

**PORT OF SOUTH LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED**

*April 30, 2025 and 2024*

# PORT OF SOUTH LOUISIANA

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*INDEPENDENT AUDITORS' REPORT*

The Board of Commissioners of the  
Port of South Louisiana

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the Port of South Louisiana (Port) as of and for the years ended April 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Port'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 financial position of the Port of South Louisiana as of April 30, 2025 and 2024, and the changes in financial position and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Port 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 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 Port'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 Port'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 Port'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 and required supplementary information on pages 4 through 8 and pages 35 through 37 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 audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port of South Louisiana's basic financial statements. The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedules referred to in the preceding paragraph are the responsibility of management and were derived from and relate 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, the 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 January 26, 2026, on our consideration of the Port of South Louisiana'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 Port'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 Port's internal control over financial reporting and compliance.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
January 26, 2026

**PORT OF SOUTH LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*April 30, 2025*

This section of the Port of South Louisiana's (the Port) financial report presents a discussion and analysis of the Port's financial performance during the fiscal year that ended April 30, 2025. Please read it in conjunction with the Port's financial statements, which follows this section.

**FINANCIAL HIGHLIGHTS**

The Port's net position (assets fully owned with no restrictions) of approximately \$186.1 million represents approximately 60% of total assets of approximately \$308.9 million in 2025. In 2024, the Port's net position of approximately \$181.0 million represented 59% of total assets of approximately \$307.9 million.

The Port had an increase in net position of approximately \$5.0 million for the year ended April 30, 2025 and an increase in net position of approximately \$171,000 in 2024.

In addition, the Port's cash provided from operating activities was \$6,235,449 in 2025 as compared to \$968,482 in 2024.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This financial report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and the notes to the financial statements. The financial statements provide both long-term and short-term information about the Port'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.

The Port'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 governmental units. 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. All assets and liabilities associated with the operations of the Port are included in the Statements of Net Position. The Statements of Net Position report the Port's net position, which is the difference between its assets and liabilities. Net Position is one way to measure the Port's financial health or position.

**PORT OF SOUTH LOUISIANA**  
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED  
April 30, 2025

**FINANCIAL ANALYSIS OF THE PORT**

**Net Position**

The Port's total assets at April 30, 2025 reached approximately \$308.9 million. A change in the composition of assets is primarily due to the change in leases receivable (receipt of lease receivables), as well as increases in property and equipment due to new and ongoing capital projects.

Table A-1  
PORT OF SOUTH LOUISIANA  
Statements of Net Position  
April 30, 2025 and 2024

	2025	2024	Variance	Percent Variance
<b>ASSETS</b>				
Current assets	\$ 37,018,420	\$ 40,082,914	\$ (3,064,494)	(8) %
Restricted assets	1,099,249	8,590	1,090,659	12,697 %
Property and equipment, net	168,723,007	159,477,517	9,245,490	6 %
Other assets	<u>102,030,837</u>	<u>108,372,540</u>	<u>(6,341,703)</u>	(6) %
Total Assets	308,871,513	307,941,561	929,952	- %
Deferred Outflows of Resources	<u>1,656,787</u>	<u>1,801,629</u>	<u>(144,842)</u>	(8) %
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>\$ 310,528,300</b></u>	<u><b>\$ 309,743,190</b></u>	<u><b>\$ 785,110</b></u>	- %
<b>LIABILITIES</b>				
Current liabilities	\$ 7,020,691	\$ 2,353,446	\$ 4,667,245	198 %
Revenue bonds payable from restricted assets	517,500	1,188,000	(670,500)	(56) %
Other noncurrent liabilities	<u>13,354,791</u>	<u>14,811,999</u>	<u>(1,457,208)</u>	(10) %
Total Liabilities	20,892,982	18,353,445	2,539,537	14 %
Deferred Inflows of Resources	103,576,108	110,348,493	(6,772,385)	(6) %
<b>NET POSITION</b>				
Net investment in capital assets	167,358,337	157,465,310	9,893,027	6 %
Restricted	1,099,249	8,590	1,090,659	12,697 %
Unrestricted	<u>17,601,624</u>	<u>23,567,352</u>	<u>(5,965,728)</u>	(25) %
Total Net Position	<u>186,059,210</u>	<u>181,041,252</u>	<u>5,017,958</u>	3 %
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u><b>\$ 310,528,300</b></u>	<u><b>\$ 309,743,190</b></u>	<u><b>\$ 785,110</b></u>	- %

**PORT OF SOUTH LOUISIANA**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED*  
*April 30, 2025*

Total assets increased by approximately \$930,000. The increase is mainly related to the Port collecting amounts recorded as leases receivable under GASB 87 of approximately \$5.9 million, offset by additions to accounts receivable of \$3.4 million, as well as additions to property and equipment of approximately \$9.2 million.

Total liabilities increased by approximately \$2.5 million. The increase in liabilities is mainly a result of an increase in current operating payables due to timing of payments, offset by payments on revenue bonds payable during the year.

Deferred inflows of resources decreased approximately \$6.8 million, which is directly related to the lease activity under GASB 87, as well as changes in the pension and OPEB expenses.

Net position increased by approximately \$5.0 million as explained in the following section. Net position invested in capital assets reflect capital assets, net of accumulated depreciation, net of debt balance, and capital leases. Restricted assets reflect assets restricted by a donor and/or contractual agreements for specific purposes.

**CHANGE IN NET POSITION**

The increase in net position for the year ended April 30, 2025 was approximately \$5.0 million as compared to an increase in net position of approximately \$171,000 for the year ended April 30, 2024. The current year increase resulted primarily from interest income from leases of \$3.8 million, intergovernmental revenues of \$2.2 million and capital contributions of \$4.0 million and then offset by higher operating expenses of \$1.3 million. The pension expenses decreased due to differences between projected and actual earnings and OPEB expenses decreased mainly due to changes in assumptions. Operating expenses include approximately \$6.6 million of depreciation expense. The changes in net position are detailed in Table A-2.

**PORT OF SOUTH LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
*April 30, 2025*

Table A-2  
**PORT OF SOUTH LOUISIANA**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**April 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
<b>OPERATING REVENUES</b>				
Dockage, net	\$ 3,655,327	\$ 3,045,912	\$ 609,415	20 %
Harbor fees, anchorage and barge fleeting	6,703,916	5,390,827	1,313,089	24 %
Wharfage	853,691	735,831	117,860	16 %
Foreign trade zone income	171,000	171,000	-	- %
Rentals	5,357,495	5,409,871	(52,376)	(1) %
Intergovernmental income	2,178,696	188,720	1,989,976	1,054 %
Interest income – leases	3,791,014	3,981,539	(190,525)	(5) %
Sheddage and other	<u>1,348,986</u>	<u>1,570,236</u>	<u>(221,250)</u>	<u>(14) %</u>
Total Operating Revenues	24,060,125	20,493,936	3,566,189	17 %
<b>OPERATING EXPENSES</b>				
Salaries and employee benefits	6,497,029	6,730,165	(233,136)	(3) %
Depreciation	6,644,101	5,581,965	1,062,136	19 %
Insurance	2,416,316	2,393,185	23,131	1 %
Maintenance and repairs	2,065,444	1,888,302	177,142	9 %
Port planning and development	493,937	382,349	111,588	29 %
Administrative and other	<u>5,289,477</u>	<u>5,151,722</u>	<u>137,755</u>	<u>3 %</u>
Total Operating Expenses	<u>23,406,304</u>	<u>22,127,688</u>	<u>1,278,616</u>	<u>6 %</u>
Operating Income / (Loss)	653,821	(1,633,752)	2,287,573	140 %
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
	<u>325,998</u>	<u>(411,591)</u>	<u>737,589</u>	<u>179 %</u>
<b>NET INCOME / (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>				
	979,819	(2,045,343)	3,025,162	148 %
<b>CAPITAL CONTRIBUTIONS</b>				
	<u>4,038,139</u>	<u>2,216,643</u>	<u>1,821,496</u>	<u>82 %</u>
CHANGE IN NET POSITION	5,017,958	171,300	4,846,658	2,829 %
<b>NET POSITION, BEGINNING OF YEAR</b>				
	<u>181,041,252</u>	<u>180,869,952</u>	<u>171,300</u>	<u>- %</u>
<b>NET POSITION, END OF YEAR</b>				
	<u>\$ 186,059,210</u>	<u>\$ 181,041,252</u>	<u>\$ 5,017,958</u>	<u>3 %</u>

**PORT OF SOUTH LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
*April 30, 2025*

Operating revenues increased by 17% to approximately \$24.1 million in fiscal year 2025. This is primarily due to an increase in harbor and dockage fees, as well as an increase in intergovernmental income from the U.S. Army Corps of Engineers for dredging.

Operating expenses increased by 6% to approximately \$23.4 million in fiscal year 2025. The increase in expenses is mainly related to the increase in depreciation expense, and maintenance & repairs expense, which experienced increases of 19% and 9%, respectively. This was offset by a decrease in salaries and employee benefits of (3%). The increase in depreciation is mainly due to placing prior year CIP into service during the current year.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### *Capital Asset Administration*

The Port's investment in capital assets approximated \$168.7 million, net of accumulated depreciation. This investment consists principally of land, buildings and docks, equipment, and vehicles. The Port currently has several ongoing construction projects.

#### *Debt Administration*

The Port's debt consists of revenue bonds payable relating to financing the acquisition, construction and other expenses related to the extension of the general cargo dock at the Globalplex facility.

### **CONTACTING THE PORT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our patrons and other interested parties with a general overview of the Port's finances and to demonstrate the Port's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Port of South Louisiana at (985) 652-9278.

# PORT OF SOUTH LOUISIANA

## STATEMENTS OF NET POSITION

April 30, 2025 and 2024

ASSETS	2025	2024
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 5,553,436	\$ 13,073,913
Certificates of deposit	507,908	507,908
Investments	19,224,077	18,311,602
Accrued interest receivable	-	1,811
Accounts receivable, net of \$2,544 and \$2,544 allowance for doubtful accounts	5,339,839	1,958,737
Leases receivable, current	6,144,330	6,228,943
Prepaid expenses and other	248,830	-
<b>TOTAL CURRENT ASSETS</b>	<b>37,018,420</b>	<b>40,082,914</b>
<b>RESTRICTED ASSETS</b>		
Restricted cash	1,091,552	893
Accrued interest receivable	7,697	7,697
<b>TOTAL RESTRICTED ASSETS</b>	<b>1,099,249</b>	<b>8,590</b>
<b>PROPERTY AND EQUIPMENT - NET</b>	<b>168,723,007</b>	<b>159,477,517</b>
<b>OTHER ASSETS</b>		
Leases receivable, long-term	102,030,183	107,871,886
Other assets	654	500,654
<b>TOTAL OTHER ASSETS</b>	<b>102,030,837</b>	<b>108,372,540</b>
<b>TOTAL ASSETS</b>	<b>308,871,513</b>	<b>307,941,561</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Net difference between expected and actual experience related to OPEB plan	63,750	101,360
Changes in assumptions related to OPEB calculation	549,915	414,593
Contributions subsequent to measurement date to the pension plan	995,862	1,045,135
Net difference between expected and actual experience related to the pension plan	-	190,288
Net difference between projected and actual earnings on pension plan investments	-	50,253
Changes in assumptions related to pension calculation	47,260	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>1,656,787</b>	<b>1,801,629</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 310,528,300</b>	<b>\$ 309,743,190</b>

**PORT OF SOUTH LOUISIANA**  
**STATEMENTS OF NET POSITION - Continued**  
*April 30, 2025 and 2024*

LIABILITIES	<u>2025</u>	<u>2024</u>
<b>CURRENT LIABILITIES</b>		
Payable from current assets:		
Accounts payable and other accrued expenses	\$ 3,604,243	\$ 744,749
Accrued salaries and vacation	855,590	579,849
Retainage payable	492,957	74,569
Unearned revenue	1,090,659	-
Unearned rent, deposits and other liabilities	<u>130,072</u>	<u>130,072</u>
<b>TOTAL CURRENT LIABILITIES PAYABLE             FROM CURRENT ASSETS</b>	<b>6,173,521</b>	<b>1,529,239</b>
Payable from restricted assets:		
Current portion of revenue bonds payable from restricted assets	835,500	807,000
Accrued interest payable	<u>11,670</u>	<u>17,207</u>
<b>TOTAL CURRENT LIABILITIES PAYABLE             FROM RESTRICTED ASSETS</b>	<b>847,170</b>	<b>824,207</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,020,691</b>	<b>2,353,446</b>
<b>NONCURRENT LIABILITIES</b>		
Revenue bonds payable from restricted assets	517,500	1,188,000
Net pension liability	6,760,795	8,790,477
OPEB payable	<u>6,593,996</u>	<u>6,021,522</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>13,872,291</b>	<b>15,999,999</b>
<b>TOTAL LIABILITIES</b>	<b>20,892,982</b>	<b>18,353,445</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Lease related deferred inflows of resources	101,672,532	108,685,402
Changes in assumptions related to OPEB calculation	785,263	1,221,520
Difference between expected and actual experience related to OPEB plan	282,328	441,571
Net difference between projected and actual earnings related to pension plan	806,084	-
Difference between expected and actual experience related to pension plan	<u>29,901</u>	<u>-</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>103,576,108</b>	<b>110,348,493</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS             OF RESOURCES</b>	<b>124,469,090</b>	<b>128,701,938</b>
<b>NET POSITION</b>		
Net investment in capital assets	167,358,337	157,465,310
Restricted	1,099,249	8,590
Unrestricted	<u>17,601,624</u>	<u>23,567,352</u>
<b>TOTAL NET POSITION</b>	<b>186,059,210</b>	<b>181,041,252</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF             RESOURCES, AND NET POSITION</b>	<b>\$ 310,528,300</b>	<b>\$ 309,743,190</b>

**PORT OF SOUTH LOUISIANA**  
**STATEMENTS OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
*Years Ended April 30, 2025 and 2024*

	2025	2024
<b>OPERATING REVENUES</b>		
Dockage, net	\$ 2,269,903	\$ 1,570,562
Harbor fees, anchorage and barge fleeting income	6,703,916	5,390,827
Foreign trade zone income	171,000	171,000
Rentals	3,951,077	4,026,282
Interest income – leases	3,791,014	3,981,539
Intergovernmental income	2,178,696	188,720
Miscellaneous	729,504	950,903
Globalplex revenues:		
Dockage	1,385,424	1,475,350
Wharfage	853,691	735,831
Rentals	1,406,418	1,383,589
Sheddage and other	619,482	619,333
<b>TOTAL OPERATING REVENUES</b>	<b>24,060,125</b>	<b>20,493,936</b>
<b>OPERATING EXPENSES</b>		
Administration	29,252	45,753
Auditing	39,143	80,624
Bank fees	-	20
Building services	103,046	104,046
Computer software	372,683	227,670
Commission meetings	53,856	26,028
Conventions	69,811	124,699
Delivery charges	4,557	7,164
Depreciation	6,644,101	5,581,965
Dues	56,526	93,722
Employee benefits	1,578,253	2,151,353
Engineering fees	605,229	584,761
Equipment rentals	150,889	28,507
Fuel	219,412	192,861
Insurance	2,416,316	2,393,185
Legal fees	1,149,000	1,019,657
Maintenance and repairs	2,065,444	1,888,302
Medical expense	1,299	1,893
Mileage	2,035	1,822
Permits and license fees	12,029	3,605
Port planning and development	493,937	382,349

**PORT OF SOUTH LOUISIANA**  
**STATEMENTS OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION - Continued**  
*Years Ended April 30, 2025 and 2024*

	<u>2025</u>	<u>2024</u>
OPERATING EXPENSES (Continued)		
Postage	2,633	306
Printing	1,273	5,931
Professional fees	1,297,996	1,272,098
Publishing	75,588	89,060
Salaries	4,917,477	4,576,919
Security	224,738	457,455
Subscriptions	20,614	16,233
Supplies	112,959	94,954
Telephone	94,002	90,160
Training	11,371	7,466
Uniforms	48,174	47,972
Utilities	<u>532,661</u>	<u>529,148</u>
 TOTAL OPERATING EXPENSES	 <u>23,406,304</u>	 <u>22,127,688</u>
 OPERATING INCOME (LOSS)	 653,821	 (1,633,752)
NON-OPERATING REVENUES (EXPENSES)		
Interest earned on investments	915,476	859,117
Interest expense - Globalplex	(57,805)	(79,583)
Loss on purchase of fixed asset	-	(1,000,000)
Intergovernmental income – FEMA	-	1,280,689
Hurricane expenses	-	(1,400,623)
Other income	300,000	-
Pontchartrain Levee District (PLD) - levee realignment expense	(831,673)	-
Other expense – reimbursement of FEMA funds	<u>-</u>	<u>(71,191)</u>
 TOTAL NON-OPERATING REVENUES (EXPENSES)	 <u>325,998</u>	 <u>(411,591)</u>
 NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	 979,819	 (2,045,343)
 Capital Contributions	 <u>4,038,139</u>	 <u>2,216,643</u>
 CHANGES IN NET POSITION	 5,017,958	 171,300
NET POSITION		
 BEGINNING OF YEAR	 <u>181,041,252</u>	 <u>180,869,952</u>
 END OF YEAR	 <u>\$ 186,059,210</u>	 <u>\$ 181,041,252</u>

**PORT OF SOUTH LOUISIANA**  
**STATEMENTS OF CASH FLOWS**  
*Years Ended April 30, 2025 and 2024*

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and users, including receipts from lessors	\$ 21,183,129	\$ 18,632,694
Payments to suppliers	(7,654,510)	(10,625,518)
Payments to employees and related benefits	(7,293,170)	(7,038,694)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	6,235,449	968,482
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Payments for noncapital disaster recovery expenses	-	(1,400,623)
Non-operating receipt of PILOT payments	300,000	-
Advance payment to PLD for noncapital project	(831,673)	-
<b>NET CASH USED IN NONCAPITAL         FINANCING ACTIVITIES</b>	(531,673)	(1,400,623)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments on revenue bonds payable	(630,330)	(621,000)
Interest paid	(75,012)	(84,939)
Proceeds from contributed capital	4,038,139	2,216,643
Receipt of intergovernmental income – FEMA	-	1,280,689
Return of excess funds	-	(71,191)
Acquisitions of fixed assets, net of dispositions and transfers to construction in progress	(15,889,591)	(3,848,955)
Retainage payable	418,388	(72,684)
<b>NET CASH USED IN CAPITAL AND         RELATED FINANCING ACTIVITIES</b>	(12,138,406)	(1,201,437)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net appreciation in investments	(912,475)	(855,462)
Purchase of investments	-	(11,100,000)
Investment income received	917,287	857,806
<b>NET CASH PROVIDED BY (USED IN)         INVESTING ACTIVITIES</b>	4,812	(11,097,656)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH</b>	(6,429,818)	(12,731,234)
<b>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR</b>	13,074,806	25,806,040
<b>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR</b>	\$ 6,644,988	\$ 13,074,806

**PORT OF SOUTH LOUISIANA**  
**STATEMENTS OF CASH FLOWS - Continued**  
*Years Ended April 30, 2025 and 2024*

	2025	2024
Cash and cash equivalents and restricted cash include:		
Cash and cash equivalents	\$ 5,553,436	\$ 13,073,913
Restricted assets:		
Restricted cash	1,091,552	893
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 6,644,988</b>	<b>\$ 13,074,806</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 653,821	\$ (1,633,752)
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	6,644,101	5,581,965
Changes in assets, deferred outflows, liabilities, and deferred inflows:		
Accounts receivable	(3,381,102)	(315,064)
Prepaid expenses and other	(248,830)	1,422
Lease receivable	5,926,316	5,718,385
Other assets	500,000	-
Deferred outflows of resources	144,842	469,669
Accounts payable	2,859,494	(826,443)
Accrued expenses	275,741	125,202
Unearned revenue	1,090,659	-
OPEB payable	572,474	554,041
Net pension liability	(2,029,682)	(661,922)
Deferred inflows of resources	(6,772,385)	(8,045,021)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 6,235,449</b>	<b>\$ 968,482</b>

*Supplemental Cash Flow Information*

During the year ended April 30, 2024, the Port recognized lease modifications that resulted in remeasurement of existing lease receivables and related deferred inflows of resources in the amount of \$14,451,760.

During the year ended April 30, 2024, the Port recognized \$1,000,000 in loss on purchase of fixed asset, which resulted in a decrease of \$1,000,000 in Other assets.

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
*April 30, 2025 and 2024*

**NOTE I - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Port of South Louisiana (the “Port”) is an independent political subdivision of the State of Louisiana, which is authorized by Louisiana Revised Statute 34:2471. The Port is governed by a Board of Commissioners (the “Board”) consisting of nine members appointed for a four-year term as follows:

- The parish presidents, with concurrence of 2/3 of the members of the respective parish councils of each of the parishes of St. Charles, St. James and St. John the Baptist, appoint one resident commissioner each.
- Six resident members (two from each parish) or chief executive officers of a business which is principally operated within each parish are appointed by the Governor of the State of Louisiana.

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.

The Port prepares its financial statements in accordance with standards issued by the Governmental Accounting Standards Board (GASB). The Port is reported as a stand-alone entity as defined by GASB Statement No. 14, as amended by GASB Statement No. 61, “The Financial Reporting Entity.” The Port is neither fiscally dependent on any other local government, nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements of the Port.

***Basis of Presentation - Fund Accounting***

The Port’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. Fund equity is segregated into contributed capital and net position. The operating statement presents increases (revenues) and decreases (expenses) in net total position.

The Port’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. The measurement focus emphasizes the determination of net income.

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

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

***Basis of Presentation - Fund Accounting (continued)***

The Port 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.

***New Pronouncements and Change in Accounting Principle***

During the year ended April 30, 2024, the Port adopted GASB Statement No. 96 – “Subscription-Based Information Technology Arrangements.” The implementation of the standard did not have an effect on the Port’s financial statements or its financial statement disclosures.

During the year ended April 30, 2025, the Port adopted GASB Statement No. 101 – “Compensated Absences”. Management evaluated the impact of implementation and concluded that the cumulative effect of applying the provisions of GASB Statement No. 101 was not significant and, therefore, no restatement of beginning net position was recorded.

***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.

***Investments and Restricted Assets***

Restricted and unrestricted investments of the Port, substantially all of which have original maturities of one year or less, are recorded at fair value. Fair value is based on quoted market prices. Restricted assets consist primarily of restricted cash and investments held for specific purposes and not available for general operations. Restricted assets include (1) amounts deposited and held in connection with the Port’s revenue bonds and grant anticipation notes, including amounts accumulated for debt service and other related requirements, and (2) amounts received from governmental agencies, including advances, that are restricted for the construction or acquisition of capital assets and related project costs. These restricted amounts are released as eligible expenditures are incurred or other restrictions are satisfied.

***Intangible Assets***

Intangible assets include easements, computer software, patents, copyrights, trademarks and goodwill. The Port does not currently have any reportable intangible assets that meet the capitalization threshold for intangible assets since the implementation of GASB Statement No. 51 “Accounting and Reporting for Intangible Assets”.

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

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

***Property and Equipment***

Property constructed or acquired by purchase is stated at cost. Donated property is stated at the estimated fair value on the date received. Depreciation is computed using the straight-line method over the following estimated useful lives.

Docks, barges and other facilities	5 - 50 years
Boats	10 - 30 years
Equipment and furniture	3 - 40 years
Buildings	7 - 40 years

The Port's policy is to capitalize construction period interest, if any. For fixed assets purchased with externally restricted debt, capitalized interest is the difference between interest expense and interest earnings on invested proceeds of the debt. The capitalization period begins with the date of borrowing. Maintenance and repairs are charged to expenses when incurred.

***Long-Term Obligations***

Long-term obligations include revenue bonds used to provide capital for construction projects in the three-parish area.

***Contributed Capital and Net Position***

Contributed capital includes various grants from the State of Louisiana as well as other state and federal departments. Net position represents the amount of accumulated earnings and the net investment in capital assets since the beginning of operations.

***Non-Operating Income and Expenses***

Non-operating income and expenses are items that are not derived from normal port activities such as gain or loss on impairment of assets related to damages caused by hurricanes, gain or loss on disposition or purchase of assets, interest income and expense, or other income or expense.

***Compensated Absences***

Employees of the Port are covered by the State of Louisiana civil service regulations and, as such, accumulate sick and annual leave in accordance with varying rates stipulated under these regulations. Annual leave may be accumulated, and upon termination and/or retirement, unused annual leave not to exceed 300 hours is paid to the employee at the employee's current rate of pay.

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

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

***Compensated Absences (continued)***

In accordance with GASB Statement No. 101, the Port recognizes a liability for compensated absences for (a) leave that has not been used when the leave is attributable to services already rendered, the leave accumulates, and it is more likely than not that the leave will be used for time off or otherwise paid or settled, and (b) leave that has been used but has not yet been paid or settled. The compensated absences liability is measured using employees' pay rates in effect as of April 30, 2025.

At retirement, unused annual leave in excess of 300 hours and unused sick leave are considered in computing years of service for retirement benefit purposes. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits is not included in the compensated absences liability. The net change in compensated absences for the year ended April 30, 2025 was an increase of \$199,228.

***Unearned Revenue***

Unearned revenue represents amounts received by the Port for which eligibility requirements have not yet been met or for which the related costs have not yet been incurred. Unearned revenue related to capital projects consists primarily of advances from governmental agencies that are restricted for the construction or acquisition of capital assets. Revenue is recognized as qualifying expenditures are incurred and other applicable requirements are satisfied. As of April 30, 2025 and 2024, unearned revenue and the corresponding restricted cash related to capital projects was \$1,090,659 and \$0, respectively.

***Statements of Cash Flows***

For purposes of the statements of cash flows, cash and cash equivalents consist of demand deposits with banks, including restricted cash, and money market mutual funds.

NOTE 2 - CASH AND INVESTMENTS

***Cash and Cash Equivalents***

At April 30, 2025, the book balance of the Port's total cash and certificates of deposit, including restricted and unrestricted deposits totaled \$7,152,896; the bank balance totaled \$7,165,760. Of the bank balance, \$700,000 was covered by federal deposit insurance and \$6,465,760 was covered by collateral held by the bank's agent and pledged in the Port's name.

At April 30, 2024, the book balance of the Port's total cash and certificates of deposit, including unrestricted deposits totaled \$13,581,821; the bank balance totaled \$13,623,379. Of the bank balance, \$700,000 was covered by federal deposit insurance and \$12,923,379 was covered by collateral held by the bank's agent and pledged in the Port's name.

**PORT OF SOUTH LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS - *Continued*  
April 30, 2025 and 2024

NOTE 2 - CASH AND INVESTMENTS (Continued)

**Cash and Cash Equivalents (continued)**

April 30, 2025:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Covered by federal depository insurance	\$ 250,000	\$ 450,000	\$ 700,000
Collateralized with securities held by the pledging institution's trust department or agent, in the Port's name	<u>6,407,853</u>	<u>57,907</u>	<u>6,465,760</u>
Total bank balance	<u>\$ 6,657,853</u>	<u>\$ 507,907</u>	<u>\$ 7,165,760</u>

April 30, 2024:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Covered by federal depository insurance	\$ 250,000	\$ 450,000	\$ 700,000
Collateralized with securities held by the pledging institution's trust department or agent, in the Port's name	<u>12,865,472</u>	<u>57,907</u>	<u>12,923,379</u>
Total bank balance	<u>\$ 13,115,472</u>	<u>\$ 507,907</u>	<u>\$ 13,623,379</u>

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>2025 Amount</u>	<u>2024 Amount</u>
1. Regions Bank	\$ 4,593,804	\$ 11,052,454
2. Community Bank	200,000	200,000
3. First National Bank, USA	<u>2,371,956</u>	<u>2,370,925</u>
Total bank balance – all deposits	<u>\$ 7,165,760</u>	<u>\$ 13,623,379</u>

**Custodial Credit Risk - Deposits**

In the case of deposits, there is a risk that in the event of a bank failure, the Port's deposits may not be returned to it. As of April 30, 2025 and 2024, \$0 of the Port's bank balances of \$7,165,760 and \$13,623,379 were exposed to custodial credit risk because they were uninsured and uncollateralized.

**PORT OF SOUTH LOUISIANA**  
 NOTES TO FINANCIAL STATEMENTS - *Continued*  
 April 30, 2025 and 2024

NOTE 2 - CASH AND INVESTMENTS (Continued)

**Investments**

The Port may invest idle funds as authorized by Louisiana Statutes, as follows:

- a. United States bonds, treasury notes, certificates, or any other federally insured investment.
- b. 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.
- c. 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.

**Custodial Credit Risk - Investments**

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Port will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Port's investment policy requires that all repurchase agreement investments be fully collateralized and held by the counterparty's trust department or agent in the Port's name.

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 Port did not hold any investments that were exposed to custodial credit risk (not registered in the entity's name) in 2025 or 2024.

All investments are carried at Fair Value.

	2025	2024
Unrestricted investments:		
Louisiana Asset Management Pool, Inc.	<u>\$ 19,224,077</u>	<u>\$ 18,311,602</u>
	<u>\$ 19,224,077</u>	<u>\$ 18,311,602</u>

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

NOTE 2 - CASH AND INVESTMENTS (Continued)

***Custodial Credit Risk - Investments (continued)***

Investments held at April 30, 2025 and 2024 include \$19,224,077 and \$18,311,602, respectively, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at April 30, 2025 and 2024 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

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 LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(l)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The weighted average maturity method of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value. 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 is rated AAAM by Standard & Poor's.

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. Audited financial statements for LAMP can be found at [www.lamppool.com](http://www.lamppool.com).

**PORT OF SOUTH LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS - Continued  
April 30, 2025 and 2024

NOTE 2 - CASH AND INVESTMENTS (Continued)

**Interest Rate Risk**

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. The Port's investment policy limits interest rate risk by generally limiting maturities of its investments to shorter term securities, money market mutual funds, or similar investment pools as well as structuring the investment portfolio so that securities meet cash requirements for ongoing operations.

**Credit Risk and Concentration of Credit Risk**

The credit risk of investments is the risk that an issuer or other counterparty will not meet its obligations. This credit risk is measured by credit quality ratings as described by ratings agencies such as Standard & Poor's (S&P) and Moody's. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools). The Port's investment policy does not place a limit on the amount the Port may invest in any one issuer. At April 30, 2025 and 2024, the Port did not have any investment exposure to credit risk.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at April 30:

	2025			
	05/01/24	Additions	Deletions	04/30/25
Land	\$ 30,646,422	\$ 100,086	\$ -	\$ 30,746,508
Building, docks and equipment	38,226,588	184,946	-	38,411,534
Globalplex buildings, docks and equipment	139,519,415	5,484,947	-	145,004,362
Airport infrastructure and equipment	16,748,802	424,021	-	17,172,823
Construction in progress	3,266,519	16,037,516	(6,341,925)	12,962,110
Total property and equipment	228,407,746	22,231,516	(6,341,925)	244,297,337
Less accumulated depreciation	(68,930,229)	(6,644,101)	-	(75,574,330)
Property and equipment, net	<u>\$159,477,517</u>	<u>\$15,587,415</u>	<u>\$ (6,341,925)</u>	<u>\$168,723,007</u>

Of the \$16,037,516 of 2025 construction in progress additions, \$3,573,844 was funded through the State of Louisiana Facility Planning & Control and various State Port Priority programs. The CIP deletions include \$409,871 related to prior-year CIP projects that were cancelled and expensed in fiscal year 2025.

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 3 - PROPERTY AND EQUIPMENT (Continued)

Property and equipment consists of the following at April 30:

	2024			
	05/01/23	Additions	Deletions	04/30/24
Land	\$ 30,544,896	\$ 101,526	\$ -	\$ 30,646,422
Building, docks and equipment	24,760,009	13,466,579	-	38,226,588
Globalplex buildings, docks and equipment	138,453,926	1,065,489	-	139,519,415
Airport infrastructure and equipment	14,212,000	2,536,802	-	16,748,802
Construction in progress	16,587,960	2,790,195	(16,111,636)	3,266,519
Total property and equipment	224,558,791	19,960,591	(16,111,636)	228,407,746
Less accumulated depreciation	(63,348,264)	(5,581,965)	-	(68,930,229)
Property and equipment, net	<u>\$161,210,527</u>	<u>\$14,378,626</u>	<u>\$ (16,111,636)</u>	<u>\$159,477,517</u>

Of the \$2,790,195 of 2024 construction in progress additions, \$1,534,804 was funded through the State of Louisiana Facility Planning & Control and various State Port Priority programs.

NOTE 4 - LONG-TERM DEBT

Long-term debt consists of the following at April 30:

	2025	2024
Bonded debt – revenue bonds	\$ 1,353,000	\$ 1,995,000
Less current portion	(835,500)	(807,000)
Total long-term portion	<u>\$ 517,500</u>	<u>\$ 1,188,000</u>

During the year ended April 30, 2012, the Port issued revenue bonds in the amount of \$8,000,000 for the purpose of financing a portion of the acquisition, construction, equipping and installation of an extension of the general cargo dock at the Globalplex facility. The bonds are payable in semi-annual installments of principal and interest of \$138,000 to \$352,986 through February 1, 2027. The interest rate on the bonds is 3.45%. As of April 30, 2025, and 2024, the remaining principal balance of the bonds was \$1,353,000 and \$1,995,000, respectively.

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

**NOTE 4 - LONG-TERM DEBT (Continued)**

Debt service requirements, including interest of \$47,170, for outstanding revenue bonds payable were as follows as of April 30, 2025.

<u>April 30,</u>	<u>Revenue Bonds Payable</u>
2026	\$ 870,750
2027	529,420
	\$ 1,400,170

**NOTE 5 - DOCKAGE AND HARBOR FEES**

Dockage fee revenues are not dedicated to provide specific services, but are available to fund the operations of the Port. Harbor fees are dedicated to the providing of services to the vessels which use the Port and to the facilities located therein in the interest of public welfare and safety. Such funds may be appropriated by the Port for such purposes as to assist in defraying the administration and maintenance of the Port, including the supervision of the shipping of the Port, with the view of preventing collision and fires, policing the river and river front, the operation of one or more craft in the Port to aid vessels or persons in distress, and to aid in extinguishing fires in vessels and equipment and their cargo aboard such vessels, or upon wharves and other facilities of the Port.

**NOTE 6 - CONCENTRATION**

Billings for the four largest facility operators represent 70% and 68% of total gross dockage revenues for the years ended April 30, 2025 and 2024, respectively.

**NOTE 7 - PONTCHARTRAIN LEVEE DISTRICT - LEVEE REALIGNMENT PROJECT**

During the year ended April 30, 2025, the Port transferred \$3,831,673 to the Pontchartrain Levee District (PLD) to fund design and construction costs related to a redesigned hurricane and storm protection levee at the Port's Executive Regional Airport as part of the West Shore Lake Pontchartrain Hurricane and Storm Damage Reduction Project. The transfer was authorized by the Port's Board of Commissioners on May 8, 2024 and was made pursuant to an Intergovernmental Agreement among the Port, PLD, and the State of Louisiana. The funding was required to preserve the Project's construction schedule and cost estimates.

PLD requested State capital outlay funding to reimburse the Port for a portion of these costs. As of April 30, 2025, the Port recorded a receivable of \$3,000,000 related to anticipated reimbursement under enacted State appropriations and recognized the remaining \$831,673 as a non-operating expense. Subsequent to year end, the Port received \$3,000,000 from PLD on November 6, 2025.

Additional reimbursement related to the remaining balance is contingent upon future legislative actions and the availability of additional funding. As such, no receivable has been recorded for amounts beyond those received subsequent to year end.

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

NOTE 8 - RETIREMENT PLAN

***General Information about the Pension Plan***

Plan Description – Substantially all of the Port’s employees are required to participate in the Louisiana State Employees’ Retirement System (“LASERS”) – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Title 11, Section 401 of the Louisiana Revised Statutes of 1950. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org). The report may also be obtained by writing to the Louisiana Employees Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600.

Benefits Provided – The age and years of creditable service required in order for a member to retire with full benefits are established by statute and may vary depending on the member’s hire date, employer, and job classification. The rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 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 throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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. As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 8 - RETIREMENT PLAN (Continued)

**General Information about the Pension Plan: (continued)**

Contributions – Contribution rates are established annually under LRS 11:101 – 11:104 by the Public Retirement Systems’ Actuarial Committee (PRSAC), taking into consideration the recommendation of LASER’s actuary. Rates are different for each class of members; however, the Port’s contractually required contribution rate for the year ended April 30, 2025 was 41.3%. Employees are required to contribute 7.5% of their annual pay if they were hired before July 1, 2006 and 8.0% if they were hired after July 1, 2006. Contributions to LASERS from the Port were \$1,195,035, \$1,254,162, and \$1,140,095 for the years ended April 30, 2025, 2024 and 2023, respectively.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At April 30, 2025, the Port reported a liability of \$6,760,795 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port’s proportion of the net pension liability was based on a projection of the Port’s April 30, 2025 contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Port’s proportion was 0.12432%, which was a decrease of 0.00701% from its proportion measured as of June 30, 2023.

For the year ended April 30, 2025, the Port recognized pension expense of \$44,719. At April 30, 2025, 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
Difference between expected and actual experience	\$ -	\$ 29,901
Changes in assumptions	47,260	-
Net difference between projected and actual earnings on pension plan investments	-	806,084
Contributions subsequent to the measurement date	995,862	-
	\$ 1,043,122	\$ 835,985

At April 30, 2025, the Port reported \$995,862 as deferred outflows of resources related to pensions resulting from the Port’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended April 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 8 - RETIREMENT PLAN (Continued)

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)***

<b>Year Ended:</b>	
April 30, 2026	\$ (484,738)
April 30, 2027	208,721
April 30, 2028	(310,675)
April 30, 2029	(210,583)

***Actuarial Assumptions***

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.4%		
Salary Increases	<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
	Regular	3.3%	14.0%
	Judges	2.4%	4.8%
	Corrections	4.4%	15.3%
	Hazardous Duty	4.4%	15.3%
	Wildlife	4.4%	15.3%
Investment Rate of Return	7.25%, Net of Investment Expenses		

Mortality rates were based on the PubG-2010 Healthy Retiree Table for healthy annuitants with mortality improvement projected using the MP-2021 Mortality Improvement Scale, applied on a fully generational basis, and the RP-2000 Disabled Retiree Mortality Tables for disabled annuitants with no projection for mortality improvement, as appropriate.

The actuarial assumptions used in the June 30, 2024 valuation was based on an experience study performed in 2023, which was based on the experience of LASERS for the period July 1, 2019 through June 30, 2023.

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. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2024 are summarized in the following table:

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 8 - RETIREMENT PLAN (Continued)

**Actuarial Assumptions (continued)**

<u>ASSET CLASS</u>	<u>Expected Long-Term Real Rate of Return</u>
Cash	0.76%
Domestic Equity	4.29%
International Equity	5.22%
Domestic Fixed Income	2.04%
International Fixed Income	5.24%
Alternative Investments	<u>8.19%</u>
Total	<u>5.61%</u>
Inflation	2.40%
Expected Arithmetic Nominal Return	8.15%

Discount Rate – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers will be made at the actuarially determined rates approved by the PRSAC taking into consideration the recommendation of LASERS’s actuary. Based on those assumptions, LASERS’s fiduciary net position was projected to be available to make all projected future benefit payments of current 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 calculated using the discount rate of 7.25%, 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 (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Port's Proportionate Share of the Net Pension Liability	\$ 9,336,478	\$ 6,760,795	\$ 4,572,054

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued LASERS financial report.

Payables to the Pension Plan – As of April 30, 2025, the Port did not have any payables due to LASERS.

**PORT OF SOUTH LOUISIANA**  
*NOTES TO FINANCIAL STATEMENTS - Continued*  
*April 30, 2025 and 2024*

**NOTE 9 - CONTINGENCIES AND UNCERTAINTIES**

The Port is a party to legal proceedings incidental to its business. Certain claims, suits and complaints arising in the ordinary course of business have been filed or are pending against the Port. Future actions may occur that would affect the Port's liability.

**NOTE 10 - CONDUIT DEBT**

From time to time, the Port has issued Industrial Revenue Bonds to provide assistance for private-sector entities for Port-related projects that are deemed to be in the public interest. The Port is not obligated for repayment of the bonds, and has no other obligations related to these bonds. Accordingly, the bonds are not reported in the accompanying financial statements.

In 1997, the Port issued port facility revenue bonds, due January 1, 2027, for the purpose of financing the cost of acquiring, constructing and installing a project, consisting of certain dock, wharf and related storage facilities, in the amount of \$22,000,000 on behalf of Holcim, Inc. (the Company). The Company is responsible for the payment of these bonds which are secured by an irrevocable letter of credit. The principal balance on the bonds at April 30, 2025 was \$1,533,542.

In 2008, the Port issued port facility revenue bonds, due December 1, 2038, for the purpose of financing the cost of design, development, acquisition, construction, installation and equipping of a portion of docks and wharves and related facilities, in the amount of \$40,000,000 on behalf of Plains All American Pipeline, L.P. (the Company). The Company is responsible for the payment of these bonds which are secured by the holder and owner through the Indenture. The principal balance on the bonds at April 30, 2025 was \$40,000,000.

**NOTE 11 - POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS**

***Plan Description***

The Port provides post-employment health care and life insurance benefits for substantially all employees if they reach normal retirement age while working for the Port. The Port's employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for fiscal year 2025) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The State administers the Plan through the Office of Group Benefits (OGB). LRS 42:801- 883 assigns the authority to establish and amend benefit provisions of the Plan.

The OGB does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana Annual Comprehensive Financial Report (ACFR). A copy of the ACFR may be obtained on the Office of Statewide Reporting and Accounting Policy's website at [www.doa.louisiana.gov/osrap](http://www.doa.louisiana.gov/osrap).

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 11 - POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (Continued)

**Funding Policy**

The contribution requirements of plan members and the Port are established and may be amended by LRS 42:801- 883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage.

**Employees Covered by Benefit Terms**

At July 1, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefit payments	25
Active plan members	54
	79

**Total OPEB Liability**

The Port's total OPEB liability of \$6,593,996 was measured as of July 1, 2024 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary increases	Consistent with the pension valuation assumptions
Discount rate	3.93%, based on the June 30, 2024 S&P 20-year municipal bond rate index
Healthcare cost trend rates	Post-Medicare: (reflecting Inflation Reduction Act): 6.50% for increasing to 13% for 2025, decreasing to 12% in 2026, decreasing to 4.35% from 2027 through 2033, increasing to 4.43% in 2034, to an ultimate rate of 4.5% in 2035 and later years. Pre-Medicare: 7% for 2024 and 2025, thereafter decreasing .25% percent per year, to an ultimate rate of 4.5% in 2035 and later years.
Retiree's share of benefit-related costs	Same as medical and drug trend.
Actual cost method	Entry Age Normal, level percentage of pay
Estimated remaining service lives	4.50 years

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

NOTE 11 - POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (Continued)

**Actuarial Assumptions and Other Inputs (continued)**

For healthy lives the RP-2014 Blue Collar Healthy Annuitant Table, adjusted by 1.280 for males and RP-2014 White Collar Healthy Annuitant Table, adjusted by 1.417 for females, projected from 2014 on a fully generational basis by Mortality Improvement Scale MP-2018 was used. For existing disabled lives, the RP-2000 Disabled Retiree Mortality Table, adjusted by 1.009 for males and 1.043 for females, not projected with mortality improvement was used.

The actuarial assumptions used by the pension plans covering the same participants were used for the retirement, termination, disability, and salary scale assumptions.

**Changes in the Total OPEB Liability**

Balance at April 30, 2024		\$	6,021,522
Changes for the year:			
Service cost			146,524
Interest			250,739
Differences between expected and actual experience			(18,288)
Changes in assumptions and other inputs			389,229
Benefit payments			<u>(195,730)</u>
Net changes			<u>572,474</u>
 Balance at April 30, 2025		 \$	 <u>6,593,996</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.13% in 2023, the prior valuation, to 3.93% in 2024, the current valuation.

**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 would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	<b>1.0% Decrease (2.93%)</b>	<b>Current Discount Rate (3.93%)</b>	<b>1.0% Increase (4.93%)</b>
Total OPEB liability	<u>\$7,586,952</u>	<u>\$6,593,996</u>	<u>\$5,786,680</u>

**PORT OF SOUTH LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS - Continued  
April 30, 2025 and 2024

NOTE 11 - POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (Continued)

**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 (5.5% decreasing to 3.5%) or 1-percentage-point higher (7.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<b>1.0% Decrease (5.5% decreasing to 3.5%)</b>	<b>Healthcare Cost Trend Rates (6.5% decreasing to 4.5%)</b>	<b>1.0% Increase (7.5% decreasing to 5.5%)</b>
Total OPEB liability	\$5,765,941	\$6,593,996	\$7,628,874

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended April 30, 2025, the Port recognized an OPEB benefit of \$74,991. At April 30, 2025, 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	\$ 63,750	\$ 282,328
Changes in assumptions and other inputs	549,915	785,263
Total	<u>\$ 613,665</u>	<u>\$ 1,067,591</u>

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

<b>Years Ending:</b>	
April 30, 2026	\$ (356,723)
April 30, 2027	(297,869)
April 30, 2028	138,843
April 30, 2029	61,823

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

**NOTE 12 - LEASES**

The Port is a lessor for noncancelable leases for various land, docks and buildings at the Port of South Louisiana. The initial terms of these leases vary from 3 to 60 years with payments being made either monthly, quarterly or annually. The Port recognizes a lease receivable and a deferred inflow of resources in the financial statements for these leases. The Port is also a lessor for various leases that are considered short-term in nature, and are not recorded as receivables under GASB 87.

At the commencement of a lease, the Port initially measures the 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. The deferred inflow of resources is initially measured at 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 in revenue over the life of the lease term.

Key estimates and judgments include how the Port determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- (1) The Port uses its estimated incremental borrowing rate as the discount rate for leases.
- (2) The lease term includes the noncancelable period of the lease.
- (3) Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee, as well as known variable payments.

The Port monitors changes in circumstances that would require a remeasurement of its leases 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.

Total revenues received from leasing activities, including variable payments and payments not previously included in the lease receivable were \$9,717,330 and \$9,699,924 for the years ended April 30, 2025 and 2024, respectively.

Future payments included in the measurement of the lease receivable as of April 30, 2025 for each of the next five fiscal years and thereafter are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 6,345,330	\$ 3,580,380	\$ 9,925,710
2027	5,081,533	3,402,004	8,483,537
2028	5,360,638	3,222,899	8,583,537
2029	5,649,495	3,034,041	8,683,536
2030	5,793,352	2,836,184	8,629,536
Thereafter	<u>79,944,164</u>	<u>26,413,588</u>	<u>106,357,752</u>
Total	<u>\$108,174,512</u>	<u>\$42,489,096</u>	<u>\$150,663,608</u>

**PORT OF SOUTH LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
*April 30, 2025 and 2024*

**NOTE 13 - ST. JOHN THE BAPTIST PARISH AIRPORT**

The Port has all rights and title to the St. John the Baptist Parish Airport. For the years ended April 30, 2025 and 2024, the Port incurred losses related to the operations of the Airport in the amount of \$431,351 and \$572,869, respectively. The Port received capital contributions by the State of Louisiana and grant funding from the Federal Aviation Administration totaling \$464,296 and \$796,823 for the years ended April 30, 2025 and 2024, respectively.

**NOTE 14 - COMMISSIONERS COMPENSATION**

In accordance with R.S. 34:2472 (D), the commissioners of the Port of South Louisiana receive per diem payments for attendance at officially called meetings or any subcommittee meetings of the board of commissioners. For the year ended April 30, 2025, the following per diem payments were made to the commissioners:

Commissioner:	Per Diem Payments
Stanley Bazile	\$ 5,047
Ryan Burks	5,047
Jason Duhe'	2,524
Florence Dumas	5,047
Julie Hebert	4,515
Louis Joseph	5,227
Robbie LeBlanc	5,047
P. Joey Murray, III	7,571
Joey Scontrino	5,227
	\$ 45,252

**NOTE 15 - COMMITMENTS**

The Port enters into various contracts in the normal course of operations. During the year ended April 30, 2025, the Port entered into an intergovernmental cooperative endeavor agreement with the Louisiana Department of Transportation and Development (DOTD), under which DOTD provided advanced grant funding of \$1,090,659 to be used for the development and implementation of a program in connection with port security operations within the Port's jurisdiction. This project has not yet begun; therefore, the advanced funding is reported as restricted cash with a corresponding liability for unearned revenue. No other material commitments existed at April 30, 2025.

**NOTE 16 - SUBSEQUENT EVENTS**

The Port has evaluated subsequent events through the date the financial statements were available to be issued, which corresponds with the date of the independent auditors' report. On August 5, 2025, the Executive Director resigned. A new Executive Director was hired effective January 15, 2026. In addition, the Director of Finance and the Human Resource Director both retired subsequent to year end. No other material subsequent events have occurred since April 30, 2025 that require recognition or disclosure in these financial statements.

## PORT OF SOUTH LOUISIANA

### SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY For the Years Ended April 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017 and 2016

Fiscal Year	Employer's Proportion Share of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered-Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
04/30/25	0.124320%	\$ 6,760,795	\$ 4,439,362	152.3%	74.6%
04/30/24	0.131330%	\$ 8,790,477	\$ 3,919,678	224.3%	68.4%
04/30/23	0.125040%	\$ 9,452,399	\$ 3,579,389	264.1%	63.7%
04/30/22	0.111110%	\$ 6,115,633	\$ 3,410,608	179.3%	72.8%
04/30/21	0.115970%	\$ 9,591,328	\$ 3,849,639	249.1%	58.0%
04/30/20	0.126700%	\$ 9,179,378	\$ 3,796,589	241.8%	62.9%
04/30/19	0.149450%	\$ 10,192,040	\$ 3,838,283	265.5%	64.3%
04/30/18	0.153300%	\$ 10,790,808	\$ 3,121,510	345.7%	62.5%
04/30/17	0.155810%	\$ 12,234,904	\$ 2,944,000	415.6%	57.7%
04/30/16	0.141350%	\$ 9,613,662	\$ 3,024,970	317.8%	62.7%

The amounts presented have a measurement date of the previous fiscal year.

**PORT OF SOUTH LOUISIANA**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND**  
**RELATED RATIOS AND NOTES TO THE SCHEDULE**  
*For the Years Ended April 30, 2019 through 2025*

	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability							
Service cost	\$ 304,612	\$ 291,855	\$ 215,699	\$ 213,973	\$ 209,811	\$ 134,549	\$ 146,524
Interest	284,814	247,726	197,164	198,780	175,990	225,571	250,739
Differences between expected and actual experience	(872,453)	(463,030)	89,058	(215,280)	(618,585)	109,285	(18,288)
Changes in assumptions and other inputs	(329,991)	(1,112,514)	36,390	540,313	(2,094,035)	260,097	389,229
Benefit payments	(183,814)	(137,283)	(130,707)	(130,138)	(136,954)	(175,461)	(195,730)
Net change in total OPEB liability	(796,832)	(1,173,246)	407,604	607,648	(2,463,773)	554,041	572,474
Total OPEB liability – beginning	8,886,080	8,089,248	6,916,002	7,323,606	7,931,254	5,467,481	6,021,522
Total OPEB liability – ending	\$ 8,089,248	\$ 6,916,002	\$ 7,323,606	\$ 7,931,254	\$ 5,467,481	\$ 6,021,522	\$ 6,593,996
Covered-employee payroll	\$ 3,838,283	\$ 3,796,589	\$ 3,849,639	\$ 3,410,608	\$ 3,579,389	\$ 3,919,678	\$ 4,439,362
Net OPEB liability as a percentage of covered-employee payroll	210.8%	182.2%	190.2%	232.5%	152.75%	153.62%	148.53%

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

The actuarial valuation date differs from the financial reporting date. The actuarial valuations are as of July 1. An actuarial valuation is only required biennially.

Notes to Schedule:

Changes of assumption and other inputs reflect a change in the discount rate from 2.98% in 2018 to 2.79% in 2019 to 2.66% in 2020 and 2021 to 2.18% in 2022 to 4.13% in 2023 and to 3.93% in 2024.

## **PORT OF SOUTH LOUISIANA**

### **SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS**

*For the Years Ended April 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017 and 2016*

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution (Deficiency) Excess	Employer's Covered- Employee Payroll	Contribution as a Percentage of Covered-Employee Payroll
04/30/25	\$ 1,238,721	\$ 1,195,035	\$ (43,686)	\$ 4,439,362	26.92%
04/30/24	\$ 1,199,738	\$ 1,254,162	\$ 54,424	\$ 3,919,678	32.00%
04/30/23	\$ 1,431,756	\$ 1,140,095	\$ (291,661)	\$ 3,579,389	31.85%
04/30/22	\$ 1,367,654	\$ 836,723	\$ (530,931)	\$ 3,410,608	24.53%
04/30/21	\$ 1,566,803	\$ 998,319	\$ (568,484)	\$ 3,849,639	25.93%
04/30/20	\$ 1,438,907	\$ 1,020,485	\$ (418,422)	\$ 3,796,589	26.88%
04/30/19	\$ 1,454,709	\$ 1,039,840	\$ (414,869)	\$ 3,838,283	27.09%
04/30/18	\$ 1,035,697	\$ 1,062,841	\$ 27,144	\$ 3,121,510	34.05%
04/30/17	\$ 1,053,952	\$ 1,066,651	\$ 12,699	\$ 2,944,000	36.23%
04/30/16	\$ 1,125,289	\$ 1,025,886	\$ (99,403)	\$ 3,024,970	33.91%

The amounts presented have a measurement date of the previous fiscal year.

***OTHER SUPPLEMENTARY INFORMATION***

**PORT OF SOUTH LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD**  
*For the Year Ended April 30, 2025*

Agency Head: Paul Matthews, Executive Director

Salary	\$ 359,856
Car allowance	30,000
Benefits – insurance	25,482
Cell phone	480
Lodging	7,937
Airfare	9,213
Parking	72
Transportation	1,184
Meal allowance	4,710
Registration / meeting fees	<u>6,711</u>
Total	<u>\$ 445,645</u>

**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  
Port of South 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 Port of South Louisiana (the Port), as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, and have issued our report thereon dated January 26, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Port'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 the Port's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Port'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 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2025-002, 2025-003, and 2025-004.

## **The Port of South Louisiana's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Port's response to the findings identified in our audit and describe in the accompanying schedule of findings and questioned costs. The Port's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
January 26, 2026

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners  
Port of South Louisiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Port of South Louisiana's (the Port) 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 each of the Port's major federal programs for the year ended April 30, 2025. The Port's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Port complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2025.

***Basis for Opinion on Each 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 Port 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 each major federal program. Our audit does not provide a legal determination of the Port'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 Port'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 Port'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 Port's compliance with the requirements of each 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 Port'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 Port'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 Port'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 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 Legislative Auditor as a public document.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
January 26, 2026

**PORT OF SOUTH LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Year Ended April 30, 2025*

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Grant Award Number	<u>Expenditures</u>
United States Department of Homeland Security			
Direct Program:			
FY 2020 Port Security Grant Program	97.056	EMW-2020-PU-00077	\$ 44,103
FY 2021 Port Security Grant Program	97.056	EMW-2021-PU-00028	284,215
FY 2022 Port Security Grant Program	97.056	EMW-2022-PU-00008	193,560
FY 2023 Port Security Grant Program	97.056	EMW-2023-PU-00135	<u>185,608</u>
Total United States Department of Homeland Security			707,486
United States Department of Transportation, Maritime Administration			
Direct Program:			
Port Infrastructure Development Program	20.823	693JF72040025	387,981
United States Department of Transportation, Federal Aviation Administration			
Direct Program:			
Airport Improvement Program	20.106	3-22-0064-026-2024	<u>443,996</u>
Total United States Department of Transportation			<u>831,977</u>
Total Expenditures of Federal Awards			<u>\$ 1,539,463</u>

See Notes to the Schedule of Expenditures of Federal Awards.

**PORT OF SOUTH LOUISIANA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Year Ended April 30, 2025*

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION**

The accompanying *Schedule of Expenditures of Federal Awards* includes the federal grant activity of the Port of South Louisiana and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations 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 2 – DE MINIMIS COST RATE**

The Port did not elect to use the de minimis cost rate as covered by Section 200.414 of the Uniform Guidance.

**PORT OF SOUTH LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
*For the Year Ended April 30, 2025*

I. SUMMARY OF AUDITORS' RESULTS

The type of report issued on the basic financial statements: unmodified.

- a. Significant deficiencies in internal control were disclosed by the audit of the financial statements: yes Material weaknesses: none.
- b. Noncompliance which is material to the financial statements: yes.
- c. Significant deficiencies in internal control over major program: none reported: Material weaknesses: none.
- d. The type of report issued on compliance for major program: unmodified.
- e. Any audit findings which are required to be reported under the Uniform Guidance: none.
- f. Identification of major program:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>
United States Department of Homeland Security, Port Security Grant Program	97.056

- g. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
- h. Auditee qualified as a low-risk auditee under the Uniform Guidance: yes.

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS:

2025-001 – Significant Deficiency in Internal Control Over Financial Reporting

Criteria:

Management is responsible for maintaining processes, and policies & procedures, including systems of internal controls, to ensure that financial information is prepared and reconciled timely to provide accurate and complete financial statements as required to be presented in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

**PORT OF SOUTH LOUISIANA**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued*  
*For the Year Ended April 30, 2025*

Condition:

The Port did not follow their processes, and policies & procedures to prepare accurate and complete financial statements on a timely basis. Specifically:

- There were significant delays in the financial reporting process due to turnover in key accounting and management personnel.
- The Port initiated a change in accounting systems during the year, which is still ongoing. This resulted in additional delays due to the transition.
- Account reconciliations were not performed timely, and in some cases, were incomplete or not reviewed, resulting in audit adjustments for various accounts, including receivables, fixed assets, accrued liabilities, revenues, and expenditures which were not identified or corrected timely due to the delay in performing year-end processes.

Cause:

This was primarily due to substantial turnover in key management and accounting positions over the past year, and the ongoing transition to a new accounting system.

Effect:

There is a reasonable possibility that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected and corrected on a timely basis. The Port experienced an extended financial closing process due to the substantial turnover in key management and accounting positions resulting in delays as new members of the management team required time to review the systems, processes, and documents to ensure that financial statements were prepared and presented in accordance with U.S. GAAP. The delay was exacerbated by the transition to a new accounting system. The adjustments required to present the financial statements in accordance with GAAP provided after year-end, indicated that certain processes were not performed in a timely manner.

Recommendation:

The Port should follow and/or evaluate their current processes, and policies & procedures, and where necessary, revise processes, and policies & procedures in conjunction with the capabilities of the new accounting system. These processes, and policies & procedures should include account reconciliations and preparation of the financial statements to ensure that accounts are reconciled timely and prepared in accordance with U.S. GAAP. We recommend the following:

- Strengthen the financial reporting process by ensuring adequate staffing and cross-training of the policies & procedures and new accounting system.
- Implement procedures to ensure timely and accurate account reconciliations.
- Establish a formal review process to verify that supporting documentation agrees with recorded amounts.

**PORT OF SOUTH LOUISIANA**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued*  
*For the Year Ended April 30, 2025*

Management's Response:

Management concurred with the recommendations. See management's corrective action plan.

2025-002 – Timely Submission of Audit Report

Criteria:

Under Louisiana statute (LA R.S. 24:513), the Port is required to have an annual audit of its financial statements prepared in accordance with U.S. GAAP and to complete the audit and file it with the Louisiana Legislative Auditor (LLA) within six months after year-end.

Condition:

The Port did not meet the October 31, 2025 deadline for reporting to the LLA for the year ended April 30, 2025. The Port filed for and was approved for extension with the LLA through January 31, 2026.

Cause:

This is due to substantial turnover in key management and accounting positions during the fiscal year. Additionally, the Port is in the process of implementing a new accounting system.

Effect:

The Port may not be in compliance with Louisiana Revised Statute 24:513.

Recommendation:

We recommend that management of the Port implement policies and procedures to ensure that the audit report is submitted to the appropriate parties by the regulated deadlines.

Management's Response:

Management concurred with the recommendations. See management's corrective action plan.

2025-003 – Compliance with Laws and Regulations

Criteria:

Management is responsible for compliance with applicable laws and regulations. LSA R.S. 42:1170 requires that each public servant "shall receive a minimum of one hour of education and training on the Code of Governmental Ethics during each year of his public employment or term of office, as the case may be."

**PORT OF SOUTH LOUISIANA**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued*  
*For the Year Ended April 30, 2025*

Condition:

During our audit procedures, the Port was unable to provide the required certification for certain employees documenting they received the minimum one hour of training on the Code of Governmental Ethics, as required by LSA R.S. 42:1170.

Cause:

This is due to substantial turnover in key management positions during the fiscal year.

Effect:

The Port may not be in compliance with Louisiana Revised Statute 42:1170.

Recommendation:

We recommend that management of the Port follow their policies and procedures to ensure that all employees receive the training required by LSA R.S. 42:1770, and the proper documentation is maintained by management.

Management's Response:

Management concurred with the recommendations. See management's corrective action plan.

2025-004 – Compliance with Laws and Regulations

Criteria:

Management is responsible for compliance with all applicable state laws and regulations. Louisiana Revised Statute 42:344, related to the "Prevention of Sexual Harassment", requires each agency head to compile an annual report by February first of each year containing information from the previous calendar year regarding the agency's compliance with their sexual harassment policies and ensure its complaint procedure is prominently posted on its website.

Condition:

During our audit procedures, we noted the following:

- The Port was unable to provide the report required to be filed by February 1, 2025 for the calendar year ended December 31, 2024, which falls within their fiscal year ended April 30, 2025.
- During our audit procedures, the Port was unable to provide the required certification for certain employees documenting they received sexual harassment training, as required by LSA R.S. 42:344.

**PORT OF SOUTH LOUISIANA**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued*  
*For the Year Ended April 30, 2025*

Cause:

This is due to substantial turnover in key management positions during the fiscal year.

Effect:

The Port may not be in compliance with Louisiana Revised Statute 42:344.

Recommendation:

We recommend that management of the Port follow their policies and procedures to ensure compliance with all required reporting, that all employees receive the training required by LSA R.S. 42:344, and that appropriate documentation is maintained.

Management's Response:

Management concurred with the recommendations. See management's corrective action plan.

3. FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS: none noted.

**PORT OF SOUTH LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
*For the Year Ended April 30, 2025*

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS:

None

SECTION II – FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS:

None

Julia Fisher-Cormier  
EXECUTIVE DIRECTOR

**BOARD OF  
COMMISSIONERS**

Joey Murray  
*St. Charles Parish*  
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Joey Scontrino  
*St. John the Baptist Parish*  
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*St. John the Baptist Parish*



January 26, 2026

**CORRECTIVE ACTION PLAN  
FINANCIAL STATEMENT FINDING AND COMPLIANCE MATTERS  
April 30, 2025**

**Louisiana State Legislative Auditor**

The Port of South Louisiana respectfully submits to you the following corrective action plan for the Financial Statement Finding and Compliance Matters for the year ended April 30 2025.

Kushner LaGraize, LLC  
Certified Public Accountants and Consultants  
3330 W. Esplanade Ave., Suite 100  
Metairie, LA 70002

Audit Period: May 1, 2024 – April 30, 2025

**2025-001 – Significant Deficiency in Internal Control Over Financial Reporting**

**Condition:**

The Port did not follow their processes, and policies & procedures to prepare accurate and complete financial statements on a timely basis. Specifically:

- There were significant delays in the financial reporting process due to turnover in key accounting and management personnel.
- The Port initiated a change in accounting systems during the year, which is still ongoing. This resulted in additional delays due to the transition.
- Account reconciliations were not performed timely, and in some cases, were incomplete or not reviewed, resulting in audit adjustments for various accounts, including receivables, fixed assets, accrued liabilities, revenues, and expenditures which were not identified or corrected timely due to the delay in performing year-end processes.

**Recommendation:**

The Port should follow and/or evaluate their current processes, and policies & procedures, and where necessary, revise processes, and policies & procedures in conjunction with the capabilities of the new accounting system. These processes, and policies & procedures should include account reconciliations and preparation of the financial statements to ensure that accounts are reconciled timely and prepared in accordance with U.S. GAAP. We recommend the following:

- Strengthen the financial reporting process by ensuring adequate staffing and cross-training of the policies & procedures and new accounting system.
- Implement procedures to ensure timely and accurate account reconciliations.
- Establish a formal review process to verify that supporting documentation agrees with recorded amounts.

Management's Corrective Action Plan:

The condition was primarily the result of substantial turnover in key management and accounting personnel and the ongoing transition to the new accounting system. Further, the prior Executive Director, who resigned on August 5, 2025, did not properly oversee and manage the accounting department. These matters created significant challenges in the financial closing and reporting process within the required timeframe.

With a new leadership team in place as of January 15, 2026, the Port is committed to strengthening financial management and enhancing the reliability of reporting. To support these efforts, the Commission has engaged an external accounting firm as a consultant to assist in performing a 'deep dive' into the current processes, policies & procedures, as well as the internal controls. The primary goals are to document and refine the procedures and processes, and to provide recommendations to strengthen internal controls to support accurate and complete financial statements going forward, and to improve audit readiness. Management will continue to prioritize improvements, as well as training of staff, to ensure timely reporting in future years.

**2025-002 – Timely Submission of Audit Report**

Condition:

The Port did not meet the October 31, 2025 deadline for reporting to the LLA for the year ended April 30, 2025. The Port filed for and was approved for extension with the LLA through January 31, 2026.

Recommendation:

We recommend that management of the Port implement policies and procedures to ensure that the audit report is submitted to the appropriate parties by the regulated deadlines.

Management's Corrective Action Plan:

As noted in Management's Corrective Action Plan for finding 2025-001, with a new leadership team in place, the Port is committed to strengthening financial management and ensuring timely reporting in future years.

### **2025-003 – Compliance with Laws and Regulations**

#### Condition:

During our audit procedures, the Port was unable to provide the required certification for certain employees documenting they received the minimum one hour of training on the Code of Governmental Ethics, as required by LSA R.S. 42:1170.

#### Recommendation:

We recommend that management of the Port follow their policies and procedures to ensure that all employees receive the training required by LSA R.S. 42:1770, and the proper documentation is maintained by management.

#### Management's Corrective Action Plan:

The Port will follow their established policies and procedures to ensure that all employees complete the mandated training. An employee will be designated to oversee this process and maintain the related supporting documentation.

### **2025-004 – Compliance with Laws and Regulations**

#### Condition:

During our audit procedures, we noted the following:

- The Port was unable to provide the report required to be filed by February 1, 2025 for the calendar year ended December 31, 2024, which falls within their fiscal year ended April 30, 2025.
- During our audit procedures, the Port was unable to provide the required certification for certain employees documenting they received sexual harassment training, as required by LSA R.S. 42:344.

#### Recommendation:

We recommend that management of the Port follow their policies and procedures to ensure compliance with all required reporting, that all employees receive the training required by LSA R.S. 42:344, and that appropriate documentation is maintained.

#### Management's Corrective Action Plan:

The Port will follow their established policies and procedures to ensure the required report is prepared and submitted and that all employees complete the mandated training. A designated employee will oversee this process, maintain related supporting documentation, and be responsible for preparing and submitting the required report.

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To Ms. Julia Fisher-Cormier and the Louisiana Legislative Auditor:

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 May 1, 2024 through April 30, 2025. The Port of South Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Port of South Louisiana (the Port) 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 May 1, 2024 through April 30, 2025. 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 findings are as follows:

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

- I. 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](http://www.gsa.gov)).

*We reviewed the travel reimbursements selected noting that amount was slightly higher than the State of LA / GSA approved rates; however, all amounts were in accordance with approved reimbursement rates established by the Port, without exception. We do not consider this an exception.*

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

*All amounts reimbursing actual costs were supported with original itemized receipts, except for items not required per the Port's policy. We do not consider this an exception.*

- 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 Policies and Procedures # 1a (viii); and

*Noted each reimbursement was supported by proper documentation, without exception.*

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

*Noted each reimbursement examined showed evidence of review and approval by appropriate personnel, without exception.*

We were engaged by the Port 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 the Port 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.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
January 26, 2026