

GREATER OUACHITA PORT COMMISSION

WEST MONROE, LOUISIANA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2023

GREATER OUACHITA PORT COMMISSION
DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Greater Ouachita Port Commission
West Monroe, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Greater Ouachita Port Commission, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Greater Ouachita Port Commission'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 business-type activities of the Greater Ouachita Port Commission, as of December 31, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance 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 Greater Ouachita Port Commission and 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Greater Ouachita Port Commission'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 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 Greater Ouachita Port Commission'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 Greater Ouachita Port Commission'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 5 to 8 be presented to supplement the basic financial statements. Such information, 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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer on page 23 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. This 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 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 Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is 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 June 21, 2024, on our consideration of the Greater Ouachita Port Commission'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 Greater Ouachita Port Commission'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 Commission's internal control over financial reporting and compliance.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Monroe, Louisiana
June 21, 2024

GREATER OUACHITA PORT COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Greater Ouachita Port Commission's (the Commission) financial performance presents management's overview of the Commission's financial activities for the year ended December 31, 2023. Please read it in conjunction with the Commission's financial statements.

FINANCIAL HIGHLIGHTS

For the year ended December 31, 2023, the Commission's Net Cash Provided by Operating Activities was (\$2,280), compared to \$11,339 used in the prior year.

The assets of the Port exceeded liabilities at December 31, 2023 by \$8,111,059.

The Port's net position decreased by \$647,715 for the year ended December 31, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Commission operates as an enterprise fund and presents its financial statements using the accrual basis of accounting. As an enterprise fund, the Commission's basic financial statements include three components: Management's Discussion and Analysis, Basic Financial Statements, and Notes to the Financial Statements.

The Statement of Net Position includes all of the Commission's assets and liabilities, with the difference between the two reported as net position. Net position is all unrestricted at December 31, 2023. The increases or decreases in the Commission's net position are an indicator of whether its financial position is improving or deteriorating. The Statement of Net Position provides a basis for evaluating the capital structure of the Commission and assessing its liquidity and financial flexibility. Total assets are \$8,111,322 at December 31, 2023, with liabilities being \$263 at December 31, 2023.

The Statement of Revenues and Expenses shows how the Commission's net position changed during the year. All of the current year's revenues and expenses were recorded when the underlying transaction occurs,

GREATER OUACHITA PORT COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

regardless of the timing of related cash flows. The Statement of Revenues and Expenses measures the Commission's performance over the last year, and whether the Commission recovered its costs through fees and other revenues.

The Statement of Cash Flows provides information regarding the Commission's cash receipts and cash disbursements during the year. The statement reports cash activity in three categories, cash flows from operations, and cash flows from investing activities. This statement accounts only for transactions that result in cash receipts and cash disbursements.

The Notes to the Financial Statements provide a description of the accounting policies used to prepare the financial statements and presents material disclosures required by accounting principles generally accepted in the United States of America that are not otherwise presented in the financial statements.

NET POSITION

For the year ended December 31, 2023, net position changed as follows:

Beginning Net Position	8,758,774
Increase (Decrease) in Net Position	<u>(647,715)</u>
Ending Net Position (Of Which \$7,872,999 is Invested in Capital Assets)	<u>8,111,059</u>

CHANGE IN NET POSITION

The following schedule presents a summary of revenue and expenses for the fiscal years ended December 31, 2023 and 2022, and their percentage of total.

GREATER OUACHITA PORT COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

CHANGE IN NET POSITION (Continued)

	<u>12/31/23</u>	<u>%</u> <u>12/31/23</u>	<u>12/31/22</u>	<u>%</u> <u>12/31/22</u>
<u>Revenues</u>				
Grants	-	-	-	-
Donations	-	-	-	-
Other	<u>17,508</u>	<u>100.00</u>	<u>28,275</u>	<u>100.00</u>
<u>Total Revenues</u>	<u>17,508</u>	<u>100.00</u>	<u>28,275</u>	<u>100.00</u>
<u>Expenses</u>				
Insurance	8,330	1.25	6,793	.94
Depreciation	645,072	96.98	703,520	97.46
Professional Fees	8,933	1.34	8,815	1.22
Miscellaneous	<u>2,888</u>	<u>.43</u>	<u>2,726</u>	<u>.38</u>
<u>Total Expenses</u>	<u>665,223</u>	<u>100.00</u>	<u>721,854</u>	<u>100.00</u>
<u>Excess Revenues (Expenses)</u>	<u>(647,715)</u>		<u>(693,579)</u>	

For the years ended December 31, 2023 and December 31, 2022, expenses exceeded revenues due to noncash depreciation expense.

The Greater Ouachita Port Commission has been fortunate to receive funding necessary to construct, implement, and begin operating the port project. We received grants to construct a rail spur extension. Construction started in 2012 and was completed in 2014. The current operation of this rail spur is to serve the outbound needs of Graphic Packaging of West Monroe and additional regional customers. By implementing this project, the Commission has been able to assist the State of Louisiana in retaining over 500 jobs with Graphic Packaging and provide access for multiple employers.

Bids for the dock construction were received in May 2006. James Construction of Baton Rouge began construction of the Dock Facility in June 2006. The dock was completed in early 2008.

The Greater Ouachita Port Commission was able to procure the construction funding through the state of Louisiana, more specifically, the Department of Transportation and Development.

GREATER OUACHITA PORT COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

CHANGE IN NET POSITION (Continued)

The Greater Ouachita Port Commission also procured funding for an access road. The project is completed as planned and is currently being utilized.

CAPITAL ASSETS AND DEBT

The Port's investment in capital assets totals \$7,872,999 (net of accumulated depreciation of \$11,474,832) at December 31, 2023.

The Port has no debt at December 31, 2023.

ECONOMIC FACTORS AND NEXT YEAR EXPECTATIONS

The Port will continue to strive toward maximizing use of all port property and work to qualify for additional grants (both state and federal) to add to infrastructure and improve economic opportunities for our customers.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the financial resources it manages. If you have questions about this report or need additional financial information, contact the Greater Ouachita Port Commission, 101 Valley Road, West Monroe, Louisiana 71292.

BASIC FINANCIAL STATEMENTS

GREATER OUACHITA PORT COMMISSION
STATEMENT OF NET POSITION
DECEMBER 31, 2023

Business-Type
Activities

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	237,673
Accounts Receivable - Operations	<u>650</u>

<u>TOTAL CURRENT ASSETS</u>	<u>238,323</u>
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CAPITAL ASSETS

Land	900,000
Other Capital Assets, Net of Depreciation	<u>6,972,999</u>

<u>TOTAL CAPITAL ASSETS</u>	<u>7,872,999</u>
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<u>TOTAL ASSETS</u>	<u>8,111,322</u>
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LIABILITIES AND NET POSITION

LIABILITIES

Accounts Payable - Operations	263
Accounts Payable - Construction	<u>-</u>

<u>TOTAL LIABILITIES</u>	<u>263</u>
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NET POSITION

Unrestricted (Deficit)	238,060
Net Investment in Capital Assets	<u>7,872,999</u>

<u>TOTAL NET POSITION</u>	<u>8,111,059</u>
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<u>TOTAL LIABILITIES AND NET POSITION</u>	<u>8,111,322</u>
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See Independent Auditors' Report and accompanying notes.

GREATER OUACHITA PORT COMMISSION
STATEMENT OF REVENUES AND EXPENSES (ENTERPRISE FUND)
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>OPERATING REVENUES</u>		
Port Operations		17,508
<u>OPERATING EXPENSES</u>		
Depreciation	645,072	
Professional Fees	8,933	
Insurance	8,330	
Other	<u>2,888</u>	
<u>TOTAL OPERATING EXPENSES</u>		<u>665,223</u>
<u>OPERATING INCOME (LOSS)</u>		(647,715)
<u>NON-OPERATING REVENUE</u>		
Interest	-	
Grants (Intergovernmental)	<u>-</u>	
<u>TOTAL NON-OPERATING REVENUE</u>		<u>-0-</u>
<u>CHANGE IN NET POSITION - INCREASE (DECREASE)</u>		<u>(647,715)</u>

See Independent Auditors' Report and accompanying notes.

GREATER OUACHITA PORT COMMISSION
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>NET POSITION - BEGINNING OF YEAR</u>	8,758,774
Changes in Net Position - Increase (Decrease)	(<u>647,715</u>)
<u>NET POSITION - END OF YEAR</u>	<u>8,111,059</u>

See Independent Auditors' Report and accompanying notes.

GREATER OUACHITA PORT COMMISSION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Cash Received from Operations (Customers)	17,833
Payments for Goods and Services to Vendors	(<u>20,113</u>)
Net Cash Flows (Uses) from Operating Activities	(<u>2,280</u>)
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</u>	
None	-0-
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>	
Capital Grants Collected	-
Payment for Capital Acquisition	-
Capital Acquisition Disposition	<u>-</u>
Net Cash Flows (Uses) from Capital and Related Financing Activities	-0-
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Interest	<u>-0-</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	(2,280)
<u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u>	<u>239,953</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>237,673</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITY:</u>	
Operating Income (Loss)	(647,715)
Add: Depreciation	645,072
(Increase) Decrease in Current Assets:	
Accounts Receivable - Operations	325
Increase (Decrease) in Current Liabilities:	
Accounts Payable - Operations	<u>38</u>
Net Cash Flows (Uses) from Operating Activities	(<u>2,280</u>)

See Independent Auditors' Report and accompanying notes.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

ORGANIZATION

The Greater Ouachita Port Commission (the Commission) was created in 1998 by the Revised Statutes 34:1401 through 1406 by the Louisiana Legislature. The Commission is composed of seven members, who shall serve without compensation. The Commission shall exercise the powers therein conferred upon it, within the port area of Ouachita Parish. The Commission may authorize a reasonable travel allowance for its members in the performance of their duties, and it may employ such officers, or agents, and employees as it may find necessary in the performance of its duties, and may prescribe the duties, powers and compensation of such officers, agents, and employees. The Commission may, on such terms upon which it may agree, contract for legal, financial, engineering and other professional services necessary or expedient in the conduct of its affairs, and may on terms and conditions mutually agreeable, utilize the services of the executive department of the state.

The Commission shall have authority, when authorized to do so by a vote of a majority of the property taxpayers of the port area qualified to vote at an election for the purpose in accordance with law, to levy annually on all property situated within the port area, subject to taxation, an ad valorem tax not to exceed two and one-half mills on the dollar.

Also, the Commission may acquire by expropriation any wharves, landing, or any other properties necessary for the benefit and advantage of the commerce of the Commission.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Commission complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:
(Continued)

Basis of Presentation Fund Accounting

The Commission's operations are accounted for in a proprietary fund type—the enterprise fund. The proprietary fund type is accounted for using the flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the Statement of Net Position. Net position is segregated into Invested in Capital Assets - Net of Related Debt: Restricted and Unrestricted earnings. The Statement of Revenues and Expenses presents increases (revenues) and decreases (expenses) in net total position.

The Commission is 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. The measurement focus emphasizes the determination of net income. The Commission follows the accrual basis of accounting for its proprietary fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The accompanying financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments.

Reporting Entity

GASB Statements establishes criteria for determining the governmental reporting entity and its component units.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:
(Continued)

Reporting Entity (Continued)

Component units are defined as legally separate organizations for which the elected officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Commission was created by Louisiana Revised Statute 34.1401 through 34.1406. The governing board of commissioners administers the operations and responsibilities in accordance with the provisions of Louisiana statutes. The seven members of the Board are appointed by the Governor of the State of Louisiana. The Commission has all the powers and privileges granted under the constitution and statutes of the State of Louisiana which include, but are 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 facilities administered by it.

Based on the criteria described above, it has been determined that the Commission is not a component unit of the State of Louisiana for financial reporting purposes, rather it is a "stand-alone" government. Likewise, the Division of Administration for the State of Louisiana treats the Commission as a primary government. The accompanying statements present only transactions of the Commission. No other potential component units meet the criteria for inclusion in the financial statements of the Commission.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Bad Debts

The Commission uses the reserve method for bad debt charge offs. The Commission reviewed receivables at year end and determined there was no need for an allowance.

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.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. For purposes of cash flows, the Commission considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Fund Equity

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Equity (Continued)

2. Restricted - Consists of constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted - All other components of net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Revenues and Expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Commission. Operating revenues primarily consist of fees from Port activities. The revenue is being recognized when earned. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

NOTE 2 - CASH AND CASH EQUIVALENTS:

The Commission has cash and cash equivalents (book balances) totaling \$237,673.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - CASH AND CASH EQUIVALENTS: (Continued)

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2023, are fully secured by the FDIC and pledges of securities.

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commission's investment policy requires that all investments be fully collateralized and held by the counterparty's trust department or agent. Investments in external investment pools, mutual funds, and other pooled investments are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission. The Commission had no investment balances exposed to custodial credit risk at December 31, 2023.

The Commission manages its exposure to interest rate risk and declines in fair market values by limiting investments to "money market investments", which are defined as creditworthy, highly liquid investments of one year or less. The general use of long-term securities is limited.

NOTE 3 - CAPITAL GRANTS CONTRIBUTIONS:

During the year ended December 31, 2023, the Commission received no capital grant funds.

NOTE 4 - OTHER AGREEMENTS:

The Commission has entered into a joint public-private development agreement with Ouachita Terminals to develop a marketing and business plan, to provide/develop funding sources and to select/develop a site for a port on the Ouachita River in Ouachita Parish, Louisiana. Certain fees and expenses will be reimbursed by the Commission. Amounts to be paid in future years are not presently determinable. The Commission has also entered into an agreement with

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 4 - OTHER AGREEMENTS: (Continued)

Ouachita Terminals to operate the port. Ouachita Terminals will provide and pay for the day-to-day operating expenses of the port. Ouachita Terminals will also bill and collect the fees charged for port activities.

The Commission will receive fees from Ouachita Terminals based on shipping volume of the port. Revenues for the year ended December 31, 2023 were \$17,508.

NOTE 5 - RISK MANAGEMENT:

The Commission is exposed to various risks of losses related to torts; theft, damage, and destruction of assets. To manage these risks, the Commission has obtained coverage from commercial insurance companies. During 2023, there were no claims in excess of insurance coverage.

The Commission, at the present time, has no employees. However, if employees are hired, adequate workers compensation will be obtained.

NOTE 6 - BUDGET REQUIREMENTS:

The only activity of the Commission is enterprise activities. As the Commission has no general or special revenue funds, no budget is required.

NOTE 7 - FIXED ASSETS:

Property and equipment acquired with the Commission funds are considered to be owned by the Commission while used in the program or in future authorized programs. However, funding sources have a revolutionary interest in these assets as well as the determination of use of any proceeds from the sale of these assets.

Fixed assets of the Port Commission are included at cost plus any construction period interest for all assets with a cost over \$1,000. Depreciation is recorded on all exhaustible assets using the straight-line method over the estimated life of each asset. Estimated useful lives are as follows:

GREATER OUACHITA PORT COMMISSION
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 7 - FIXED ASSETS: (Continued)

Port Facilities	20 - 40 Years
Rail Facilities	20 Years
Furniture, Fixtures & Equipment	7 - 10 Years

Details - Capital Assets for Year Ended December 31, 2023:

	01/01/23 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	12/31/23 <u>Balance</u>
Land	900,000	-	-	900,000
Equipment	1,960,303	-	-	1,960,303
Port Facilities	10,984,222	-	-	10,984,222
Rail Spurs	<u>5,503,306</u>	<u>-</u>	<u>-</u>	<u>5,503,306</u>
<u>Total Capital Assets</u>	19,347,831	-0-	-0-	19,347,831
Less: Accumulated Depreciation	(10,829,760)	(645,072)	<u>-</u>	(11,474,832)
<u>NET CAPITAL ASSETS</u>	<u>8,518,071</u>	<u>(645,072)</u>	<u>-0-</u>	<u>7,872,999</u>

Depreciation for 2023 is \$645,072. Construction of the port and rail facilities is ongoing.

NOTE 8 - CONTINGENCIES:

As of December 31, 2023, the Commission did not have any pending litigation or potential non-disclosed liabilities.

The Commission participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Commission has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the Commission, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 9 - DEBT:

The Commission has no debt outstanding at December 31, 2023.

NOTE 10 - FUNDING POLICIES AND SOURCES OF FUNDS:

The Commission receives a majority of its monies from federal and state agencies. If significant budget cuts are made at the federal/state level, it could have an adverse effect on the operations of the Commission. The port receives a majority of its port revenue from a limited number of customers. The loss of any of these customers would have an adverse effect on the operations of the port.

NOTE 11 - BOARD OF COMMISSIONERS' COMPENSATION:

The Board of Commissioners is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 12 - IMPAIRMENT OF LONG-LIVED ASSETS:

In accordance with the accounting guidance for the impairment or disposal of long-lived assets, the Commission reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized to date.

NOTE 13 - NON-CASH INVESTING AND FINANCING ACTIVITIES:

There were no non-cash investing and financing activities for the year ended December 31, 2023.

NOTE 14 - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the

GREATER OUACHITA PORT COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 14 - SUBSEQUENT EVENTS: (Continued)

Commission through June 21, 2024, the date the report was available for issue, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

OTHER INFORMATION

GREATER OUACHITA PORT COMMISSION
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
 AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 FOR THE PERIODS ENDED DURING FISCAL YEAR DECEMBER 31, 2023

AGENCY HEAD NAME/TITLE: RICHARD GUILLOT, PRESIDENT

<u>Purpose</u>	<u>Amount</u>
Salary	-0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-other (describe)	-0-
Benefits-other (describe)	-0-
Benefits-other (describe)	-0-
Car allowance	-0-
Vehicle provided by government (enter amount reported on W-2)	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference travel	-0-
Housing	-0-
Unvouchered expenses (example: travel advances, etc.)	-0-
Special meals	-0-
Other	-0-

See Independent Auditors' Report.

COMPLIANCE SECTION

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

VIOLET M. ROUSSEL, CPA, APC
JAY CUTHBERT, CPA, APAC
DAWN WHITSTINE, CPA, APC



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 - Corporate & Fiduciary
- Bookkeeping & Payroll Services

PAM BATTAGLIA, CPA
JOHN R. FORSELL, IV, CPA
NICK RICHARDSON, CPA

ROWLAND H. PERRY, CPA-Retired
CHARLES JOHNSON, JR., CPA-Retired

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

To the Board of Commissioners
Greater Ouachita Port Commission
West Monroe, 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 business-type activities of the Greater Ouachita Port Commission, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Greater Ouachita Port Commission's basic financial statements, and have issued our report thereon dated June 21, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Greater Ouachita Port Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Greater Ouachita Port Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Greater Ouachita Port Commission'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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Greater Ouachita Port Commission'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 statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Monroe, Louisiana
June 21, 2024

GREATER OUACHITA PORT COMMISSION
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting and Compliance

- * Material weakness(es) identified? ___ yes X no
- * Control deficiency(s) identified that are
not considered to be material weaknesses? ___ yes X none reported
- Noncompliance material to financial
statements noted? ___ yes X no

GREATER OUACHITA PORT COMMISSION
SCHEDULE OF FINDINGS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs for the year ended December 31, 2023.

COMPLIANCE FINDINGS

There were no findings or questioned costs for the year ended December 31, 2023.

GREATER OUACHITA PORT COMMISSION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
DECEMBER 31, 2023

SECTION I - Internal Control

There were no findings or questioned costs for the year ended December 31, 2022.

SECTION II - Compliance

There were no findings or questioned costs for the year ended December 31, 2022.

GREATER OUACHITA PORT COMMISSION
MANAGEMENT'S CORRECTIVE ACTION PLAN
DECEMBER 31, 2023

Not Applicable. No Findings.