

**GRAND ISLE PORT COMMISSION
STATE OF LOUISIANA**

**FINANCIAL REPORT
Years Ended June 30, 2025 and 2024**

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INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Grand Isle Port Commission
Grand Isle, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Grand Isle Port Commission as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Grand Isle Port Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the the business-type activities of the Grand Isle Port Commission, as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 Grand Isle Port Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Grand Isle Port Commission's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grand Isle Port Commission's basic financial statements. The Schedule of Per Diem Paid to Board Members and the Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Per Diem Paid to Board Members and the Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2025, on our consideration of the Grand Isle Port Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Grand Isle Port Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Grand Isle Port Commission's internal control over financial reporting and compliance.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
December 31, 2025

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

As management of the Grand Isle Port Commission (the "Port"), we offer readers of the Port's financial statements this narrative overview and analysis of the financial activities of the Grand Isle Port Commission for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the financial statements..

FINANCIAL HIGHLIGHTS

- The assets of the Port exceeded its liabilities at the close of the most recent fiscal year by \$9,186,722 (*net position*). Of this amount, \$9,047,332 or 98.5% is invested in capital assets, such as land, equipment, vehicles, and infrastructure less related payables; and \$15,321 is restricted for grant expenditures. The remaining balance of \$124,078 (*unrestricted*) or 1.4% may be used to meet the Port's ongoing obligations to citizens and creditors.
- The Port's total Net Position increased by \$731,373 or 8.6% during the current year because total revenues \$1,175,582 were greater than total expenses of \$444,209.
 - The two major sources of revenues this year were \$263,625 from ad valorem taxes and \$802,991 from grants.
 - More than 84% of the Port's operating expenses are in three categories. Those expenses are: \$158,681 in salaries & benefits, \$192,258 in depreciation, and \$24,175 in legal and professional fees.
- The Port completed the repair and rebuilding of the commercial dock and pier damaged by Hurricane Isaac in the year ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Port's basic financial statements.

Under GASB Statement No. 34, "government-wide" financial statements are to distinguish between functions of the Port that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Because the Port only engages in "business-type" activities, government-wide financials are not presented. Only the fund financial statements of the Enterprise Fund are presented as the Port's basic financial statements.

The Port's basic financial statements are comprised of two components: 1) Enterprise Fund financial statements and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include only the financial activities of the Grand Isle Port Commission, which is a component unit of the State of Louisiana. The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State's financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Port, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As noted above, the Port only engages in “business-type” activities and therefore only presents one type of fund – “Proprietary Funds”. These fund financial statements are presented as the basic financial statements of the Port.

Proprietary funds. The Port maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities*. The Enterprise Fund financial statements present information on the Port’s general operations.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other information. The Supplemental information contains several schedules required by the State, such as Per Diems Paid to Board Members and a Schedule of Compensation, Benefits and Other Payments Made to the Agency Head or Chief Executive Officer.

FINANCIAL ANALYSIS

Net Position. As noted earlier, Net Position may serve over time as a useful indicator of a government’s financial position. In the case of the Port, assets exceeded liabilities by \$9,186,722 at June 30, 2025.

	JUNE 30, 2025	JUNE 30, 2024	\$ Increase (Decrease)	% Increase (Decrease)
ASSETS				
Current Assets	\$ 392,132	\$ 2,435,196	(2,043,064)	-83.9%
Capital Assets, net	9,047,332	7,983,753	1,063,579	13.3%
TOTAL ASSETS	9,439,464	10,418,949	(979,485)	-9.4%
LIABILITIES				
Current Liabilities	66,316	1,806,494	(1,740,178)	-96.3%
Long Term Liabilities	186,426	157,106	29,320	18.7%
TOTAL LIABILITIES	252,742	1,963,600	(1,710,858)	-87.1%
NET POSITION				
Net investment in capital assets	9,047,332	6,177,259	2,870,073	46.5%
Restricted, grants	15,312	2,166,517	(2,151,205)	-99.3%
Unrestricted	124,078	111,573	12,505	11.2%
TOTAL NET POSITION	\$ 9,186,722	\$ 8,455,349	731,373	8.6%

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

FINANCIAL ANALYSIS (continued)

A large portion of the Port's net position \$9,047,332 or 98.5% reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure) less related contract and retainage payables. The Port used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

The Port's restricted net position of \$15,312 represents cash restricted for grant expenses related to hurricane repair projects.

The balance of *unrestricted net position* \$124,078 or 1.4% may be used to meet the government's ongoing obligations to citizens and creditors.

Business-type Activities.

Business-type activities increased the Port's Net Position by \$731,373, during the current fiscal year.

	<u>JUNE 30, 2025</u>	<u>JUNE 30, 2024</u>	<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
OPERATING REVENUES	\$ 39,469	\$ 31,583	\$ 7,886	25.0%
OPERATING EXPENSES				
Depreciation	192,258	105,531	86,727	82.2%
Other operating expenses	251,951	256,827	(4,876)	-1.9%
Total Operating Expenses	<u>444,209</u>	<u>362,358</u>	<u>81,851</u>	<u>22.6%</u>
Operating Income (Loss)	<u>(404,740)</u>	<u>(330,775)</u>	<u>(73,965)</u>	<u>22.4%</u>
NON-OPERATING REVENUES				
Ad valorem taxes	263,625	265,332	(1,707)	-0.6%
Federal grants	67,430	1,476,127	(1,408,697)	--
State and local grants	802,991	2,432,902	(1,629,911)	--
Gain on disposal of assets	-	-	-	--
Interest earned	2,067	1,967	100	5.1%
Total Non-Operating Revenues	<u>1,136,113</u>	<u>4,176,328</u>	<u>(3,040,215)</u>	<u>-72.8%</u>
CHANGE IN NET POSITION	731,373	3,845,553	(3,114,180)	-81.0%
NET POSITION				
Beginning of Year	8,455,349	4,609,796	3,845,553	83.4%
End of Year	<u>\$ 9,186,722</u>	<u>\$ 8,455,349</u>	<u>\$ 731,373</u>	<u>8.6%</u>

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

FINANCIAL ANALYSIS (continued)

Key elements of the net position increase are as follows:

Revenues

Total revenues decreased \$3,032,329 or 72% from the prior year as shown below.

	<u>JUNE 30, 2025</u>	<u>JUNE 30, 2024</u>	<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Revenues				
Operating Revenues				
Property Rentals	\$ 9,000	\$ 5,800	\$ 3,200	55.2%
Dockage Fees	24,069	24,883	(814)	-3.3%
Oyster Leases	6,400	900	5,500	611.1%
Total	<u>39,469</u>	<u>31,583</u>	<u>7,886</u>	<u>25.0%</u>
Non Operating Revenues				
Ad valorem taxes	263,625	265,332	(1,707)	-0.6%
Federal grants	67,430	1,476,127	(1,408,697)	-95.4%
State grants	741,180	1,522,302	(781,122)	-51.3%
Parish grants	61,811	900,000	(838,189)	-93.1%
Other grants	-	10,600	(10,600)	-100.0%
Interest earned	2,067	1,967	100	5.1%
Total	<u>1,136,113</u>	<u>4,176,328</u>	<u>(3,040,215)</u>	<u>-72.8%</u>
Total Revenues	<u>\$ 1,175,582</u>	<u>\$ 4,207,911</u>	<u>\$(3,032,329)</u>	<u>-72.1%</u>

Operating Revenues:

- Property rental income was \$9,000 which increased by \$3,200 is made up of:
 - \$3,700 for the land leases with the State Department of Wildlife and Fisheries and with Louisiana State University (LSU) and
 - \$5,300 for other property leases to commercial enterprises.
- The dock rental fees relate to the commercial dock opened on the old Estay property during 2013. Boat slips are rented to commercial enterprises. The dock rental fees for 2025 decreased by \$814 from the prior year.
- The Port owns and leases a few oyster beds on the back side of the island. Oyster lease income increased by \$5,500 from the prior year, as most oyster leases are collected on a two year basis.

Non-operating revenues:

- The Port recognized Federal, State and Local grants of \$ 870,421 related to Hurricane Issac, Hurricane Ida and additional state grants
- Ad valorem (property) taxes of \$263,625 were recognized in the current fiscal year. A decrease of \$1,707 from the prior year, due to a reduction in collected assessments.
- Interest income was \$2,067 an increase of \$100 from the prior year.

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

FINANCIAL ANALYSIS (continued)
Expenses

Total expenses increased by \$81,851 or 22.6% from the prior year as shown below.

	<u>JUNE 30, 2025</u>	<u>% of Total</u>	<u>JUNE 30, 2024</u>	<u>% of Total</u>	<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Operating Expenses						
Depreciation	\$ 192,258	43.3%	\$ 105,531	29.1%	\$ 86,727	82.2%
Salaries & benefits	158,681	35.7%	159,258	44.0%	(577)	-0.4%
Legal & professional	24,175	5.4%	25,675	7.1%	(1,500)	-5.8%
Insurance	16,959	3.8%	13,237	3.7%	3,722	28.1%
Repairs & Maintenance	15,685	3.5%	23,453	6.5%	(7,768)	-33.1%
Utilities	12,029	2.7%	11,886	3.3%	143	1.2%
Travel and meals	10,635	2.4%	9,794	2.7%	841	8.6%
Other	9,823	2.2%	(870)	-0.2%	10,693	-1229.1%
Office Supplies	3,964	0.9%	3,794	1.0%	170	4.5%
Oyster lease project	-	0.0%	10,600	2.9%	(10,600)	-100.0%
Total	<u>\$ 444,209</u>	<u>100.0%</u>	<u>\$ 362,358</u>	<u>100.0%</u>	<u>\$ 81,851</u>	<u>22.6%</u>

- Depreciation expense of \$192,258 represents 43% of total expenses for the year. The increase of \$86,727 in depreciation expense is due to new assets being purchased in the year and the completion of the pier and commercial dock being eligible for depreciation in the current year.
- Salaries and benefits of \$158,681 represents 36% of total expenses for the year.
- Legal and professional fees of \$24,175 relate to audit fees, general legal fees and other professional fees.
- Repairs and maintenance expenses decreased \$7,768 from the prior year due to a decrease commercial dock repairs .
- Oyster lease projects expenses decreased by \$10,600; the decline is related to the decline in grant revenue received for the project.

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Port's investment in capital assets for its business-type activities as of June 30, 2025 amounts to \$9,047,332 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure. The Port's investment in capital assets increased by \$1,063,579 or 13% this year due to capital improvements related to the repairs from hurricane damages.

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital assets, not being depreciated				
Land and Improvements	\$ 2,901,691	\$ -	\$ -	\$ 2,901,691
Construction in progress	3,537,940	-	(3,537,940)	-
Total capital assets, not being depreciated	<u>6,439,631</u>	<u>-</u>	<u>(3,537,940)</u>	<u>2,901,691</u>
Capital assets being depreciated, net				
Buildings	192,241	858	-	193,099
Furniture and fixtures	14,517	30,587	-	45,104
Vehicles and equipment	39,913	(9,293)	-	30,620
Infrastructure	1,297,451	4,579,367	-	5,876,818
Total capital assets being depreciated, net	<u>1,544,122</u>	<u>4,601,518</u>	<u>-</u>	<u>6,145,641</u>
Total capital assets	<u>\$ 7,983,753</u>	<u>\$ 4,601,518</u>	<u>\$ (3,537,940)</u>	<u>\$ 9,047,332</u>

Major capital asset events during the current fiscal year included the following:

- \$192,259 was recognized as depreciation expense in the current year.
- \$1,203,547 was incurred for the pier and bulkhead project and other infrastructure improvements related to Hurricane Isaac and Ida damages.

Additional information on the Port's capital assets can be found in the notes to the financial statements.

Long-term Debt

The Port did not report any long-term debt at June 30, 2025.

**GRAND ISLE PORT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2025 and 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The ad valorem millage rate levied for the next year's tax roll was 4.97 mills (the same as in 2024).
- The Port will seek funding for the infrastructure funding for the Shrimp Facility and Oak Lane Dock Facility.
- The Port will seek funding of \$1.5 million to install a drainage pump station on the Commercial Dock.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Port's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, PO Box 500, Grand Isle, Louisiana 70358.

BASIC FINANCIAL STATEMENTS

GRAND ISLE PORT COMMISSION
STATEMENTS OF NET POSITION
June 30, 2025 and 2024

	JUNE 30, 2025	JUNE 30, 2024
ASSETS		
Current Assets		
Cash	\$ 291,090	\$ 240,807
Certificates of deposit	24,602	23,586
Accounts receivable	1,144	4,286
Restricted current assets:		
Cash	15,432	62,024
Grant Receivable - FEMA	59,864	1,033,138
Grant Receivable - State	-	1,071,355
Total Current Assets	392,132	2,435,196
Non Current Assets		
Capital assets, net	9,047,332	7,983,753
TOTAL ASSETS	9,439,464	10,418,949
LIABILITIES		
Current Liabilities		
Accounts payable	-	-
Contracts payable	66,316	1,648,622
Retainage payable	-	157,872
Total current liabilities	66,316	1,806,494
Long-term Liabilities		
Unearned revenue, leases	109,050	112,750
Unearned revenue, grants	77,376	44,356
Total long-term liabilities	186,426	157,106
TOTAL LIABILITIES	252,742	1,963,600
NET POSITION		
Net investment in capital assets	9,047,332	6,177,259
Restricted, grants	15,312	2,166,517
Unrestricted	124,078	111,573
TOTAL NET POSITION	\$ 9,186,722	\$ 8,455,349

The accompanying notes are an integral part of this statement.

GRAND ISLE PORT COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2025 and 2024

	JUNE 30, 2025	JUNE 30, 2024
OPERATING REVENUES		
Property Lease	\$ 9,000	\$ 5,800
Dock Leases	24,069	24,883
Oyster Leases	6,400	900
Total Operating Revenue	39,469	31,583
OPERATING EXPENSES		
Advertising	3,446	5,070
Bank Charges	215	600
Depreciation	192,258	105,531
Dues, subscriptions, membership fees	1,850	2,100
Insurance	16,959	13,237
Legal and professional fees		
General	1,980	4,800
Auditing	11,944	6,000
Other	10,251	14,875
Miscellaneous	398	153
Navigation and safety	-	286
Office supplies	3,964	3,794
Repairs & maintenance		
Auto	2,080	978
Commercial Dock	1,230	2,545
Land/Buildings	12,375	9,330
Oyster lease project	-	10,600
Salaries & benefits		
Salaries	147,198	147,890
Taxes - Payroll	11,483	11,368
Telephone	3,914	1,521
Travel and meals	10,635	9,794
Utilities	12,029	11,886
Total Operating Expenses	444,209	362,358
Operating Income (Loss)	\$ (404,740)	\$ (330,775)

The accompanying notes are an integral part of this statement.

GRAND ISLE PORT COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2025 and 2024

	JUNE 30, 2025	JUNE 30, 2024
NON-OPERATING REVENUES		
Ad valorem taxes	263,625	265,332
Federal Grants	67,430	1,476,127
State Grants	741,180	1,522,302
Jefferson Parish Grants	61,811	900,000
Other Grants	-	10,600
Interest earned	2,067	1,967
Total Non-Operating Revenues	1,136,113	4,176,328
 CHANGE IN NET POSITION	 731,373	 3,845,553
 NET POSITION		
Beginning of Year	8,455,349	4,609,796
End of Year	\$ 9,186,722	\$ 8,455,349

The accompanying notes are an integral part of this statement.

GRAND ISLE PORT COMMISSION
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024

	<u>JUNE 30, 2025</u>	<u>JUNE 30, 2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Dock fees, oyster leases, and rentals	\$ 35,769	\$ 27,883
Payments to vendors	(93,270)	(110,240)
Payments to employees - salaries and benefits	(158,681)	(159,258)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(216,182)</u>	<u>(241,615)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from ad valorem taxes	266,767	262,669
Receipts from federal grants	1,073,724	210,878
Receipts from state grants	1,812,535	480,654
Receipts from parish grants	61,811	900,000
Receipts from other grants	-	10,600
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	<u>3,214,837</u>	<u>1,864,801</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for buildings, infrastructure, equipment	(2,996,015)	(2,256,270)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,996,015)</u>	<u>(2,256,270)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvestment into certificates of deposit	(1,016)	(622)
Interest received	2,067	1,967
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,051</u>	<u>1,345</u>
NET INCREASE (DECREASE) IN CASH	3,691	(631,739)
CASH AT BEGINNING OF YEAR	302,831	934,570
CASH AT END OF YEAR	<u>\$ 306,522</u>	<u>\$ 302,831</u>
RECONCILIATION TO STATEMENT OF NET POSITION		
Cash	\$ 291,090	\$ 240,807
Restricted Cash	15,432	62,024
Total Cash per Statement of Net Position	<u>\$ 306,522</u>	<u>\$ 302,831</u>

The accompanying notes are an integral part of this statement.

**GRAND ISLE PORT COMMISSION
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024**

	JUNE 30, 2025	JUNE 30, 2024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (404,740)	\$ (330,775)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	192,258	105,531
Changes in assets and liabilities:		
Increase (decrease) in accounts payable	-	(12,671)
Increase (decrease) in deferred revenue, leases	(3,700)	(3,700)
Net Adjustments	188,558	89,160
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (216,182)	\$ (241,615)

The accompanying notes are an integral part of this statement.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Grand Isle Port Commission (the Port) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Port's accounting policies are described below.

A. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Port was created by Louisiana Revised Statute (LSA-RS 34:251). It includes all land in the within the Town of Grand Isle's boundaries and all of Ward 11 of Jefferson Parish. The governing board of commissioners administers the operations and responsibilities in accordance with the provisions of Louisiana statutes. The five members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by the Town of Grand Isle Mayor and members of the Town Council. The Port has all the powers and privileges granted under the constitution and statutes of the State of Louisiana which include, but are not limited to, the authority to incur debt, to issue bonds, to construct and maintain wharves and landings, and to charge fees for the use of the wharves and other facilities administered by it. Those charges are based on tariffs approved by the U.S. Maritime Commission.

Based on the criteria described above, it has been determined that the Grand Isle Port Commission is not a component unit of the State of Louisiana for financial reporting purposes; rather it is a stand-alone government. Likewise, the Division of Administration for the State of Louisiana treats the Port as a primary government. The accompanying statements present only transactions of the Port.

B. Description of Activities

The Port operates an administrative office within the city limits of the Town of Grand Isle and manages a commercial dock and oyster leases on the north side of the island. Services provided by the Port include general administrative activities, primarily economic development and public works.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Financial Statements

In governmental accounting, separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds. Funds are used by the Port to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Since the Port engages only in *business-type activities*, the Port maintains a proprietary fund to account for its operations.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The Port uses *Enterprise Funds* to account for its operations. The principal operating revenues will be charges to customers for dock fees and rentals. Operating expenses of the enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In accordance with GASB Codification Section P80, Proprietary Fund Accounting and Financial Reporting, the proprietary fund type is accounted for on the *economic resources management focus* and the *accrual basis of accounting*. With this measurement focus, all assets and liabilities associated with the operation of this fund type are included on the statement of net position. The statement of revenues, expenses, and changes in net position represent increases (i.e., revenues) and decreases (i.e., expenses) in net total position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of the timing of related cash flows.

The Port may also report deferred revenue on its statement of Net Position. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability of deferred revenue is removed from the Statement of Net Position and revenue is recognized.

The Port considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is federal and state grants collected on a reimbursement basis, which are recognized as revenue when reimbursable expenditures are made. Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position

Cash and Investments

For reporting purposes, cash includes amounts in demand deposits and time deposits. Certificates of deposit are shown separately. Louisiana Revised Statutes allow the Port to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Investments, if any, are stated at cost or amortized cost. State statutes authorize the Port to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

For purposes of the statement of cash flows, the Port considers investments with a maturity date of less than 90 days to be a cash equivalent. Investments with less than 90 days to maturity at the balance sheet date are also considered cash equivalents.

Assets Whose Use Is Restricted

Assets whose use is limited or restricted consist of cash. These assets are amounts that can only be spent for specific purposes because of internally imposed or externally imposed conditions by grantors or creditors. The Port considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Restricted Resources

When the District has both restricted and unrestricted resources available to finance a particular program, it is the Port 's policy to use restricted resources before unrestricted resources.

Ad valorem Revenue and Receivables

Property taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Ad valorem tax revenue receivable presented in the financial statements represents the estimated tax collectable assessed in the current fiscal year.

Inventories

The cost of materials and supplies acquired by the Port are recorded as expenses at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2025 and 2024 are not material to the financial statements.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position (continued)

Capital Assets

Capital assets are capitalized in the funds used to acquire or construct them, Capital assets are defined by the Port as assets with an initial, individual cost of more than \$250 (except for electronic equipment is 100 percent capitalized) and an estimated useful life in excess of two years. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of buildings, equipment and vehicles is computed using the straight-line method. Depreciation expense applicable to those fixed assets acquired through capital donations is closed out to the related contributed capital accounts rather than retained earnings. It is considered preferable under the matching concept, as receipts of these fixed assets have been recorded as additions to contributed capital.

The useful lives used for computing depreciation are as follows:

<u>Asset Type</u>	<u>Life in Years</u>
Building & Improvements	20 - 50
Furniture & Equipment	3 - 10
Vehicles & Equipment	5 - 10
Boats & Equipment	5 - 10

Compensated Absences

Annual and sick leave are expended when claimed by the employee rather than when earned. In the opinion of management, the liability due at June 30, 2025 and 2024 would not be material to the financial statements.

Net Position

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended, net position is classified into three components - net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position (continued)

Net Position

Restricted - This component of net position consists of assets that have constraints that are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - All other net position is reported in this category.

Pension and Other Post-Employment Benefits

The Port does not offer a pension, retirement or any other post employment benefits to its employees.

Grant Revenue and Receivables

From time to time, the Port receives grants from the Federal government, State of Louisiana, Jefferson Parish and others. Revenues from grants are recognized when all eligibility requirements, including time requirements, are met. Grants may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as non-operating revenues.

Leases

The Port applies Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the Port's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. The Port's depreciation expense and accumulated depreciation are a significant estimates reported in these financial statements.

Income Taxes

The Port is a governmental entity under Section 517 of the Internal Revenue Code and are therefore exempt from Federal income taxes.

**GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

While not specifically required by state statutes, the Port does adopt a budget for its Enterprise Fund for managerial purposes. Since the budget is adopted on a “cash” basis of accounting and is used for management purposes only, it is not presented.

NOTE 3 – CASH AND CASH EQUIVALENTS

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

Total Deposits in Bank Accounts per Statement of Net Position		
	June 30, 2025	June 30, 2024
Cash	\$ 291,090	\$ 240,807
Restricted Cash	15,432	62,024
Certificates of Deposit	24,602	23,586
	\$ 331,124	\$ 326,417

These deposits are stated at cost, which approximates market value.

Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the Port’s deposits may not be returned to them. State law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2025, the Port’s bank balance deposits totaled \$336,213. At June 30, 2025, this balance was fully collateralized or FDIC insured and was not exposed to custodial credit risk.

Supplemental cash flow disclosure: For the year ended December 31, 2024, the Port had no noncash investing and financing transactions.

Restricted Cash: The Port received advanced grant funding from FEMA related to Hurricane Ida disaster relief. These monies are restricted for the specific programs per the grant award. At June 30, 2025, The Port had \$15,432 in restricted cash, held in a separate bank account for grant expenses.

NOTE 4 – RECEIVABLES

Accounts receivable consisted solely of ad valorem taxes due from the Jefferson Parish Sheriff and totaled \$1,144 and \$4,286 at June 30, 2025 and 2024, respectively.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 5 – CAPITAL ASSETS

Construction in Progress

In the fiscal year ended June 30, 2023, the balance of construction in progress is made up of a pier and bulkhead repair project, which is being funded by FEMA (PW 1097-4080-DRLA- Isaac). During 2018, the Port spent \$82,500 on engineering costs, bringing the project to date total to \$82,500. FEMA reimbursed 75 percent of the cost - \$61,875. This amount was recognized as an “other financing source” for 2018. The \$82,500 in costs were capitalized into construction in progress at June 30, 2018

In the fiscal year ended June 30, 2024, the Port signed a contract with Sea Level Construction for \$4,268,965 to complete the pier and bulkhead repair project. The Port incurred expenses of \$3,445,440 for the pier and bulkhead repair project during the fiscal year; which included \$3,157,440 for construction and \$298,000 for engineering costs.

In the fiscal year ended June 30, 2025, the Port completed the project with an additional expenditure of \$1,168,876 and placed the infrastructure in service in March 2025. The Port recognized \$0 in construction in progress at the end of the fiscal year.

Expenditures, current year

The Port made the following capital asset expenditures in the year ended June 30, 2025.

<u>CATEGORY AND DESCRIPTION</u>	<u>AMOUNT</u>
Buildings	
Office building improvements	\$ 11,022
Equipment & Furniture	
Cameras	29,706
Office furniture	11,562
Infrastructure	
Kayak launch	19,821
Pier and bulkhead	1,168,876
Shrimp facility	14,850
	<u>\$ 1,203,547</u>

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 5 – CAPITAL ASSETS (continued)

The following is a summary of changes in capital assets related to business-type activities during the fiscal year:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated				
Land and Improvements	\$ 2,901,691	\$ -	\$ -	\$ 2,901,691
Construction in progress	3,537,940	-	(3,537,940)	-
Total capital assets, not being depreciated	<u>6,439,631</u>	<u>-</u>	<u>(3,537,940)</u>	<u>2,901,691</u>
Capital assets, being depreciated				
Buildings	247,544	11,022	-	258,566
Furniture and fixtures	57,292	41,268	-	98,560
Vehicles and equipment	233,396	-	-	233,396
Infrastructure	2,046,791	4,741,487	-	6,788,278
Total capital assets, being depreciated	<u>2,585,023</u>	<u>4,793,777</u>	<u>-</u>	<u>7,378,800</u>
Less accumulated depreciation for				
Buildings	(55,303)	(10,164)	-	(65,467)
Furniture and fixtures	(42,775)	(10,681)	-	(53,456)
Vehicles and equipment	(193,483)	(9,293)	-	(202,776)
Infrastructure	(749,340)	(162,120)	-	(911,460)
Total accumulated depreciation	<u>(1,040,901)</u>	<u>(192,259)</u>	<u>-</u>	<u>(1,233,160)</u>
Capital assets being depreciated, net				
Buildings	192,241	858	-	193,099
Furniture and fixtures	14,517	30,587	-	45,104
Vehicles and equipment	39,913	(9,293)	-	30,620
Infrastructure	1,297,451	4,579,367	-	5,876,818
Total capital assets being depreciated, net	<u>1,544,122</u>	<u>4,601,518</u>	<u>-</u>	<u>6,145,641</u>
Total capital assets	<u>\$ 7,983,753</u>	<u>\$ 4,601,518</u>	<u>\$ (3,537,940)</u>	<u>\$ 9,047,332</u>

The Port recognized depreciation expense in the amount of \$192,259 for the year ended June 30, 2025.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 7 – CURRENT LIABILITIES

For the year ended June 30, 2025, the Port recognized \$66,316 in contracts payable related to the pier and bulkhead repair project.

For the year ended June 30, 2024, the Port recognized \$1,648,622 in contracts payable and \$157,872 in retainage payable related to the pier and bulkhead repair project.

NOTE 8 – LEASE REVENUE EARNED AND UNEARNED

Dock leases

The Port leases boat slips to commercial vessels on an annual basis for an average of 27 docks at an average annual lease rate of \$567 per dock. Docks are rented on the length of the boat. In addition, the Port leases a building at the dock to a commercial entity on annual basis for an annual rent of \$6,000.

Total dock lease revenue recognized for the years ending June 30, 2025 and 2024 were \$24,069 and \$24,883 respectively.

Oyster leases

The Port leases 16 oyster plots for bi-annual rate of \$200 per plot.

Total oyster lease revenue recognized for the years ending June 30, 2025 and 2024 were \$6,400 and \$900

Property leases - State

On December 1, 2003, the Port leased a portion of land to the Louisiana Department of Wildlife and Fisheries (LDWF) for a period of 50 years. The Port retains title to the land at lease-end and all leasehold improvements erected by the State will be removed at the term of the lease or will revert to the Port. The Port received an up-front rental fee of \$150,000 for the lease. This revenue will be deferred and recognized over the life of the lease on the straight-line method. Thus, rental revenue of \$3,000 is shown along with an unearned income of \$85,250.

On August 21, 2010, the Port leased a portion of land to the Louisiana State University (LSU) and Agricultural and Mechanical College for a period of 50 years, retroactively effect to July 1, 2010. The Port retains title to the land at lease-end and all leasehold improvements erected by the State will be removed at the term of the lease or will revert to the Port. The Port received an up-front rental fee of \$35,000 on August 21, 2010 for the lease. This revenue will be deferred and recognized over the life of the lease on the straight-line method. Thus, rental revenue of \$700 is shown along with an unearned income of \$23,800.

The Port does not report any future lease payments to be received as all rents are prepaid as stated above.

Total property rental revenue recognized for the years ending June 30, 2025 and 2024 were \$3,700 and \$3,700 respectively.

Total unearned revenue - leases recognized for the years ending June 30, 2025 and 2024 were \$109,050 and \$112,750 respectively.

**GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024**

NOTE 8 – LEASE REVENUE EARNED AND UNEARNED (CONTINUED)

Property leases - State

The Port will recognize the following property rental revenue and reduce unearned lease revenue over the following future periods as shown below:

<u>Year</u>	<u>Year Ended June 30,</u>	<u>LDWF</u>	<u>LSU</u>	<u>Total</u>
1	2026	\$ 3,000	\$ 700	\$ 3,700
2	2027	3,000	700	3,700
3	2028	3,000	700	3,700
4	2029	3,000	700	3,700
5	2030	3,000	700	3,700
6-10	2031-2035	15,000	3,500	18,500
11-15	2036-2040	15,000	3,500	18,500
16-20	2041 - 2045	15,000	3,500	18,500
21-25	2046 - 2050	15,000	3,500	18,500
26-30	2051 - 2055	10,250	3,500	13,750
31-34	2056 - 2059	-	2,800	2,800
Total		\$ 85,250	\$ 23,800	\$ 109,050

Property leases - Other

Property lease revenue totaled \$5,300 and \$2,100 for the years ended June 30, 2025 and 2024, respectively, related to property owned by the Port.

Accounting standards - leases

The Port does not report any future lease payments to be received as all rents are prepaid as stated above.

As the lessor, the Port applies GASB 87 accounting standard to record lease revenue on the above leases. The Port has not recorded a lease receivable at June 30, 2025 as there were no outstanding amounts due at June 30, 2025. Consequently, there is no corresponding deferred inflow of resources and no application of a discount rate. Leases that have terms less than 12 months or on a month-to-month basis revenue is recognized when earned. No lease receivable or deferred inflows are recorded for these leases. The Port has elected not to apply GASB 87 to its oyster lease revenue due to the immaterial annual amount of the lease revenue.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 9 – GRANT RECEIVABLES AND GRANT REVENUE – EARNED AND UNEARNED

Hurricane Issac

In 2012, the Port was hit by Hurricane Issac. Later, FEMA approved PW 1097-4080-DRLA- Isaac for the Port's damages to its commercial dock and bulkhead. Since then, the Port has been working with FEMA to increase the amount of the grant as all repair bids are significantly higher than the grant award. FEMA values the improvements at an eligible amount of \$1,460,017, with FEMA's portion 75% or \$1,095,013. In 2018, the Port expended \$82,500 and received reimbursement of \$61,875.

During the fiscal year ended June 30, 2024, the Port worked with Jefferson Parish and the State of Louisiana to secure additional funding for this project. In this time, the Port signed a cooperative endeavor agreement with Jefferson Parish and received \$900,000 to repair the pier and bulkhead. In addition, the Port signed a cooperative endeavor agreement with the State of Louisiana for \$2,225,000 for this project. In 2024, the Port received \$450,946 in funding from the State.

In the fiscal year ended June 30, 2024, the Port signed a contract with Sea Level Construction for \$4,268,965 to complete the pier and bulkhead repair project. The Port incurred expenses of \$3,445,440 for the pier and bulkhead repair project during the fiscal year; which included \$3,157,440 for construction and \$298,000 for engineering costs.

At June 30, 2024, the Port recorded a federal grant receivable of \$1,033,128 and a state grant receivable of \$1,071,355 for the bulkhead and pier project.

During the fiscal year ended June 30, 2025, the Port completed the improvement to the commercial dock and bulkhead. Additional costs incurred during the fiscal year was \$702,698. For a total project cost of \$4,326,315. The project was completed in March of 2025. During the year the Port received an additional \$1,774,054 from the State of Louisiana per cooperative endeavor agreement.

At June 30, 2025 the Port recognized a contract payable of \$66,316.

Hurricane Ida

In 2021, the Town of Grand Isle, where the Port is located, was devastated by the effects of Hurricane Ida. The Port incurred severe damage to its administrative building, fishing piers, and roads. FEMA has approved 10 projects under PW4611-DRLA-Ida for the Port with an eligible repair cost of \$1,257,146 and FEMA's portion of \$1,137,418.

For the year ended June 30, 2024, the Port received \$210,878 in FEMA grant money related to Hurricane Ida. The Port incurred expenses of \$605,705 in Hurricane Ida expenses in the fiscal year and recognized Unearned grant revenue for advances of FEMA funds of \$14,649.

For the year ended June 30, 2024, the Port received \$70,293 in FEMA grant money related to Hurricane Ida. The Port incurred expenses of \$57,2555 in Hurricane Ida expenses in the fiscal year and recognized Unearned grant revenue for advances of FEMA funds of \$77,376 and a Receivable of \$59,865.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

**NOTE 9 – GRANT RECEIVABLES AND GRANT REVENUE – EARNED AND UNEARNED
(CONTINUED)**

Other Grants

State of Louisiana – Port Security Grant

For the year ended June 30, 2024, The Port received a grant of \$29,707 from the State of Louisiana port security grant, and recognized unearned grant revenue of \$29,707 in the statement of net position at June 30, 2024. Grant funds were expended in June 30, 2025 and the revenue was recognized.

NOTE 10 – AD VALOREM TAXES

Louisiana Revised Statutes (LRS 34:3254(A)) provides the Port with the authority to levy annually, an ad valorem tax not to exceed ten (10) mills. On November 5, 1996, the Port received approval by a vote of the citizens to levy a ten year 5 mill tax for acquiring, constructing, improving, maintaining or operating structures, facilities, and services (including economic development). This millage was renewed in the spring of 2016.

The Port levies an ad valorem (property) tax on real property within the Port to finance operations. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office (a separate entity) which receives a certain millage for its services. The taxes remitted by the Sheriff to the Port are net of assessor's commission and pension fund contributions.

The mills levied for operations on the 2025 and 2024 tax rolls were 4.97 and 4.97, respectively. The amount of revenues generated by the taxes in fiscal years ended June 30, 2025 and 2024 was \$263,625 and \$265,332 respectively.

NOTE 11 - PER DIEM PAID TO BOARD MEMBERS

The Commissioners do not receive any per diem for serving on the Port Commission.

GRAND ISLE PORT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2025 and 2024

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Risk Management and Litigation

The Port is exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the Port purchases various types of insurance from commercial carriers. Under these policies, general liability coverage is provided for up to a maximum of \$500,000 per occurrence, with a \$10,000 deductible.

The Port's management and its attorneys have reviewed any claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Port in excess of insurance coverages and to arrive at an estimate, if any, of the amount or range of potential loss to the Port in accordance with Governmental Accounting Standards Board Codification Section C50 – Claims and Judgments. Under these standards, loss contingencies on the various claims and lawsuits are categorized into “probable”, “reasonably possible”, and “remote”.

NOTE 13 – CONCENTRATIONS

Concentration of Credit Risk

The Port grants credit without collateral to its lessees, most of whom are businesses within the Grand Isle, Louisiana geographical area.

Economic Dependency

The Port is located in Jefferson Parish, Louisiana, and relies primarily on ad valorem taxes, and federal and state grants for its operations. Any disruption in these ad valorem tax values would adversely affect the District's primary source of revenue.

NOTE 14 – ADOPTION OF NEW ACCOUNTING STANDARD

During the year ended June 30, 2025, the Port adopted GASB Statement No. 101, Compensated Absences. The implementation of this standard did not result in the recognition of a compensated absence liability, as the amounts determined under the new guidance were immaterial to the financial statements. Accordingly, no restatement of beginning net position was required.

NOTE 15 – SUBSEQUENT EVENTS

The Port has evaluated subsequent events through December 31, 2025, the date the financial statements were available to be issued, and no subsequent events requiring disclosure or adjustment were identified.

OTHER SUPPLEMENTAL INFORMATION

**GRAND ISLE PORT COMMISSION
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2025**

<u>Board Member</u>	<u>Amount</u> <u>JUNE 30, 2025</u>
Ernie Ballard	\$ -
John Cheramie	\$ -
Kerry Besson	\$ -
Terrill Pizani	\$ -

**GRAND ISLE PORT COMMISSION
 SCHEDULE OF COMPENSATION AND OTHER PAYMENTS
 TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 For the Year Ended June 30, 2025**

Agency Head - Name/Title

Weldon Danos, Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 80,740
Benefits- Payroll Taxes (social security & medicare)	6,177
Benefits- Health Insurance	-
Benefits- Life and disability insurance	1,765
Benefits- Other	-
Vehicle Provided by Agency	Yes
Vehicle-Fringe Benefits	-
Data/Wireless- Benefits	799
Conferences	-
Reimbursements	330
Mileage	-
Travel (Hotel, Air, Car Rental, Taxi, Meals)	6,012
Special Meals	-
Total	<u>\$ 95,822</u>

OTHER INDEPENDENT AUDITOR'S REPORTS, FINDINGS, AND RECOMMENDATIONS

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

Board of Commissioners
Grand Isle Port Commission
Grand Isle, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Grand Isle Port Commission, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise Grand Isle Port Commission's basic financial statements and have issued our report thereon dated December 31, 2025.

Report on Internal Control over Financial Reporting

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

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

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

However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control that we consider to be significant deficiencies. 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2025-1, and 2025-2 be a significant deficiencies.

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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Grand Isle Port Commission's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Grand Isle Port Commission's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Grand Isle Port Commission's response was not subjected 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 the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
December 31, 2025

**GRAND ISLE PORT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2025**

SECTION I - SUMMARY OF AUDITOR'S REPORTS

A. Financial Statements

Type of auditor's report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness identified	<u>No</u>
Significant deficiencies identified	<u>Yes</u>
Compliance findings identified	<u>No</u>
Management letter issued	<u>No</u>

B. Federal Awards

The Grand Isle Port Commission did not expend federal awards exceeding \$750,00 during the year ended June 30, 2025 and therefore is exempt from the audit requirements under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

A. Internal Control Findings - Material Weakness

None

B. Internal Control Findings – Significant deficiencies

2025-1 Preparation of Financial Statements by Auditor

Criteria – Management is responsible for establishing and maintaining internal controls over financial reporting, including the preparation of financial statements in accordance with generally accepted accounting principles (GAAP).

Condition - The Port does not maintain internal controls sufficient to independently prepare financial statements in accordance with GAAP. As is common in small organizations, the Port has elected to engage its independent auditor to assist with the preparation of the annual financial statements. This condition is intentional and reflects management's cost-benefit considerations.

Cause - Due to limited staffing and financial resources, management has determined that it is not cost effective to maintain the internal expertise necessary to prepare GAAP-compliant financial statements.

Effect - Statement of Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

**GRAND ISLE PORT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2025**

SECTION II – FINANCIAL STATEMENT FINDINGS

2025-1 Preparation of Financial Statements by Auditor

Recommendation - As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, we do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, we do not believe any corrective action is necessary.

Management's Response - The Port's staff is familiar with the day-to-day accounting requirements; however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

2025-2 Inadequate Segregation of duties

Criteria - Management is responsible for establishing internal controls that provide reasonable assurance over cash receipts, cash disbursements, and financial reporting, including appropriate segregation of duties.

Condition-The size of the Port's operations is too small to provide for an adequate segregation of duties. The Port's bookkeeper/secretary is charged with most of the responsibilities relating to the cash receipts, cash disbursement, and financial reporting cycles. The Port does, however, have various controls in place which tend to mitigate this problem, including (1) having a Commissioner review and initial all bank reconciliations, (2) requiring dual signatures on all checks, and (3) requiring the presentation of actual versus budget reports on a monthly basis, and (4) the use and reconciliation of pre-numbered receipts and checks

Cause - Limited staffing and financial resources restrict the Port's ability to further segregate accounting duties.

Effect - Statement of Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that may be partially mitigated or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation - Employing additional controls may not be cost beneficial, however, the Board should remain cognizant of the lack of segregation of duties.

Management's Response - We are aware of the condition, however, at this point we are not in the financial position of addressing the problem. The Board is aware of the condition and will continue to monitor the financial activity of the Port in a timely manner.

C. Compliance Findings

None

D. Management Letter

None

**GRAND ISLE PORT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2025**

Section III Federal Award Findings and Questions Costs

None

**GRAND ISLE PORT COMMISSION
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2025**

Section I Financial Statement Findings

A. Internal Control Findings - Material Weakness

None

B. Internal Control Findings – Significant deficiencies

2024-1 Preparation of Financial Statements by Auditor – Unresolved – See Finding 2025-1

2024-2 Inadequate Segregation of Duties – Unresolved - See Finding 2025-2

C. Compliance Findings

None

D. Management Letter

None

Section II Federal Award Findings and Questions Costs

None

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of Grand Isle Port Commission 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 July 01, 2024 through June 30, 2025 for the Grand Isle Port Commission (the Port). The Port's management is responsible for those C/C areas identified in the SAUPs.

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 July 01, 2024 through June 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:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories (or report that the entity does not have any written policies and procedures), if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- viii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

This section not performed. No year one exceptions identified.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

This section not performed. No year one exceptions identified.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

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

This section not performed. No year one exceptions identified.

4) Collections (excluding electronic funds transfers)

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

Results: Procedures performed. No exceptions noted.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: Procedures performed. No exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Results: Procedures performed. No exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Results: Exceptions were noted for item (D) of Collections. The Port does not have a receipt log in place to determine the receipt date of collections to determine if deposits were not made within one business day.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

This section not performed. No year one exceptions identified.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

This section not performed. No year one exceptions identified

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

- A. 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:
- i. If reimbursed using a per diem, observe that 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);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

This section not performed. No year one exceptions identified.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

This section not performed. No year one exceptions identified.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

This section not performed. No year one exceptions identified

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

This section not performed. No year one exceptions identified

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

This section not performed. No year one exceptions identified

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

This section not performed. No year one exceptions identified

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

This section not performed. No year one exceptions identified

15) Management's Response:

The Port concurs with the exceptions and is working to address the items identified.

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.

Camnetar & Co.

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Gretna, Louisiana
December 31, 2025