The Industrial Development Board of the Parish of St. Charles, Louisiana, Inc.

FINANCIAL STATEMENTS

December 31, 2025 and 2024

Table of Contents

REPORT

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
3850 North Causeway Boulevard
Suite 1400
Two Lakeway Center
Metairie, LA 70002

504.837.9116
504.837.0123 (fax)
CRIadv.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Industrial Development Board
of the Parish of St. Charles, Louisiana, Inc.
Hahnville, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Industrial Development Board of the Parish of St. Charles, Louisiana, Inc. (a non-profit public corporation) (the Board), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Board as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's report that includes our opinion. 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 audits.
- 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 audits 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head on page 14 is presented for purposes of additional analysis and as required by Louisiana Revised Statute 24:513(A)(3) 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. 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 23, 2026, 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 solely 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.

CARR, RIGGS, & INGRAM, L.L.C.
Metairie, Louisiana
June 23, 2026

FINANCIAL STATEMENTS

The Industrial Development Board
of the Parish of St. Charles, Louisiana, Inc.
Statements of Financial Position

December 31,		***2025***		*2024*
Assets				
Current assets				
Cash	**$**	**28,586**	$	26,412
Cash equivalent - LAMP		**240,831**		187,197
Accounts receivable		**42,000**		42,000
Total assets	**$**	**311,417**	$	255,609
Liabilities and Net Assets				
Liabilities				
Due to other governments	**$**	**18,500**	$	13,500
Total liabilities		**18,500**		13,500
Net assets				
Without donor restrictions		**292,917**		242,109
Total net assets		**292,917**		242,109
Total liabilities and net assets	**$**	**311,417**	$	255,609

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

For the years ended December 31,	***2025***	*2024*
	Without Donor Restrictions	*Without Donor Restrictions*
Revenue and Other Support		
Interest income	**$ 10,407**	$ 9,590
Administrative rental fee	**46,000**	42,000
Total revenue and other support	**56,407**	51,590
Expenses		
Support	**5,599**	4,194
Total expenses	**5,599**	4,194
Change in Net Assets	**50,808**	47,396
Net assets at beginning of year	**242,109**	194,713
Net assets at end of year	**$ 292,917**	$ 242,109

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

Statements of Cash Flows

For the years ended December 31,	***2025***	*2024*
Operating Activities		
Change in net assets	**$ 50,808**	$ 47,396
Adjustments to reconcile change in net assets to		
net cash provided by (used in) operating activities		
Changes in operating assets and liabilities		
Due to other governments	**5,000**	4,000
Net cash provided by (used in) operating activities	**55,808**	51,396
Net change in cash and cash equivalents	**55,808**	51,396
Cash and cash equivalents at beginning of year	**213,609**	162,213
Cash and cash equivalents at end of year	**$ 269,417**	$ 213,609

Reconciliation to the Statement of Financial Position		
Cash	**$ 28,586**	$ 26,412
Cash equivalent - LAMP	**240,831**	187,197
Total	**$ 269,417**	$ 213,609

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

Note 1: DESCRIPTION OF THE ORGANIZATION

The Industrial Development Board of the Parish of St. Charles, Louisiana, Inc. (a non-profit public corporation) (the Board), is a non-profit public corporation created under the provisions of Title 51, Chapter 7 of the Louisiana Revised Statutes of 1950. The Board was organized for the purpose of promoting, stimulating, developing, and advancing the business prosperity and economic welfare of the Parish of St. Charles, the State of Louisiana, and their citizens. The Board's function is to encourage and assist in the organization of new businesses or industries and to rehabilitate and assist existing businesses and industries, thus providing maximum opportunities for employment to improve the standard of living to the citizens of St. Charles Parish and the State of Louisiana. The Board is to cooperate and act in conjunction with other organizations, public or private, in the promotion and development of industrial, commercial, agricultural, and recreational development in the Parish of St. Charles and the State of Louisiana.

The powers and management of the Board are vested in and exercised by a seven-member Board of Directors, which is appointed by the St. Charles Parish Council. The governing body of the Parish of St. Charles must give prior approval before the Board of Directors or the Board may bind itself regarding the financing of any capital project or the issuance of any bonds.

The Board, under the authority of its corporate charter and the laws of the State of Louisiana, has authority to issue industrial development revenue bonds. It derives its revenue from application fees charged to businesses who apply for the bonds. The application fee is non-refundable. In addition to the application fee, the private corporations pay an administrative rental payment to the Board for the administration of the agreement and related industrial revenue bonds, and supplemental rental payments as defined in the direct financing lease agreements.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Accounts Receivable

Accounts receivable represent amounts owed to the Board which are expected to be collected within twelve months and are presented in the statements of financial position net of the allowance for credit losses.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was zero at December 31, 2025 and 2024, respectively.

Net Assets

The Board reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Board, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has not designated, from net assets without donor restrictions, any net assets for an operating reserve or capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. There were no net assets with donor restrictions at December 31, 2025 and 2024.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenues are recognized when they are earned. The main source of revenue is from annual administrative fees which are fees collected on projects (with or without a bond issuance) that involve a PILOT (payment in lieu of taxes) agreement.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services**.** The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and Note 6.

Income Taxes

The Board has been recognized as a non-profit public corporation created under the provisions of Title 51, Chapter 7 of the Louisiana Revised Statutes of 1950 and is exempt from federal income taxes on related income pursuant to Sec. 501(a) of the IRC. Management believes there are no uncertain tax positions included in the financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 23, 2026, and determined that no events have occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Board maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Board’s expenditures come due. The following reflects the Board’s financial assets as of the statement of financial position dates, reduced by amounts not available for general use within one year of the statement of financial position dates because of contractual or donor-imposed restrictions.

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (Continued)

December 31,	**2025**	2024
Total assets at year-end	**$ 311,417**	$ 255,609
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	**-**	-
Financial assets available to meet cash needs for general expenditures within one year	**$ 311,417**	$ 255,609

Note 4: CASH EQUIVALENTS - LAMP

The Board holds cash equivalents in LAMP, a local government investment pool. This pool is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company Act of 1940; however, its policies are similar to those established by Rule 2a-7, which governs registered money market funds. Only local government entities having contracted to participate in LAMP have an 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 and cash equivalent options. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-RS 33:2955.

LAMP is rated AAAm by Standard & Poor's. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP’s balances are stated at fair value based on quoted market values. The fair values of the assets are determined on a weekly basis to monitor any variances between amortized costs and fair values. 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.

At December 31, 2025 and 2024, the Board has cash equivalents in LAMP totaling $240,831 and $187,197, respectively.

Note 5: DIRECT FINANCING LEASES (PILOT PROGRAM)

The Board enters into direct financing lease agreements with private corporations and issues industrial revenue bonds for the acquisition of facilities. The private corporations lease these facilities from the Board for an amount necessary to pay principal, interest, and premiums, if any, on the industrial revenue bonds. Since tax-exempt bonds provide the incentive of a below-market interest rate and the related facilities are exempt from ad valorem tax for the life of the direct financing lease agreement, the private corporations also make Payments in Lieu of Taxes (PILOT) that are collected by St. Charles Parish to distribute to tax recipient bodies in the same proportion as ad valorem tax would be distributed for the tax year in question.

The Board acts solely as an administrative agent in these transactions. The underlying assets financed through PILOT arrangements, along with the related lease obligations, are the responsibility of the participating lessees. The Board does not retain the benefits and risks of ownership, nor does it exercise substantive control over the use of the assets. Accordingly, consistent with applicable accounting guidance, these PILOT program leases and related assets and liabilities are not recorded in the accompanying financial statements.

In addition, the private corporation pays an administrative rental payment to the Board for the administration of the agreement and related industrial revenue bonds, and supplemental rental payments as defined in the direct financing lease agreements.

During the year ended December 31, 2015, the Board entered into a 22 year lease with Kongsberg Maritime, Inc. As part of the agreement, the lessor (the Board) agrees to issue bonds from time to time for up to $18 million in aggregate at the request of the lessee. As of December 31, 2025 and 2024, no bonds have been issued related to this lease. For the year ended December 31, 2025, the total assets eligible for tax incentives is $13,948,587. The Board annually collects $17,000 of administrative rental payment recognized as revenue without restriction in the statements of activities for its service related to this lease.

During the year ended December 31, 2022, the Board entered into a 20 year lease with International-Matex Tank Terminals LLC. As part of the lease agreement, the lessor (the Board) agrees to issue bonds from time to time up to $500 million in aggregate at the request of the lessee for a project in St. Rose, St. Charles Parish, Louisiana. As of December 31, 2025 and 2024, no bonds have been issued related to this lease. In addition, the total capital cost of the project that is eligible for tax incentives may not exceed $500,000,000 in the aggregate. As of December 31, 2025, the Aggregate Capital Cost incurred and eligible for tax incentives was $354,839,834. The Board annually collects $25,000 of administrative rental payment recognized as revenue without restriction in the statements of activities for its service related to this lease.

Note 5: DIRECT FINANCING LEASES (PILOT PROGRAM) (Continued)

During the year ended December 31, 2024, the Board entered into a 5 year lease with Randa Properties LLC. As part of the lease agreement, the lessor (the Board) agrees to issue bonds up to $7.3 million in aggregate for a project in St. Rose, St. Charles Parish, Louisiana. As of December 31, 2025 and 2024, no bonds have been issued related to this lease. For the year ended December 31, 2025, the total assets eligible for tax incentives is $8,224,633. The Board annually collects $2,000 of administrative rental payment recognized as revenue without restriction in the statements of activities for its service related to this lease.

The Board collected PILOT payments as noted below for the years ended December 31, 2025 and 2024 for distribution:

		2025		2024
Kongsberg Maritime, Inc	**$**	**101,248**	$	69,248
International-Matex Tank Terminals LLC	**$**	**949,790**	$	932,020
Randa Properties, LLC	**$**	**92,628**	$	13,172

For the years ended December 31, 2025 and 2024, the Board recognized $46,000 and $42,000 of administrative rental fee revenue, respectively.

Note 6: FUNCTIONAL CLASSIFICATION OF EXPENSES

Any costs related to program administration are functionally classified as supporting services expenses. Any costs related to activities that constitute direct conduct or direct supervision of program activities are program expenses. The Board did not have any program or fundraising expenses for 2025 or 2024.

The table below presents support expenses by nature and function:

		2025		2024
Audit expense	$	5,000	$	4,000
Bank charges		174		194
Annual report & clerk fees		425		-
Total	**$**	**5,599**	**$**	**4,194**

Note 7: CONCENTRATIONS OF CREDIT RISK

The Federal Deposit Insurance Corporation (FDIC) provides insurance coverage under defined dollar limits. The FDIC insures the accounts up to $250,000 per institution and is not obligated to pay uninsured deposits. There were no uninsured deposits at December 31, 2025 and 2024.

Note 8: ECONOMIC ENVIRONMENT

Income is dependent primarily upon the Board receiving a sufficient number of applications wherein the applicant/developer is seeking bond financing through the Board and, additionally in some instances, a PILOT. In the long-term, these applications and the subsequent successful bond issuance, generate closing costs income and potentially annual administrative fees if a PILOT is involved. All such projects occur in St. Charles Parish. A decline in local and general economic conditions could affect the generation of revenue.

Note 9: RELATED PARTIES

Through the year ended December 31, 2025, St. Charles Parish paid the annual audit expense on behalf of the Board, of which $18,500 and $13,500 was outstanding as of December 31, 2025 and 2024, respectively. This is included in the statements of financial position in due to other governments.

Mr. Timothy J. Vial, Board President, or any of the board members did not receive any compensation, reimbursements, benefits, or other payments for the years ended December 31, 2025 and 2024.

SUPPLEMENTARY INFORMATION

The Industrial Development Board
of the Parish of St. Charles, Louisiana, Inc.
Schedule of Compensation, Benefits, and Other Payments Made
December 31, 2025

Mr. Timothy J. Vial, Board President, or any of the board members did not receive any compensation, reimbursements, benefits, or other payments for the year ended December 31, 2025.

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
3850 North Causeway Boulevard
Suite 1400
Two Lakeway Center
Metairie, LA 70002

504.837.9116
504.837.0123 (fax)
CRIadv.com

INDEPENDENT AUDITOR'S 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*

Board of Directors
The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Hahnville, 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 Industrial Development Board of the Parish of St. Charles, Louisiana, Inc., (a non-profit organization) (the Board), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 23, 2026.

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) as a basis for designing 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 Board'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 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 Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

CARR, RIGGS & INGRAM, L.L.C.
Metairie, Louisiana
June 23, 2026

A. SUMMARY OF AUDITOR'S RESULTS

1. Type of independent auditor's report	Unmodified
2. Internal control over financial reporting	
a. Material weakness identified	No
b. Significant deficiencies not considered to be material weaknesses	None noted
c. Noncompliance material to the financial statements noted	No
3. Management letter	No

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

None noted.

C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

None noted.

D. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None noted.