previously the NOPB was held in a non-profit corporation subsidiary of the Board following the NOPB's transfer from the City of New Orleans in exchange for certain wharfs on of February 1, 2018. The Commissioners of the Board are the same as the Commissioners for the Railroad Commission except where prohibited by Act 359. The Chief Executive Officer (CEO) of the Board is also the CEO of the Railroad Commission.

The Board prepares its financial statements in accordance with standards issued by the Governmental Accounting Standards Board (GASB).

The Board is considered a primary government entity based on satisfying the following criteria: (a) no entity appoints a voting majority of its governing body; (b) it is legally separate from other entities; and (c) it is fiscally independent of other state and local governments.

Basis of Presentation

The financial statements include the accounts of the Board of Commissioners of the Port of New Orleans and the New Orleans Public Belt Railroad Commission for the Port of New Orleans. All material intercompany transactions and balances have been eliminated.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting policies of the Board conform to accounting principles generally accepted in the United States of America as applicable to governments. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis Accounting and Financial Statement Presentation (continued)

Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The Board's accounts are organized into a single proprietary fund. The Board's operations are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges. Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from leasing properties or providing services. Operating expenses include the cost of providing services, administrative services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

Under the provisions of GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the Board applies all applicable Financial Accounting Standards Board pronouncements issued on or before November 30, 1989 in accounting for its operations unless those pronouncements conflict or contradict GASB pronouncements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allowance for Doubtful Accounts

An allowance for estimated uncollectible accounts receivable is established at the time information becomes available, which would indicate the uncollectibility of the particular receivable.

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments of the Board are recorded at fair value. Fair value is based on quoted market prices. All investment income, including changes in the fair value of the investments, is recognized in the Statements of Revenues, Expenses, and Changes in Net Position. The Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Certificates of deposit are valued at their carrying amounts, which approximate fair value because of the short-term maturity of these assets.

Leases

The Board is a lessor for noncancellable leases of Board property. The Board recognizes a lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Under the lease agreements, the Board may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The Board uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee. As the Port operates as a landlord port, a significant portion of operating income is derived from the Port's leases; therefore, the Board recognizes lease interest income as operating income.

The Board monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Stores Inventory

The inventory of the Board consists of expendable materials, supplies and fuel and is valued at cost.

Prepaid Items

Prepaid items consist of annual insurance premium and computer contracts paid for in advance and are amortized over the policy or contract period.

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets

Certain proceeds of the Board's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because they are maintained in separate investment accounts and their use is limited by applicable bond requirements.

Capital Assets and Depreciation

The Board capitalizes assets that have an individual cost of $5,000 or more and an estimated useful life in excess of one year. Capital assets constructed or acquired by purchase are stated at cost. Donated capital assets are stated at acquisition value on the date received.

Depreciation of capital assets and amortization of financing lease assets is computed using the mid-year convention (Port) and straight-line (NOPB) method over the following estimated useful lives:

Wharves and sheds	40-50 years
Roads and drainage	20 years
Marshalling areas	15 years
Railroad track structures	10-70 years
Bridges	30-100 years
Buildings	15-40 years
Machinery and equipment	3-40 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital asset and improvements are capitalized as projects are constructed. When assets or equipment are retired or sold, the cost, net of accumulated depreciation, is removed from the respective capital asset accounts.

Beginning July 1, 2017, the Board early adopted GASB Statement 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*, pursuant to which interest cost incurred before the end of a construction period is recognized as an expenditure in the statement of revenues, expenses and change in net position.

Debt and Amortization

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Employees accumulate vacation and sick leave at varying rates according to years of service. For the Port, upon termination, unused vacation not to exceed 300 hours is paid to the employee at the employee's current rate of pay. At retirement, unused vacation in excess of 300 hours and unused sick leave is considered in computing the years of service for retirement benefit purposes. For the NOPB, non-union employees are allowed to carry over up to 120 hours of unused vacation per year and are paid for any unused vacation upon termination. Union employees will be paid for any unused vacation upon termination, but are not allowed to carry forward any unused vacation to the following year. Clerical union employees, which is the only union craft with paid sick leave from NOPB, can carry forward up to 640 hours (80 days) of unused sick leave, but are not paid for these days upon termination.

Pension Plans

The Port is a participating employer in the Louisiana State Employees’ Retirement System (LASERS) defined benefit pension plan (the Plan) as described in Note 10. As discussed in Note 11, the Port previously participated in the Harbor Police Employees’ Retirement System (HPERS), which was completely dissolved and merged into LASERS effective July 1, 2015. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan. The NOPB does not participate in this plan but rather the United States Railroad Retirement Board plan.

Statements of Cash Flows

For purposes of the statement of cash flows, cash and cash equivalents consist of demand deposits with banks, overnight repurchase agreements, and money market mutual funds.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Board has three items that meet this criterion, deferred amounts related to pension and OPEB and an unamortized loss on a bond refunding. In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The Board has three items that meet this criterion, deferred amounts related to leases, pension, and OPEB.

Note 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 27, 2022. See Note 17 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements address:

- Conduit debt obligations;
- Public-private and public-public partnerships and availability payment arrangements;
- Subscription based information technology arrangements; and
- Compensated absences.

The Port is currently evaluating the effects that these statements will have on its financial statements.

Note 2: CASH AND INVESTMENTS

The Board's cash and investments consist primarily of deposits with financial institutions and investments in direct obligations of the United States Treasury or agencies thereof.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Under state law, all deposits must be secured by federal depository insurance and the pledge of securities held by the pledging banks agent in the Board's name. At June 30, 2022 and 2021, the carrying amount of the Board's deposits (demand deposits and certificates of deposit) was $17,481,261 and $19,642,136 and the related bank balances were $19,239,820 and $20,794,181, respectively. Of the bank balances, $1,250,000 and $1,250,000 were covered by federal depository insurance and the remaining balances were covered by collateral held by the pledging banks' trust department or agent in the Board's name at June 30, 2022 and 2021, respectively.

Note 2: CASH AND INVESTMENTS (CONTINUED)

Investments

The Board may invest idle funds as authorized by Louisiana Statutes and the Board's investment policy as follows:

- United States bonds, treasury notes, certificates, or any other federally insured investment.
- Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana.
- Debt instruments issued by the state of Louisiana or any of its political subdivisions with a rating of at least BBB- or higher by Standard and Poor and the final maturity can be no more than three years.
- Bonds, debentures, notes or other indebtedness issued by a state of the United States of America other than Louisiana or any such state's political subdivisions with a minimum rating A- or higher by Standard and Poor and the final maturity can be no more than three years.
- Top Tier Al/Pl rated Commercial Paper
- Security Repurchase Agreements

Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

The Board invests monies with the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana R.S. 33:2955.

GASB Statement No. 40 *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Note 2: CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- Credit risk: LAMP is rated AAAm by Standard & Poor's.

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 99 as of June 30, 2022.

- Foreign currency risk: Not applicable to investment pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Cash and investments were included in the Statements of Net Position as of June 30 as follows:

		2022		2021
Cash and cash equivalents	**$**	**22,814,572**	$	22,077,744
Investments		**59,780,683**		45,705,329
Restricted revenue bond accounts – government money market accounts		**-**		-
Restricted revenue bond accounts – investments		**75,071,397**		96,778,405
	$	**157,666,652**	$	164,561,478

Note 2: CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Included in cash and investments at June 30, were the following:

	2022	2021
U.S. treasury notes	**$ 22,384,336**	$ 4,717,405
U.S. government and state agencies	**7,370,857**	12,027,628
Corporate bonds	**3,453,192**	5,031,634
LAMP	**101,643,695**	120,707,067
Deposits:		
Government money market accounts	**5,333,311**	2,435,608
Demand deposit with banks	**17,481,261**	19,642,136
Total cash and investments	**$ 157,666,652**	$ 164,561,478

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Board has a formal investment policy that targets investment maturities equal to or less than three years as a means of managing its exposure to fair value losses arising from increasing interest rates. In addition, approximately 40% of the Board's portfolio shall be one year or less for liquidity reasons and interest rate volatility risk.

As of June 30, 2022, the Board had the following investments and maturities:

		Remaining Maturity (in Years)			
	Fair Value	**Less Than One**	**1 - 5**	**6 - 10**	**Greater Than Ten**
U.S. treasury notes	$ 22,384,336	$ 10,408,048	$ 11,976,289	$ -	$ -
U.S. government and state agencies	7,370,857	2,740,524	4,870,688	169,654	1,552,162
Corporate bonds	3,453,192	1,923,091	1,530,101	-	-
Total	**$ 33,208,385**	**$ 15,071,662**	**$ 16,414,906**	**$ 169,654**	**$ 1,552,162**

Note 2: CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of June 30, 2021, the Board had the following investments and maturities:

		Remaining Maturity (in Years)			
	Fair Value	**Less Than One**	**1 - 5**	**6 - 10**	**Greater Than Ten**
U.S. treasury notes	$ 4,717,405	$ 2,406,928	$ 2,310,477	$ -	$ -
U.S. government and state agencies	12,027,628	3,376,825	4,870,688	317,886	3,462,229
Corporate bonds	5,031,634	2,013,064	3,018,570	-	-
Total	**$ 21,776,667**	**$ 7,796,817**	**$ 10,199,735**	**$ 317, 886**	**$ 3,462,229**

Credit Risk

State law limits investments to instruments as described under “Investments” for the purpose of safety of principal. The Board’s investment policy does not further limit its investment choices. LAMP has been rated AAA by Standard & Poor’s Corporation. The Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank Consolidated Bonds and the Federal Farm Credit Banks are all rated AA+ by Standard & Poor’s Corporation. The corporate bond is rated AA- by Stand & Poor’s Corporation. The money market mutual funds and the Brokerage Cash Account are unrated accounts.

Note 3: FAIR VALUE MEASUREMENT

The Board had the following recurring fair value measurements as of June 30, 2022 and 2021:

	Fair Value Measurements – June 30, 2022		
	Level 1	**Level 2**	**Level 3**
U.S. treasury notes	$ 22,384,336	$ -	$ -
U.S. government and state agencies	1,000,390	6,370,467	-
Corporate bonds	1,780,089	1,673,103	-
Total	**$ 25,164,815**	**$ 8,043,570**	**$ -**

Note 3: FAIR VALUE MEASUREMENT (CONTINUED)

	Fair Value Measurements – June 30, 2021		
	Level 1	**Level 2**	**Level 3**
U.S. treasury notes	$ 4,717,405	$ -	$ -
U.S. government and state agencies	1,372,041	10,655,587	-
Corporate bonds	1,341,884	3,689,750	-
Total	**$ 7,431,330**	**$ 14,345,336**	**$ -**

Note 4: DUE FROM OTHER GOVERNMENTS

At June 30, 2022 and 2021, amounts due from other governments consisted of the following:

	2022	2021
U.S. Department of Environmental Quality – Diesel Emissions Reduction Act	**$ 37,982**	$ 237,235
Department of Homeland Security - Port Security	**155,664**	25,138
Department of Homeland Security – Disaster Grants	**589,085**	13,569
Regional Planning Commission – Clean Fuel Transition	**-**	588
Louisiana Department of Environmental Quality – Clean Trip	**34,543**	-
State of Louisiana, Division of Administration – Napoleon Avenue Container Crane Expansion	**1,336,748**	87,515
State of Louisiana, Division of Administration – Cold Storage Expansion	**510,607**	-
U.S. Army Corps of Engineers - WAARDA	**960,000**	-
Total amounts due	**$ 3,624,629**	$ 364,045

Note 5: CAPITAL ASSETS, NET

A summary of changes in property is as follows:

	June 30, 2021	Additions	Deletions	June 30, 2022
Property not being depreciated				
Land and improvements	$ 104,564,371	$ 29,022,808	$ -	**$ 133,587,179**
Construction in progress	119,383,256	51,398,397	(35,648,392)	**135,133,261**
Total property not being depreciated	223,947,627	80,421,205	(35,648,392)	**268,720,440**
Property being depreciated				
Property	1,121,421,445	27,175,497	(87,148)	**1,148,509,794**
Furniture and equipment	18,493,543	812,312	(4,497,269)	**14,808,586**
Equipment	41,693,101	962,790	(291,267)	**42,364,624**
Total property being depreciated	1,181,608,089	28,950,599	(4,875,684)	**1,205,683,004**
Less accumulated depreciation				
Property	(552,256,746)	(26,764,485)	87,148	**(578,934,083)**
Furniture and equipment	(14,219,147)	(1,178,163)	4,375,589	**(11,021,721)**
Equipment	(21,791,807)	(2,634,208)	291,268	**(24,134,747)**
Total accumulated depreciation	(588,267,699)	(30,576,859)	4,754,005	**(614,090,551)**
Total property being depreciated, net	593,340,390	(1,626,260)	(121,676)	**591,592,453**
Property, net	$ 817,288,016	$ 78,794,945	$ (35,770,068)	**$ 860,312,893**

Note 5: CAPITAL ASSETS, NET (CONTINUED)

	June 30, 2020	Additions	Deletions	June 30, 2021
Property not being depreciated				
Land and improvements	$ 87,133,544	$ 19,200,827	$ (1,770,000)	$ 104,564,371
Construction in progress	80,555,609	60,744,395	(22,015,078)	119,383,256
Total property not being depreciated	167,689,153	79,945,222	(23,686,747)	223,947,627
Property being depreciated				
Property	1,113,821,311	14,553,573	(6,953,439)	1,121,421,445
Furniture and equipment	18,433,671	2,907,787	(2,847,915)	18,493,543
Equipment	46,485,150	875,377	(5,667,426)	41,693,101
Total property being depreciated	1,178,740,132	18,336,737	(15,468,780)	1,181,608,089
Less accumulated depreciation				
Property	(528,891,393)	(26,290,532)	2,925,178	(552,256,746)
Furniture and equipment	(15,655,344)	(1,410,849)	2,847,046	(14,219,147)
Equipment	(20,869,191)	(2,760,707)	1,838,091	(21,791,807)
Total accumulated depreciation	(565,415,928)	(30,462,088)	7,610,315	(588,267,699)
Total property being depreciated, net	613,324,204	(12,125,351)	(7,858,465)	593,340,390
Property, net	$ 781,013,357	$ 67,819,871	$(31,545,212)	$ 817,288,016

Construction in progress consisted of the following at June 30, 2022 and 2021:

	2022	**2021**
Capital improvements	**$ 134,375,074**	$ 118,052,488
Natural disaster	**755,177**	147,592
Major maintenance	**3,010**	13,585
Studies	**-**	1,169,592
Total	**$ 135,133,261**	$ 119,383,256

As part of the Board’s long-term capital construction program, commitments related to such capital construction projects were approximately $36.7 million and $82.8 million as of June 30, 2022 and 2021, respectively.

Note 6: NON-CURRENT LIABILITIES

Revenue Bonds

Revenue bonds consisted of the following at June 30, 2022 and 2021:

	2022	2021
Revenue bonds payable	**$ 150,905,000**	$ 150,905,000
Revenue bonds payable – direct placements	**58,715,000**	63,685,000
Premium and discounts	**23,853,951**	24,919,220
	233,473,951	239,509,220
Less: current portion	**(5,100,000)**	(4,970,000)
Total Long-Term Debt	**$ 228,373,951**	$ 234,539,220

On June 27, 2012, the Board issued $15,495,000 of Board of Commissioners of the Port of New Orleans Port Facility Refunding Revenue Bonds, Series 2012. The purpose of the issue was to provide sufficient funds for a partial refund of the Port's outstanding Port Facility Revenue Bonds, Series 2002 in the outstanding amount of $14,980,000; the outstanding balance of the 2002 bonds was refunded on July 6, 2012. The Series 2012 bonds were purchased by Regions Bank through the placement agent, Morgan Keegan & Company, Inc. The interest rate is fixed at 3.53%. Covenants with Regions bank are contained in the commitment letter dated May 31, 2012. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The refunding was entered into for the reason of future interest savings. The Board advance refunded the bonds to reduce total gross debt service payments through June 30, 2027 by $1,785,929 and to obtain an economic gain of $1,631,307. At June 30, 2022 and 2021, the principal balance was $11,120,000 and $13,125,000, respectively.

On March 1, 2018, the Board issued $20,630,000 and $56,075,000 of Board of Commissioners of the Port of New Orleans Port Facility Revenue Bonds, Series 2018A, and Board of Commissioners of the Port of New Orleans Port Facility Revenue and Refunding Revenue Bonds, Series 2018B, respectively. The purpose of the issue was to provide sufficient funds to rehabilitate, construct, and install port infrastructures and to refund $13,640,000 of the Board's Port Facility Revenue Bonds, Series 2008, and $15,635,000 of Board's Subordinate Lien Variable Rate Bonds, Series 2010. The Series 2018A and 2018B bonds were purchased by Citigroup and J.P. Morgan through the placement agent. The interest rate is fixed at 5% for both Series 2018A and 2018B with maturity dates of April 1, 2048 and April 1, 2045, respectively. Covenants with Citigroup are contained in the Official Statement dated February 21, 2018. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The refunding was entered into for the reason of future interest savings. The Board advance refunded the bonds, through deferral of principal payments through fiscal year 2038, to obtain an economic gain of $1,185,877. At June 30, 2022 and 2021, the principal balance was $20,630,000 for the Series 2018A and $56,075,000 for the Series 2018B.

Note 6: NON-CURRENT LIABILITIES (CONTINUED)

Revenue Bonds (Continued)

On May 15, 2020, the Board issued $15,900,000 of Board of Commissioners of the Port of New Orleans Port Facility Refunding Revenue Bonds, Series 2020A. The purpose of the issue was to provide sufficient funds to refund $7,917,372 of Port's Facility Revenue Bonds, Series 2013A. Regions Capital Advantage, Inc. purchased the Series 2020A bonds. The interest rate is fixed at 1.46% and covenants with Regions Capital Advantage, Inc. are contained in the commitment letter dated April 21, 2020. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The refunding was entered into for the reason of future interest savings. The Board advance refunded the bonds to reduce total gross debt service payments through June 30, 2028 by $806,013 and to obtain an economic gain of $760,072. At June 30, 2022 and 2021, the principal balance was $13,500,000 and $15,215,000, respectively.

On May 15, 2020, the Board issued $8,120,000 of Board of Commissioners of the Port of New Orleans Port Taxable Subordinate Lien Refunding Revenue Bonds, Series 2020C. The purpose of the issue was to provide sufficient funds to refund $15,605,000 of Port's Debt Service Assistance Program Loan Payable to the State of Louisiana. Regions Capital Advantage, Inc. purchased the Series 2020C bonds. The interest rate is fixed at 2.01% and covenants with Regions Capital Advantage, Inc. are contained in the commitment letter dated April 21, 2020. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The refunding was entered into for the reason of future interest savings. The Board advance refunded the bonds to reduce total gross debt service payments through June 30, 2027 by $376,243 and to obtain an economic gain of $460,285. At June 30, 2022 and 2021, the principal balance was $5,975,000 and $7,105,000, respectively.

On May 22, 2020, the Board issued $28,510,000 of Board of Commissioners of the Port of New Orleans Port Facility Refunding Revenue Bonds, Series 2020B. The purpose of the issue was to provide sufficient funds to refund $24,795,000 of Port's Facility Revenue Bonds, Series 2013B. JP Morgan Inc. purchased the Series 2020B bonds. The interest rate is fixed at taxable rate of 3.25% until the conversion to tax free rate of 2.25% on March 31, 2023 and covenants with JP Morgan are contained in the commitment letter dated April 21, 2020. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The refunding was entered into for the reason of future interest savings. The Board advance refunded the bonds to reduce total gross debt service payments through June 30, 2033 by $2,590,629 and to obtain an economic gain of $2,217,902. At June 30, 2022 and 2021, the principal was $28,120,000 and $28,240,000, respectively.

On September 1, 2020, the Board issued series 2020D and 2020E Board of Commissioners of the Port of New Orleans Port Facility Revenue Bonds to fund various capital investment projects. The face value of the bonds was $74,200,000 and sold at a premium of $90,700,000. The premium funds were used to fund capital improvements, cost of issuance, debt service reserve, and to pay Fiscal Years 2021 and 2022 debt service of the new bonds. The bonds have a final maturity in 2050 and have an aggregate All-in TIC of 3.60% and an arbitrage yield of 2.37%. As of June 30, 2022, management believes it is in compliance with the applicable covenants. At June 30, 2022 and 2021, the principal was $74,200,000 and $74,200,000, respectively.

Note 6: NON-CURRENT LIABILITIES (CONTINUED)

Revenue Bonds (Continued)

Operating revenues, net of operating expenses, are pledged as security for all revenue bond issues. Debt service requirements relating to bonds outstanding are as follows:

Years Ending June 30,	Revenue Bonds Principal	Revenue Bonds Interest	Revenue Bonds Total	Revenue Bonds – Direct Placements Principal	Revenue Bonds – Direct Placements Interest	Revenue Bonds – Direct Placements Total
2023	$ -	$ 7,545,250	$ 7,545,250	$ 5,100,000	$ 1,622,857	$ 6,722,857
2024	-	7,545,250	7,545,250	5,505,000	1,217,709	6,722,709
2025	-	7,545,250	7,545,250	5,655,000	1,083,260	6,738,260
2026	485,000	7,545,250	8,030,250	5,805,000	944,853	6,749,853
2027	505,000	7,521,000	8,026,000	5,950,000	802,383	6,752,383
2028-2032	2,745,000	37,215,750	39,960,750	25,295,000	2,305,465	27,600,465
2033-2037	27,285,000	34,749,250	62,034,250	5,405,000	121,613	5,526,613
2038-2042	41,535,000	26,020,000	67,555,000	-	-	-
2043-2047	53,015,000	14,544,000	67,559,000	-	-	-
2048-2051	25,335,000	2,256,500	27,591,500	-	-	-
Total	$150,905,000	$152,487,500	$303,392,500	$58,715,000	$8,098,138	$66,813,138

Line of Credit

On March 5, 2021 the Port issued series 2021A Board of Commissioners of the Port of New Orleans Taxable Subordinate Lien Revenue Notes to fund the acquisition and development of a new container terminal. The line of credit is for three years with a floating interest rate of 100 basis points above one month Libor with an unused fee of 10 basis points payable quarterly in arrears. The line of credit is limited to $30,000,000; as of June 30, 2022 $30,000,000 has been drawn on the facility. As of June 30, 2022, management believes it is in compliance with the applicable covenants. The effective interest rate as of June 30, 2022 was 2.125%.

Financing Leases

The Port and NOPB enter into various financing leases for cranes and office equipment. The net book value of these assets is $29,498,004 at June 30, 2022. Financing lease obligations consisted of the following at June 30, 2022 and 2021:

	2022	2021
Financing leases payable	**$ 30,000,000**	$ 30,149,844
Less: current portion	**(2,000,000)**	(149,844)
Long-term financing leases	**$ 28,000,000**	$ 30,000,000

Note 6: NON-CURRENT LIABILITIES (CONTINUED)

Financing leases (Continued)

Lease payments relating to financing leases outstanding are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 2,000,000	$ 513,344	$ 2,513,344
2024	2,035,000	478,370	2,513,370
2025	2,070,000	442,830	2,512,830
2026	2,100,000	406,682	2,506,682
2027-2031	11,040,000	1,470,257	12,510,257
2032-2036	10,755,000	473,063	11,228,063
Total	**$ 30,000,000**	**$ 3,784,544**	**$ 33,784,544**

During the year ended June 30, 2021, the Port entered into a financing lease agreement which partially financed the acquisition of four new 100 foot gauge ship to shore gantry cranes for its Napoleon Avenue Container Terminals. This lease is payable in two semi-annual interest-only payments through Fiscal Year 2022 and 27 semi-annual payments or principal and interest of approximately $1.25 million. The cranes were delivered in December 2021 and will be placed in operation during fiscal year 2023.

Changes in Non-Current Liabilities

Non-current liabilities activity for the years ended June 30, 2022 and 2021 was as follows:

	June 30, 2021	Additions	Reductions	June 30, 2022	Due within one year
Bonds Payable:					
Revenue bonds	$150,905,000	$ 74,200,000	$ -	**$150,905,000**	$ -
Revenue bonds – direct placements	63,685,000	-	4,970,000	**58,715,000**	5,100,000
Bond premiums and discounts	24,919,220	-	1,065,269	**23,853,951**	-
Total Bonds Payable	239,509,220	-	6,035,269	**233,473,951**	5,100,000
Financing leases payable	30,149,844	-	149,844	**30,000,000**	2,000,000
Line of Credit	19,000,000	11,000,000	-	**30,000,000**	30,000,000
Net pension liability	54,550,265	-	21,394,865	**33,155,400**	-
Payable to LASERS for HPERS	113,185	-	113,185	**-**	-
Total post-employment benefit liability	11,876,399		2,719,082	**9,157,317**	1,036,468
Compensated absences	2,487,513	104,909	97,461	**2,494,961**	1,093,374
Workers compensation and casualty reserve	4,518,549	-	2,459,158	**2,059,391**	653,308
Environmental remediation liability	4,450,241	-	-	**4,450,241**	-
Total	$366,655,216	$11,104,909	$32,968,864	**$344,791,261**	$39,883,150

Note 6: NON-CURRENT LIABILITIES (CONTINUED)

Changes in Non-Current Liabilities (Continued)

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Bonds Payable:					
Revenue bonds	$76,705,000	$ 74,200,000	$ -	**$150,905,000**	$ -
Revenue bonds – direct placements	66,185,000	-	2,500,000	**63,685,000**	4,970,000
Bond premiums and discounts	9,396,380	16,542,160	1,019,320	**24,919,220**	-
Total Bonds Payable	152,286,380	90,742,160	3,519,320	**239,509,220**	4,970,000
Financing leases payable	322,913	30,000,000	173,069	**30,149,844**	149,844
Line of Credit	-	19,000,000	-	**19,000,000**	19,000,000
Net pension liability	50,106,255	4,444,010	-	**54,550,265**	-
Payable to LASERS for HPERS	254,832	-	141,647	**113,185**	113,185
Total post-employment benefit liability	11,311,947	564,452	-	**11,876,399**	1,109,909
Compensated absences	2,432,343	1,062,916	1,007,746	**2,487,513**	1,150,958
Workers compensation and casualty reserve	5,765,385	-	1,246,836	**4,518,549**	2,719,226
Environmental remediation liability	4,450,315	-	74	**4,450,241**	-
Total	$226,930,370	$145,813,538	$6,088,692	**$366,655,216**	$29,213,122

Note 7: RISK MANAGEMENT, CONTINGENCIES, COMMITMENTS, AND UNCERTAINTIES

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Board carries commercial liability and property insurance. The Port is insured for workers' compensation and general maritime claims ("Jones Act"). The Port has no self-insured retention for workers' compensation. The Port continues to be liable for each Jones Act claim up to $50,000, with judgments and settlements over the $50,000 limit being covered by the Port's primary Maritime Employers Liability policy with limits of $1,000,000 and an umbrella liability policy up to $75,000,000 for each occurrence. The NOPB maintains $75,000,000 of rail liability with a self-insured retention of $1,000,000. There were no expenses related to police professional liability incurred during the year ended June 30, 2022 and 2021. For each of the past three years, there were no settlements that exceeded the Port's insurance coverage.

A summary of activity in the liability for claims, which are included in other liabilities, is as follows:

	2022	2021	2020
Balance, beginning of year	**$ 4,518,549**	$ 5,765,385	$ 10,030,873
Provision for claims	**224,857**	(75,815)	(3,903,861)
Benefit payments, net of recoveries	**(2,684,015)**	(1,171,023)	(361,627)
Balance, end of year	**$ 2,059,391**	$ 4,518,549	$ 5,765,385

Note 7: RISK MANAGEMENT, CONTINGENCIES, COMMITMENTS, AND UNCERTAINTIES (CONTINUED)

The Board is a party to various legal proceedings incidental to its business. There are several lawsuits pending in which the Board is named as a defendant by longshoremen claiming asbestos-related injuries because the Board at one time had asbestos materials cross its wharves. Certain other claims, suits and complaints arising in the ordinary course of business have been filed or are pending against the Board. The resolution of these matters is not expected to have a material adverse effect on the financial statements of the Board.

The Board receives financial assistance directly from Federal agencies which are subject to audit and final acceptance by these agencies. In the opinion of management, amounts that might be subject to disallowance upon final audit, if any, would not have a material effect on the Board's financial position.

Environmental Remediation Liability

In November 2017, the Louisiana Department of Environmental Quality informed the Board that the Board is the owner of the Former Bollinger Gulf Repair site. The Board may be a potentially responsible party with respect to the remediation of this site pursuant to Chapter 12 of the Louisiana Environmental Quality Act, LSA-R.S. 30:2271 et seq. Suspect asbestos material was identified in 2001 during utility work and site investigations to define the area occurred in 2003 and 2005. The investigation identified an area of approximately 3.7 acres defined as the impacted area. For the year ended June 30, 2018, the Board accrued $3,750,000 related to further remediation work related to the site based on information currently available to the management of the Board.

For the year ended June 30, 2019, the Board accrued $700,241 for the remediation of the soil on the Jackson Avenue Ferry property. This property was contributed by the state of Louisiana, and this remediation will be done before any further development takes place at this site.

Note 8: REVENUES

Revenues of the Board are reported net of estimated uncollectible amounts. Total estimated uncollectible amounts related to accounts receivable were $374,759 and $202,159 at June 30, 2022 and 2021, respectively. Total operating revenue was $111,060,181 and $89,994,402 for the year ended June 30, 2022 and 2021, respectively. For the year ended June 30, 2022, four customers accounted for approximately 20% of revenue. For the year ended June 30, 2021, four customers accounted for approximately 33% of revenue.

Note 9: LEASES

The Board leases to others substantially all of its land, property and equipment under various lease agreements. The Board recognized $23,153,731 and $22,001,545 in lease revenue and $5,033,629 and $5,275,027 in interest revenue during the years ended June 30, 2022 and 2021, respectively, related to these leases. As of June 30, 2022 and 2021, the Board's receivable for lease payments was $164,281,673 and $178,074,970, respectively. Also, the Board has a deferred inflow of resource associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2022 and 2021, the balance of the deferred inflow of resources was $158,569,026 and $175,312,681, respectively.

Future payments included in the measurement of the lease receivable as of June 30, 2022 for each of the next five fiscal years and in five-year increments thereafter are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 19,155,915	$ 4,496,501	$ 23,652,416
2024	15,190,965	3,991,231	19,182,196
2025	12,589,347	3,593,449	16,182,796
2026	12,263,859	3,232,182	15,496,041
2027	11,993,700	2,875,822	14,869,522
2028-2032	58,362,387	8,822,476	67,184,863
2033-2037	14,659,566	3,773,559	18,433,125
2038-2042	9,133,845	2,045,436	11,179,281
2043-2047	5,746,092	1,086,366	6,832,458
2048-2052	3,118,924	461,823	3,580,747
2053-2057	657,992	258,928	916,920
2058-2062	432,479	174,740	607,219
2063-2067	384,744	117,032	501,776
2068-2072	422,317	56,575	478,892
2073-2075	169,541	4,069	173,610
Total	$164,281,673	$34,990,189	$199,271,862

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM

The Port is a participating employer in the cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS).

Plan Description

Employees of the Port are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

Benefits Provided

The following is a description of the plans and their benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement
The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 25 years of creditable service at age 60 and at age 55 completing 30 years of creditable service and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment with a 3.33% accrual rate.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

Contributions

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers along with employer portion of the contribution.

The rates in effect during the years ending June 30, 2022 and 2021 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate 2021	Employer Contribution Rate 2022
Regular State Employee hired before 7/01/06	Closed	7.5%	40.1%	39.5%
Regular State Employee hired after 7/01/06	Open	8.0%	40.1%	39.5%

The Port's contractually required composite contribution rate for the period from July 1, 2020 to June 30, 2021 was 40.1%, and for the period from July 1, 2021 to June 30, 2022 was 39.5%, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Port were $5,053,468 and $5,252,904 for the years ended June 30, 2022 and 2021, respectively.

If a member leaves covered employment or dies before any benefits become payable on their behalf, the accumulated contributions may be refunded to the member or their designated beneficiary. Similarly, accumulated contributions in excess of any benefits paid to members or their survivors are refunded to the member's beneficiaries or their estates upon cessation of any survivor's benefits.

Pension Liability and Pension Expense

At June 30, 2022 and 2021, the Port reported a liability of $33,155,400 and $54,550,265, respectively, for its proportionate share of the net pension liability of LASERS. The net pension liability was measured as of June 30, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Port's proportion of the net pension liability was based on a projection of the Port's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021 and 2020, the Port's proportion was 0.60239% and 0.65956% respectively, which was a decrease of 0.05717% and a decrease of 0.03204% from its proportion measured as of June 30, 2020 and 2019, respectively.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

For the years ended June 30, 2022 and 2021, the Port recognized pension expense of $2,324,430 and $7,028,565, respectively, plus the Port's amortization of the change in proportionate share and the difference between employer contributions and proportionate share of contributions of $(1,846,480) and $(3,108,365), respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LASERS		
Differences between expected and actual experience	**$ 32,744**	**$ -**
Net difference between projected and actual earnings on pension plan investments	**-**	**7,731,964**
Changes in assumptions	**812,110**	**-**
Changes in proportion and differences between employer contributions and proportion of shared contributions	**81,790**	**2,058,998**
Employer contributions subsequent to the measurement date	**5,053,468**	**-**
Total LASERS	**$ 5,980,112**	**$ 9,790,962**

At June 30, 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LASERS		
Differences between expected and actual experience	$ -	$ 523,881
Net difference between projected and actual earnings on pension plan investments	7,974,203	-
Changes in assumptions	174,543	-
Changes in proportion and differences between employer contributions and proportion of shared contributions	-	1,131,157
Employer contributions subsequent to the measurement date	5,252,904	-
Total LASERS	$ 13,401,650	$ 1,655,038

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

As of June 30, 2022, deferred outflows of resources of $5,053,468 related to pensions resulting from the Port's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		LASERS
2023	$	**(2,474,159)**
2024		**(1,191,451)**
2025		**(1,756,631)**
2026		**(3,442,077)**

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2022 and 2021 are as follows:

Valuation Date	June 30, 2021 and 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 years for 2021 and 2020
Investment Rate of Return	2021: 7.40% per annum, net of investment expenses. 2020: 7.55% per annum, net of investment expenses.
Inflation Rate	2021: 2.3% per annum 2020: 2.3% per annum
Mortality	Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.
Salary Increases	Salary increases were projected based on a five-year (2014-2018) experience study of the System's members. The salary increase ranges for specific types of members were:

Member Type	Lower Range	Upper Range
Regular	3.0%	12.8%
Judges	2.6%	5.1%
Corrections	3.6%	13.8%
Hazardous Duty	3.6%	13.8%
Wildlife	3.6%	13.8%

Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The expected rate of inflation was 2.30% and 2.50% for 2021 and 2020, respectively.

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 and 2020 are summarized in the following table:

	2021		2020	
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Cash	1%	-.29%	0%	-.59%
Domestic equity	31%	4.09%	23%	4.79%
International equity	23%	5.12%	32%	5.83%
Domestic fixed income	3%	.49%	6%	1.76%
International fixed income	18%	3.94%	10%	3.98%
Alternative investments	24%	6.93%	22%	6.69%
Risk parity	-%	-%	7%	4.20%
Totals	100%	5.81%	100%	5.81%

Discount Rate

The discount rate used to measure the total pension liability was 7.40% and 7.55% for the years ended June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Port's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Port's proportionate share of the Net Pension Liability of LASERS using the discount rate of 7.40% and 7.55% as of June 30, 2021 and 2020, respectively, as well as what the Port's proportionate share of the Net Pension Liability would be as of June 30 2021, if it were calculated using a discount rate that is one percentage-point lower (6.40%) or one percentage-point higher (8.40%) than the current rate:

	1.0% Decrease (6.40%)	**Current Discount Rate (7.40%)**	**1.0% Increase (8.40%)**
Port's proportionate share of the net pension liability	**$ 44,923,062**	**$ 33,155,400**	**$ 23,142,601**

Note 10: LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

As of June 30, 2021, the following presents the Port's proportionate share of the Net Pension Liability of LASERS using the discount rate of 7.55%, as well as what the Port's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.55%) or one percentage-point higher (8.55%) than the current rate:

	1.0% Decrease (6.55%)	Current Discount Rate (7.55%)	1.0% Increase (8.55%)
Port's proportionate share of the net pension liability	$ 67,033,789	$ 54,550,265	$ 43,956,619

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position in LASERS is available in the separately issued LASERS 2020 and 2021 Comprehensive Annual Financial Reports at www.lasersonline.org.

Payables to the Pension Plan

At June 30, 2022 and 2021, the Port had payables included in accounts payable to the pension plans totaling $461,480 and $471,606 respectively, for the June 2022 and 2021, employee and employer legally required contributions. Outstanding balances will be applied to the Port's required monthly contribution. The amounts due are included in liabilities under the amounts reported as accounts payable.

Note 11: HARBOR POLICE EMPLOYEES' RETIREMENT SYSTEM

Effective July 1, 2015, the Harbor Police Employees' Retirement System (HPERS) was completely dissolved and merged into LASERS, and all assets of HPERS were transferred to LASERS during July 2015. All current employees of the Harbor Police Department of the Port are enrolled in LASERS, and the retirement benefits for existing retirees are administered by LASERS for the year ended June 30, 2021. The remaining balance payable to LASERS at June 30, 2021 related to HPERS was $113,185. This balance was paid off during the fiscal year ended June 30, 2022.

Note 12: OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The Port of New Orleans (the Port) provides certain continuing health care and life insurance benefits for its retired employees. The Port of New Orleans' OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Port. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Port. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. For employees hired on or after July 1, 2006, the retirement eligibility is age 60 and 10 years of service. For employees hired on or after July 1, 2015, the retirement eligibility is age 60 and 5 years of service.

There is a closed group of retirees for whom the employer currently pays approximately 80% of the premium; there will not be any additions to this group in the future. The life insurance benefit for this group has been included in this valuation. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Employees covered by benefit terms – At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	201
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	185
	386

Total OPEB Liability

The Port's total OPEB liability of $9,157,317 and $11,876,399 was measured as of June 30, 2022 and 2021, respectively, and was determined by an actuarial valuation as of June 30, 2021 and rolled forward to June 30, 2022.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	**2021:** 2.5% annually
	2020: 2.5% annually
Salary increases	**2021:** 4.0%, including inflation
	2020: 4.0%, including inflation
Discount rate	**2021:** 2.16% annually (Beginning of Year to Determine ADC)
	3.54% annually (As of End of Year Measurement Date)
	2020: 2.21% annually (Beginning of Year to Determine ADC)
	2.16% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	**2021 and 2020:** Flat 5.5% annually; employer payments for premiums limited to 200% of 2008 rates when applying trend
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

Changes in the Total OPEB Liability

	2022	2021
Balance at June 30,	$ 11,876,399	$ 11,311,947
Changes for the year:		
Service cost	101,414	126,595
Interest	245,920	238,369
Differences between expected and actual experience	(656,902	1,182,545
Changes of assumptions	(1,427,080)	68,989
Benefit payments	(982,434)	(1,052,046)
Net changes	(2,719,082)	564,452
Balance at June 30,	**$ 9,157,317**	$ 11,876,399

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Port, as well as what the Port's total OPEB liability as of June 30, 2022 would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

Note 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

	1.0% Decrease (2.54%)	Current Discount Rate (3.54%)	1.0% Increase (4.54%)
Total OPEB liability	$ 11,067,105	$ 9,157,317	$ 7,683,206

The following presents the total OPEB liability of the Port, as well as what the Port's total OPEB liability as of June 30, 2021 would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1.0% Decrease (1.16%)	Current Discount Rate (2.16%)	1.0% Increase (3.16%)
Total OPEB liability	$ 14,353,261	$ 11,876,399	$ 9,964,581

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Port, as well as what the Port's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates. Because of the application of the cap of 200% of the 2008 rates, the trend increases have reached the maximum and the sensitivity is not any longer effective as of June 30, 2022:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	$ 7,868,634	$ 9,157,317	$ 10,842,038

Because of application of the cap of 200% of the 2008 rates, the trend increases have reached the maximum and the sensitivity is not any longer effective as of June 30, 2020.

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	$ 11,876,399	$ 11,876,399	$ 11,876,399

Note 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Benefit and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022 and 2021, respectively, the Port recognized OPEB expense of $853,011 and $853,011. At June 30, 2022, the Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 766,886	$ (626,676)
Changes in assumptions and other inputs	728,413	(1,070,310)
Total	$ 1,495,299	$ (1,696,986)

At June 30, 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,015,805	$ (156,333)
Changes of assumptions and other inputs	989,874	-
Total	$ 2,005,679	$ (156,333)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:	
2023	(32,948)
2024	(32,947)
2025	(234,253)
2026	36,436
2027	36,435
Thereafter	25,590

Note 13: DEFERRED COMPENSATION PLAN

The Board participates in the Louisiana Public Employees Deferred Compensation Plan (the 457 Plan) for the purpose of providing supplemental retirement income to employees by permitting them to defer a portion of compensation to be invested and distributed in accordance with the terms of the 457 Plan. All compensation deferred under the 457 Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights, shall be held for the exclusive benefit of participants and their beneficiaries. The Board makes contributions to the 457 Plan on behalf of each non-union employee based on 3% of base pay up to a maximum of $2,400 per calendar year for Port employees and no maximum for NOPB non-union employees. Contributions to the 457 Plan by the Board totaled $281,209 and $290,290 for the years ended June 30, 2022 and 2021, respectively.

The Port established a Non-ERISA 401(a) Governmental Port of New Orleans Money Purchase Pension Plan (the MPP Plan); a defined contribution plan, for executives in the President/ CEO, Vice President, and Executive Council positions of the Port in fiscal 2018 for the purpose of providing supplemental retirement income to certain specific employees as noted; the funds are invested and distributed in accordance with the terms of the MPP Plan. The Port contributes $40,000 for the President / CEO and $26,600 for Vice Presidents and Executive Counsel; the employee has a mandatory employee contribution of 3.125% of base pay. Port contributions are cliff vested after three (3) years of service and employee contributions are 100% vested at the time of contribution. All vested compensation deferred under the MPP Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights, shall be held for the exclusive benefit of participants and their beneficiaries. Contributions to the MPP Plan by the Port totaled $176,413 and $194,091 for the years ended June 30, 2022 and 2021, respectively.

Note 14: NATURAL DISASTER

In the past, the Board has been materially affected by various natural disasters and the Board feels it maintains adequate insurance coverages. As in the past excess property losses along with certain preparation cost may be covered by the Federal Emergency Management Emergency Agency (FEMA), which the Board actively pursues.

On August 29, 2021, Hurricane Ida, a category 4 hurricane at landfall, passed through Southeast Louisiana causing significant damage to Board property. The impacts from the storm will not be in excess of the Board's insurance policies but will be in excess of the Boards $5 million property deductible for named storms. The Board believes it has adequate reserves to cover the deductible and possible recoveries from FEMA. The Board has been fully operational since September 2021. The Board has received $8,453,994 including $2,578,762 received in July 2022 and accrued in these financial statements in insurance proceeds and has spent $3,238,263 as of June 30, 2022. The Board has a number of repair and capital projects to complete before a final insurance claim is complete in calendar year 2023. A gain of $5,976,907 has been recognized as of June 30, 2022.

Note 15: RELATED PARTY TRANSACTIONS

At June 30, 2022, Transportation Consultants, Inc., TCI Packaging, LLC, and the Jenson Companies, LLC, related entities to a commissioner, had lease agreements with the Port and two storage agreements with the NOPB. The agreements expire at various dates through August 2037. During the years ended June 30, 2022 and 2021, the Port received lease payments totaling approximately $1,067,560 and $906,953, respectively. The NOPB received approximately $720,000 and $670,000 for the years ended June 30, 2022 and 2021, respectively, related to these agreements. At June 30, 2022 and 2021, these entities had outstanding receivables of approximately $66,150 and $180,450, respectively.

In September of 2022, the Board approved a lease termination agreement effective October 31, 2022 with TCI Packaging, LLC for its lease at 4325 France Road. The fee payable by TCI Packaging, LLC for this lease termination is $2,580,000 payable over five years.

Note 16: CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

In fiscal year 2022, the Board implemented GASB Statement No. 87, *Leases*. In accordance with generally accepted accounting principles, the implementation of this statement requires the restatement of the June 30, 2021 net position in the statement of activities to record the cumulative effect of recording the original basis of the lease receivables, net of the deferred inflows of resources for the year ended June 30, 2021. The prior period adjustment had the following impact on the ending net position at June 30, 2021:

	Total
Net position – June 30, 2021, as previously reported	$ 645,493,721
Lease receivables	178,074,970
Deferred inflows of resources	(175,312,681)
Total prior period adjustment	2,762,289
Net position – June 30, 2021, as restated	$ 648,256,010

Note 17: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 27, 2022, the date that the financial statements were available to be issued, and determined the following events after this date have been evaluated for inclusion in these financial statements.

As noted in Note 15, the Board terminated a lease with TCI packaging LLC in September 2022.

On November 29, 2022, the Board settled its suit against the M/V CMA CGM Bianca et al. due to a collision at the Board's Nashville Avenue wharf on August 2, 2020. The settlement was for $5,600,000 with a gain recognized of $1,301,108 during the fiscal year ended June 30, 2022. The Board had previously written off assets with net book value of $4,298,892 during the fiscal year ended June 30, 2021.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

For the year ended June 30,	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY					
Service cost	$ 101,414	$ 126,595	$ 100,386	$ 110,919	$ 104,206
Interest	245,920	238,369	325,059	386,275	424,206
Change of benefit term	-	-	-	-	-
Differences between expected and actual experience	(656,902)	1,182,545	7,817	(223,332)	108,466
Change of assumptions	(1,427,080)	68,989	998,701	479,231	-
Benefit payments, including refunds of member contributions	(982,434)	(1,052,046)	(1,010,594)	(1,066,177)	(1,047,395)
Net Change in Total OPEB Liability	(2,719,082)	564,452	421,369	(313,084)	(410,517)
Total OPEB Liability - Beginning	11,876,399	11,311,947	10,890,578	11,203,662	11,614,179
Total OPEB Liability - Ending (a)	$ 9,157,317	$ 11,876,399	$ 11,311,947	$ 10,890,578	$ 11,203,662
Covered-employee payroll	$ 13,748,737	$ 13,748,737	$ 13,748,737	$ 14,138,117	$ 13,594,343
Total OPEB liability as a percentage of covered-employee payroll	66.60%	86.38%	82.28%	77.03%	82.41%

Notes to Schedule:

Changes of Assumptions:

	2022	2021	2020	2019	2018
Discount rate	3.54%	2.16%	2.21%	3.62%	3.62%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE LAST SEVEN YEARS

For the Year Ended June 30,*	Port's proportion of the net pension liability (asset)		Port's proportionate share of the net pension liability (asset)		Port's covered payroll	Port's Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana State Employees' Retirement System							
2021	0.602390%	$	33,155,400	$	13,744,701	241.22%	72.80%
2020	0.659563%	$	54,550,265	$	14,547,960	374.97%	58.00%
2019	0.691606%	$	50,106,255	$	15,076,798	332.34%	62.90%
2018	0.715422%	$	48,791,258	$	14,665,450	332.70%	64.30%
2017	0.714320%	$	50,279,556	$	15,263,994	329.40%	62.50%
2016	0.739690%	$	58,084,383	$	15,605,548	372.20%	57.70%
2015	0.670100%	$	45,573,447	$	12,745,929	357.55%	62.70%
2014	0.681100%	$	42,586,318	$	12,168,178	349.98%	65.00%

* The amounts presented were determined as of the measurement date (prior fiscal year ended June 30).

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE LAST SEVEN YEARS

For the Year Ended June 30,*	(a) Statutorily Required Contribution	(b) Contributions in relation to the Statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Port's covered payroll	Contributions as a percentage of covered payroll
Louisiana State Employees' Retirement System					
2022	$ 5,053,468	$ 5,053,468	$ -	$ 13,312,908	39.5%
2021	$ 5,252,904	$ 5,252,904	$ -	$ 13,744,701	40.6%
2020	$ 5,583,090	$ 5,583,090	$ -	$ 14,547,960	36.7%
2019	$ 5,334,373	$ 5,334,373	$ -	$ 15,076,798	35.7%
2018	$ 5,386,459	$ 5,386,459	$ -	$ 14,665,450	38.5%
2017	$ 5,645,469	$ 5,645,469	$ -	$ 15,263,994	37.0%
2016	$ 6,132,717	$ 6,132,717	$ -	$ 15,605,548	39.3%
2015	$ 5,217,874	$ 5,217,874	$ -	$ 12,745,929	40.9%

**Amounts presented were determined as of the end of the fiscal year (June 30).*

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

Notes to Schedule

Changes of Benefit Terms

A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and, added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

Changes of Assumptions

The investment rate of return was decreased from 7.55% to 7.40% for the valuation date June 30, 2021.
The investment rate of return was decreased from 7.60% to 7.55% and the inflation rate was decreased from 2.50% to 2.30% for the valuation date June 30, 2020.

The investment rate of return was decreased from 7.65% to 7.60%, the expected remaing service life decreased from 3 years to 2 years, and the inflation rate was decreased from 2.75% to 2.50% for the valuation date June 30, 2019.
The investment rate of return was decreased from 7.70% to 7.65% for the valuation dated June 30, 2018.
The investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75% for the valuation dated June 30, 2017.

CONSOLIDATING STATEMENT OF NET POSITION

June 30, 2022	Port	PBRC	Elimination	Board Total
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 9,324,736	$ 13,489,836	$ -	**$ 22,814,572**
Investments	45,932,032	13,848,651	-	**59,780,683**
Accounts receivable, net	15,822,183	8,040,724	-	**23,862,907**
Due from other governments	3,624,629	-	-	**3,624,629**
Leases receivable	18,954,330	204,358	-	**19,158,688**
Stores inventory	7,033,657	1,174,225	-	**8,207,882**
Prepaid items	6,245,822	1,230,501	-	**7,476,323**
Total Current Assets	106,937,389	37,988,295	-	**144,925,684**
Non-Current Assets:				
Restricted revenue bond accounts - investments	75,071,397	-	-	**75,071,397**
Leases receivable, non-current	144,204,170	918,815	-	**145,122,985**
Capital assets - net	708,767,468	151,545,425	-	**860,312,893**
Investment in PBRC	185,541,778	-	(185,541,778)	**-**
Other assets	121,780	1,543,000	-	**1,664,780**
Total Non-Current Assets	1,113,706,593	154,007,240	(185,541,778)	**1,082,172,055**
Total Assets	1,220,643,982	191,995,535	(185,541,778)	**1,227,097,739**
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	3,867,604	-	-	**3,867,604**
Deferred amounts related to total OPEB liability	1,495,299	-	-	**1,495,299**
Deferred amounts related to net pension liability	5,980,112	-	-	**5,980,112**
Total Deferred Outflows of Resources	11,343,015	-	-	**11,343,015**

(Continued)

June 30, 2022	Port	PBRC	Elimination	Board Total
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	$ 11,348,181	$ 1,178,225	$ -	**$ 12,526,406**
Revenue bonds payable - current	5,100,000	-	-	**5,100,000**
Line of credit	30,000,000	-	-	**30,000,000**
Financing leases payable - current	2,000,000	-	-	**2,000,000**
Accrued interest payable	2,422,714	-	-	**2,422,714**
Unearned income	4,680,461	535,795	-	**5,216,256**
Compensated absences payable - current	105,000	988,374	-	**1,093,374**
Workers compensation and casualty reserve - current	372,345	1,331,823	-	**1,704,168**
Total other post employment benefit liability - current	1,036,468	-	-	**1,036,468**
Other liabilities	3,692,616	1,706,260	-	**5,398,876**
Total Current Liabilities	60,757,785	5,740,477	-	**66,498,262**
Non-Current Liabilities				
Revenue bonds payable	228,373,951	-	-	**228,373,951**
Financing leases payable	28,000,000	-	-	**28,000,000**
Net pension liability	33,155,400	-	-	**33,155,400**
Total other post employment benefit liability	8,120,849	-	-	**8,120,849**
Compensated absences payable	1,401,677	107,041	-	**1,508,718**
Workers compensation and casualty reserve	799,323	(444,100)	-	**355,223**
Environmental remediation liability	4,450,241	-	-	**4,450,241**
Total Non-Current Liabilities	304,301,441	(337,059)	-	**303,964,382**
Total Liabilities	365,059,226	5,403,418	-	**370,462,644**
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to leases	157,518,687	1,050,339	-	**158,569,026**
Deferred amounts related to total OPEB liability	1,696,986	-	-	**1,696,986**
Deferred amounts related to net pension liability	9,790,962	-	-	**9,790,962**
Total Deferred Inflows of Resources	169,006,635	1,050,339	-	**170,056,974**
NET POSITION				
Net investment in capital assets	597,838,630	151,545,425	(151,545,425)	**597,838,630**
Restricted for revenue bond debt service	75,071,397	-	-	**75,071,397**
Unrestricted net position	25,011,109	33,996,353	(33,996,353)	**25,011,109**
TOTAL NET POSITION	$ 697,921,136	$ 185,541,778	$ (185,541,778)	**$ 697,921,136**

See accompanying independent auditors' report.

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended June 30, 2022	Port	PBRC	Elimination	Board Total
OPERATING REVENUES				
Terminal operations	$ 25,862,558	$ -	$ -	**$ 25,862,558**
Terminal operations - rentals	20,534,881	-	-	**20,534,881**
Cruise and tourism	8,945,073	-	-	**8,945,073**
Switching	-	28,240,738	-	**28,240,738**
Real estate rentals	8,369,101	1,296,272	-	**9,665,373**
Railcar repair	-	1,657,641	-	**1,657,641**
Railcar storage	-	4,484,595	-	**4,484,595**
Bridge charges	-	6,509,811	-	**6,509,811**
Lease interest income	5,002,594	31,035	-	**5,033,629**
Miscellaneous	-	125,882	-	**125,882**
Total Operating Revenues	68,714,207	42,345,974	-	**111,060,181**
OPERATING EXPENSES				
Payroll and benefits:				
Payroll expense	16,645,657	13,895,310	-	**30,540,967**
Pension expense (benefit)	(783,935)	-	-	**(783,935)**
Other benefits expense	3,321,025	6,753,176	-	**10,074,201**
Total Payroll and Benefits	19,182,747	20,648,486	-	**39,831,233**
Other operating expenses:				
Travel, promotion and advertising	775,447	67,631	-	**843,078**
Professional fees	1,360,692	166,189	-	**1,526,881**
Utilities	3,428,489	204,103	-	**3,632,592**
Maintenance agreements	1,887,410	1,082,539	-	**2,969,949**
Maintenance expenses	4,116,787	6,010,658	-	**10,127,445**
Other costs	2,479,117	1,645,755	-	**4,124,872**
Capital allocations	(1,479,641)	-	-	**(1,479,641)**
Security fees	(1,196,208)	-	-	**(1,196,208)**
Insurance	5,889,623	1,489,367	-	**7,378,990**
Workers' compensation and casualty losses	208,007	252,945	-	**460,952**
Service allocations	(2,000,000)	2,000,000	-	**-**
Total Other Operating Expenses	15,469,723	12,919,187	-	**28,388,910**
Depreciation	27,390,483	3,186,378	-	**30,576,861**
Total Operating Expenses	62,042,953	36,754,051	-	**98,797,004**
OPERATING INCOME (LOSS)	$ 6,671,254	$ 5,591,923	$ -	**$ 12,263,177**

(Continued)

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended June 30, 2022	Port	PBRC	Elimination	Board Total
NON-OPERATING REVENUE (EXPENSES)				
Investment income (loss)	$ (228,142)	$ (95,789)	$ -	**$ (323,931)**
Intercompany investment income	5,472,223	-	(5,472,223)	**-**
Interest expense	(9,450,567)	-	-	**(9,450,567)**
Hurricane gain (loss)	5,975,628	-	-	**5,975,628**
Gain (loss) on disposal of assets	1,301,108	96,417	-	**1,397,525**
Demolition costs	-	-	-	**-**
Port relief fund income	27,800,589	-	-	**27,800,589**
Miscellaneous, net	(3,552,148)	(120,328)	-	**(3,672,476)**
Total Non-Operating (Expense) Revenue, net	27,318,691	(119,700)	(5,472,223)	**21,726,768**
INCOME (LOSS) BEFORE CONTRIBUTIONS	33,989,945	5,472,223	(5,472,223)	**33,989,945**
CAPITAL CONTRIBUTIONS				
Capital contributions	15,675,181	-	-	**15,675,181**
Total Capital Contributions	15,675,181	-	-	**15,675,181**
CHANGE IN NET POSITION	49,665,126	5,472,223	(5,472,223)	**49,665,126**
NET POSITION, BEGINNING OF YEAR	645,493,721	180,058,845	(180,058,845)	**645,493,721**
PRIOR YEAR RESTATEMENT	2,762,290	10,711	(10,711)	**2,762,290**
NET POSITION, BEGINNING OF YEAR, RESTATED	648,256,011	180,069,555	(180,069,556)	**648,256,010**
NET POSITION, END OF YEAR	$ 697,921,137	$ 185,541,778	$ (185,541,779)	$ 697,921,136

(Concluded)

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO THE AGENCY HEAD

For the Year Ended June 30, 2022

Agency Head Name: Brandy Christian, CEO

Purpose		Amount
Salary	$	329,602
Benefits - Insurance		20,773
Benefits - Retirement		117,316
Benefits - Board match - deferred compensation		2,400
Benefits - 401(A) plan		41,200
Car allowance		12,000
Non-travel reimbursements		4,808
Travel reimbursements		23,388
Total	**$**	**551,487**

See accompanying independent auditors' report .

REVENUE BONDS DEBT SERVICE COVERAGE

Fiscal Year		Operating Revenue (a)		Direct Operating Expenses (b)		Net Revenue Available for Debt Service	Debt Service Requirement						Senior Debt Coverage	Total Debt Coverage
								Senior Debt		Subordinate Debt		Total		
2022	$	112,157,561	$	74,725,595	$	37,431,966	$	9,278,502	$	1,272,811	$	10,551,313	4.03	3.55
2021	$	93,302,003	$	70,025,873	$	23,276,130	$	6,801,349	$	1,210,514	$	8,011,863	3.42	2.91

(a) Includes non-restricted investment income.
(b) Excludes depreciation and amortization.

BOARD OF COMMISSIONERS OF
THE PORT OF NEW ORLEANS
SINGLE AUDIT REPORT
JUNE 30, 2022

REPORT

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Commissioners of the
Port of New Orleans
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Board of Commissioners of the Port of New Orleans (the "Board"), which comprise the statement of financial position as of June 30, 2022, and the related statement of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 27, 2022

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Board of Commissioners of the
Port of New Orleans
New Orleans, Louisiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Board of Commissioners of the Port of New Orleans' (the "Board") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Board's major federal program for the year ended June 30, 2022. The Board's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Board's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Board's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Board, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements. We issued our report thereon dated December 27, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 27, 2022

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Program Title	Assistance Listing Number	Passed-Through to Subrecipients	Expenditures
Department of Homeland Security			
Passed through the State of Louisiana Office of Homeland Security and Emergency Preparedness			
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Port of New Orleans	97.036	$ -	$ 481,742
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Public Belt Railroad	97.036	-	112,939
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	-	588,783
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)		-	1,183,464
Passed through the State of Louisiana Office of State and Local Government Coordination and Preparedness			
Port Security Grant Program	97.056	-	291,847
Total Department of Homeland Security		-	1,475,311
United States Environmental Protection Agency			
Diesel Emissions Reduction Act (DERA) National Grants	66.039	-	593,988
Passed through the State of Louisiana Department of Environmental Quality			
Diesel Emissions Reduction Act (DERA) State Grants	66.040	-	36,218
Total United States Environmental Protection Agency		-	630,206
Total Expenditures of Federal Awards		**$ -**	**$ 2,105,517**

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Board's financial statements for the year ended June 30, 2022.

NOTE 2: PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the Board's portion, are more than shown. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: LOANS

The Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2022.

NOTE 4: FEDERALLY FUNDED INSURANCE

The Board has no federally funded insurance.

NOTE 5: NONCASH ASSISTANCE

The Board did not receive any federal noncash assistance for the year ended June 30, 2022.

NOTE 6: INDIRECT COST RATE

The Board did not elect to use the 10 percent (10%) de minimis indirect cost rate.

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

1. Type of auditors' report issued	Unmodified
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	None noted
c. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Type of auditors' report issued on compliance for major programs	Unmodified
2. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	None noted
3. Any audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of the major programs:	

Name of Federal Awards (or Cluster)	CFDA No.
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036

5. Dollar threshold used to distinguish between type A and type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	Yes

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2022.

C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

There were no findings related to compliance and other matters for the year ended June 30, 2022.

D. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM

There were no findings or questioned costs related to the major federal award program for the year ended June 30, 2022.

A. PRIOR AUDIT FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2021.

B. PRIOR AUDIT FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

There were no findings related to compliance and other matters for the year ended June 30, 2021.

C. PRIOR AUDIT FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

There were no findings or questioned costs related to the major federal award programs for the year ended June 30, 2021.

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Board of Commissioners of the
Port of New Orleans
New Orleans, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Board of Commissioner of the Port of New Orleans (the "Port NOLA") management is responsible for those C/C areas identified in the SAUPs.

Port NOLA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

1. Obtain and inspect Port NOLA's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and Port NOLA's operations:

   a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

      Results: No exceptions were found as a result of applying the above procedures.

   b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

      Results: No exceptions were found as a result of applying the above procedures.

   c) ***Disbursements***, including processing, reviewing, and approving.

      Results: No exceptions were found as a result of applying the above procedures.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were found as a result of applying the above procedures.

e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were found as a result of applying the above procedures.

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: No exceptions were found as a result of applying the above procedures.

g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No exceptions were found as a result of applying the above procedures.

h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were found as a result of applying the above procedures.

i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to Port NOLA's ethics policy.

Results: No exceptions were found as a result of applying the above procedures.

j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: No exceptions were found as a result of applying the above procedures.

k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were found as a result of applying the above procedures.

l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No exceptions were found as a result of applying the above procedures.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

   a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

      Results: No exceptions were found as a result of applying the above procedures

   b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included quarterly budget-to-actual.

      Results: No exceptions were found as a result of applying the above procedures

Bank Reconciliations

3. Obtain a listing of Board bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify Port NOLA's main operating account. Select Port NOLA's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

   a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

      Results: No exceptions were found as a result of applying the above procedures

   b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

      Results: No exceptions were found as a result of applying the above procedures

   c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

      Results: No exceptions were found as a result of applying the above procedures

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

   Results: No exceptions were found as a result of applying the above procedures

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

a) Employees responsible for cash collections do not share cash drawers/registers.

Results: No exceptions were found as a result of applying the above procedures

b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Results: No exceptions were found as a result of applying the above procedures

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: No exceptions were found as a result of applying the above procedures

d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were found as a result of applying the above procedures

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

   Results: No exceptions were found as a result of applying the above procedures

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

   a) Observe that receipts are sequentially pre-numbered.

   Results: No exceptions were found as a result of applying the above procedures

   b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   Results: No exceptions were found as a result of applying the above procedures

   c) Trace the deposit slip total to the actual deposit per the bank statement.

   Results: No exceptions were found as a result of applying the above procedures

   d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   Results: No exceptions were found as a result of applying the above procedures

   e) Trace the actual deposit per the bank statement to the general ledger.

   Results: No exceptions were found as a result of applying the above procedures

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

   Results: No exceptions were found as a result of applying the above procedures

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

   a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

      Results: No exceptions were found as a result of applying the above procedures

   b) At least two employees are involved in processing and approving payments to vendors.

      Results: No exceptions were found as a result of applying the above procedures

   c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

      Results: No exceptions were found as a result of applying the above procedures

   d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

      Results: No exceptions were found as a result of applying the above procedures

10. For each location selected under #8 above, obtain Port NOLA's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

    a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by Port NOLA.

       Results: No exceptions were found as a result of applying the above procedures

    b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

       Results: No exceptions were found as a result of applying the above procedures

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

    Results: No exceptions were found as a result of applying the above procedures

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

    a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

       Results: No exceptions were found as a result of applying the above procedures

    b) Observe that finance charges and late fees were not assessed on the selected statements.

       Results: No exceptions were found as a result of applying the above procedures

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

    Results: No exceptions were found as a result of applying the above procedures

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

    a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

       Results: No exceptions were found as a result of applying the above procedures

    b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

       Results: No exceptions were found as a result of applying the above procedures

    c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

       Results: No exceptions were found as a result of applying the above procedures

d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were found as a result of applying the above procedures

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results: No exceptions were found as a result of applying the above procedures

b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Results: No exceptions were found as a result of applying the above procedures

c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Results: No exceptions were found as a result of applying the above procedures

d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the above procedures

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were found as a result of applying the above procedures

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Results: No exceptions were found as a result of applying the above procedures

b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Results: No exceptions were found as a result of applying the above procedures

c) Observe any leave accrued or taken during the pay period is reflected in Port NOLA's cumulative leave records.

Results: No exceptions were found as a result of applying the above procedures

d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: No exceptions were found as a result of applying the above procedures

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and Port NOLA's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to Board policy.

Results: No exceptions were found as a result of applying the above procedures

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of applying the above procedures

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Results: No exceptions were found as a result of applying the above procedures

b. Observe whether Port NOLA maintains documentation which demonstrates each employee and official were notified of any changes to Port NOLA's ethics policy during the fiscal period, as applicable.

Results: No exceptions were found as a result of applying the above procedures

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Results: No exceptions were found as a result of applying the above procedures

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

    Results: No exceptions were found as a result of applying the above procedures

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Bpard reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which Port NOLA is domiciled.

    Results: No exceptions were found as a result of applying the above procedures

24. Observe Port NOLA has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

    Results: No exceptions were found as a result of applying the above procedures

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

    a) Obtain and inspect Port NOLA's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

       Results: We performed the procedure and discussed the results with management.

    b) Obtain and inspect Port NOLA's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

       Results: We performed the procedure and discussed the results with management.

    c) Obtain a listing of Port NOLA's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

       Results: We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

    Results: No exceptions were found as a result of applying the above procedures.

27. Observe Port NOLA has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on Port NOLA's premises if Port NOLA does not have a website).

    Results: No exceptions were found as a result of applying the above procedures.

28. Obtain Port NOLA's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

    a) Number and percentage of public servants in the agency who have completed the training requirements;

    Results: No exceptions were found as a result of applying the above procedures.

    b) Number of sexual harassment complaints received by the agency;

    Results: No exceptions were found as a result of applying the above procedures.

    c) Number of complaints which resulted in a finding that sexual harassment occurred;

    Results: No exceptions were found as a result of applying the above procedures.

    d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

    Results: No exceptions were found as a result of applying the above procedures.

    e) Amount of time it took to resolve each complaint.

    Results: No exceptions were found as a result of applying the above procedures.

We were engaged by the Board of Commissioners of the Port of New Orleans to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Port NOLA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Metairie, Louisiana
December xx, 2022