South Tangipahoa Parish
Port Commission

Financial Statements

December 31, 2025

South Tangipahoa Parish Port Commission
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Independent Auditor's Report

To the Board of Commissioners
South Tangipahoa Parish Port Commission
Ponchatoula, Louisiana

Opinions

We have audited the accompanying financial statements of the business-type activities of South Tangipahoa Parish Port Commission as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the South Tangipahoa Parish Port Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the South Tangipahoa Parish Port Commission as of December 31, 2025, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 South Tangipahoa Parish 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 South Tangipahoa Parish Port Commission's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7; the schedule of changes in total OPEB liability on page 29, schedule of employer's proportionate share of net pension liability at page 30; and schedule of employer's pension contributions at page 31 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 an opinion on the financial statements that collectively comprise the South Tangipahoa Parish Port Commission's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to commission head, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to commission head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2026, on our consideration of the South Tangipahoa Parish Port Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 South Tangipahoa Parish Port Commission's internal control over financial reporting and compliance.

Purcell & Martinez, llc

Covington, Louisiana
June 24, 2026

Introduction

This section of the South Tangipahoa Parish Port Commission's (the "Commission") annual financial report presents a discussion and analysis of the Commission's financial performance during the year that ended December 31, 2025. It should be read in conjunction with the financial statements, which follow this section.

Overview of the Financial Statements

This financial report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and notes to the financial statements.

The financial statements provide both long-term and short-term information about the Commission's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The Commission's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Position.

All assets and liabilities associated with the operations of the Commission are included in the Statement of Net Position. The Statement of Net Position reports the Commission's net assets, which equals assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is one way to measure the Commission's financial health.

Financial Highlights

At December 31, 2025, the Commission's assets exceeded its liabilities by $14,688,507.

At December 31, 2024, the Commission's assets exceeded its liabilities by $14,969,499.

The Commission had an increase in net position of $943,418 for the year ended December 31, 2025 compared to an increase in net position of $1,016,619 for the year ended December 31, 2024.

The Commission's cash balance was $1,100,519 at December 31, 2025 compared to $504,684 at December 31, 2024.

Management's Discussion and Analysis

Financial Analysis

The Commission's total assets at December 31, 2025 were approximately $15.1 million. The condensed statements of net position are as follows at December 31:

	2025	2024	Variance	% Variance
Assets				
Current assets	$ 7,398,167	$ 6,282,685	$ 1,115,482	17.75%
Capital assets, net	6,869,549	7,062,920	(193,371)	-2.74%
Leases receivable, non-current	798,740	2,047,144	(1,248,404)	-60.98%
Other assets	2,100	2,100	-	0.00%
	15,068,556	15,394,849	(326,293)	-2.12%
Deferred outflows of resources	28,481	35,993	(7,512)	-20.87%
	$ 15,097,037	$ 15,430,842	$ (333,805)	-2.16%
Liabilities				
Current liabilities	$ 33,388	$ 8,338	$ 25,050	300.43%
Noncurrent liabilities	346,661	417,012	(70,351)	-16.87%
	380,049	425,350	(45,301)	-10.65%
Deferred inflows of resources	1,972,890	3,204,812	(1,231,922)	-38.44%
Net Position				
Net investment in capital assets	6,869,549	7,062,920	(193,371)	-2.74%
Unrestricted	5,874,549	4,737,760	1,136,789	23.99%
	12,744,098	11,800,680	943,418	7.99%
	$ 15,097,037	$ 15,430,842	$ (333,805)	-2.16%

Total liabilities decreased by $45,301 from 2024 to 2025. The primary cause is a decrease in the net pension liability and OPEB valuations.

Net position increased by $943,418, as explained in the following section. Net investment in capital assets reflect capital assets, net of accumulated depreciation.

The Commission's operating revenues for the year ended December 31, 2025 were $1,538,946, a decrease of 3.94% from the previous year. Total expenses increased 6.08% to $801,113, which includes $322,093 of depreciation expense. The changes in net position are detailed below in the condensed statements of revenues, expenses, and changes in net position at December 31:

	2025	2024	Variance	% Variance
Revenues				
Rentals	$ 1,475,740	$ 1,544,602	$ (68,862)	-4.46%
Grants	62,508	55,977	6,531	100.00%
Miscellaneous	698	1,413	(715)	-50.60%
	1,538,946	1,601,992	(63,046)	-3.94%
Expenses				
Salaries and related expenses	138,759	154,532	(15,773)	-10.21%
Property maintenance	73,980	34,134	39,846	116.73%
Depreciation	322,093	346,925	(24,832)	-7.16%
Insurance	180,658	125,863	54,795	43.54%
Administrative and other	85,621	93,764	(8,143)	-8.68%
	801,111	755,218	45,893	6.08%
Operating income	737,835	846,774	(108,939)	12.87%
Non-Operating Revenue (Expense)				
Net investment gain (loss)	205,583	169,845	35,738	21.04%
	205,583	169,845	35,738	21.04%
Increase (decrease) in net position	943,418	1,016,619	(73,201)	-7.20%
Net position, beginning of year	11,800,680	10,784,061	1,016,619	9.43%
Net position, end of year	$ 12,744,098	$ 11,800,680	$ 943,418	7.99%

Capital Assets

The Commission's investment in capital assets at December 31, 2025 amounts to $6,869,549, net of accumulated depreciation. This investment consists primarily of land, buildings, docks, and equipment. The Commission currently has ongoing construction projects to facilitate the maximum use of the Commission's property. Additions during 2025 consist of $128,722 in drainage and infrastructure improvements and barge dock repairs.

Other Factors Affecting the Commission

Management is currently redeveloping the facility into an efficient and safe trans-loading terminal for bulk, break bulk, neo bulk, and containerized cargo by barge, rail and truck at one prime location. The three-million-dollar infrastructure improvement programs will provide a new bulkhead, lay down storage areas, and comprehensive rail spur maintenance at the facility. The projects are designed to attract new industries and create new jobs for residents of the Tangipahoa Parish community. The new infrastructure projects are also an integral part of the port's "Master Plan" that was created in 2007 as a guide to future development of the facility.

Contacting the Commission's Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Patrick Dufresne, Executive Director
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Financial Statements

South Tangipahoa Parish Port Commission
Statement of Net Position
December 31, 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets	
Cash and cash equivalents	$ 1,100,519
Investments	4,912,835
Leases receivable	1,248,404
Interest receivable	3,512
Prepaid expenses	90,867
	7,398,167
Noncurrent Assets	
Capital assets, net	6,869,549
Leases receivable, non-current	798,740
	7,668,289
Other Assets	
Utility deposit	2,100
	15,068,556
Deferred Outflows of Resources	
Deferred outflows related to pension plan	24,949
Deferred outflows related to OPEB plan	3,532
	28,481
	$ 15,097,037
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
Current Liabilities	
Accounts payable	$ 25,278
Accrued expenses	8,110
	33,388
Noncurrent Liabilities	
Compensated absences	17,562
Other postemployment benefits payable	96,796
Net pension liability	232,303
	346,661
	380,049
Deferred Inflows of Resources	
Deferred inflows related to pension plan	39,783
Deferred inflows related to leases	1,921,727
Deferred inflows related to OPEB plan	11,380
	1,972,890
Net Position	
Net investment in capital assets	6,869,549
Unrestricted	5,874,549
	12,744,098
	$ 15,097,037

The accompanying notes are integral part of the financial statements.

South Tangipahoa Parish Port Commission
Statement Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2025

Operating Revenues	
Rentals	$ 1,448,496
Operating grants	62,508
Lease interest income	27,244
Miscellaneous	698
	1,538,946
Operating Expenses	
Salaries and related expenses	132,953
Employee benefits	5,806
Property maintenance	73,980
Depreciation	322,093
Rents and leases	12,600
Office supplies	3,242
Utilities	15,335
Accounting services	13,614
Legal fees	18,818
Professional services	14,976
Insurance	180,658
Marketing	4,336
Memberships and dues	2,700
	801,111
Operating income	737,835
Non-Operating Revenues (Expenses)	
Investment gain	47,809
Interest income	157,774
	205,583
Increase in Net Position	943,418
Beginning Net Position	11,800,680
Ending Net Position	$ 12,744,098

The accompanying notes are integral part of the financial statements.

South Tangipahoa Parish Port Commission
Statement of Cash Flows
For the Year Ended December 31, 2025

Cash Flows From Operating Activities		
Receipts:		
Rentals	$	1,488,642
Grants		20,478
Miscellaneous		698
		1,509,818
Disbursements:		
Payments to employees for services		(198,246)
Payments to suppliers for goods and services		(318,036)
		(516,282)
Net cash provided by operating activities		993,536
Cash Flows From Capital and Related Financing Activities		
Purchases of property and equipment		(128,722)
Net cash used in capital and related financing activities		(128,722)
Cash Flows From Investing Activities		
Redemptions of certificates of deposit		399,536
Purchases of investments		(874,098)
Investment gain		205,583
Net cash used in investing activities		(268,979)
Net increase (decrease) in cash and cash equivalents		595,835
Cash and cash equivalents, beginning balance		504,684
Cash and cash equivalents, ending balance	$	1,100,519

South Tangipahoa Parish Port Commission
Statement of Cash Flows *(Continued)*
For the Year Ended December 31, 2025

Reconciliation of Operating Income (Loss) to		
Cash Flows From Operating Activities		
Operating income (loss)	$	737,835
Adjustments to reconcile the operating income (loss)		
to net cash provided by operating activities:		
Depreciation		322,093
(Increase) decrease in:		
Accounts receivable		(42,030)
Leases receivable		1,248,404
Deferred outflows related to pensions		2,098
Deferred outflows related to OPEB		5,414
Prepaid expenses		(3,055)
Increase (decrease) in:		
Accrued expenses		25,050
Net pension liability		(63,645)
Post-employment benefits payable		(6,706)
Deferred inflows related to pensions		3,188
Deferred inflows related to leases		(1,235,502)
Deferred inflows related to OPEB		392
Net cash provided by operating activities	$	993,536

The accompanying notes are integral part of the financial statements.

1. History and Summary of Significant Accounting Policies

Nature of Operations

The South Tangipahoa Parish Port Commission (the "Commission") was established and provided for by R.S. 34:1951 of Louisiana Revised Statutes (LRS). The Commission was granted authority to own, construct, operate, and maintain property, structures, and facilities necessary or useful for port, recreational, harbor, and terminal purposes. In addition, the Commission also has the authority to make and enter into contracts, leases, and other agreements with operating entities interested in the transportation, storage, and shipping of products.

The Commission consists of the boundaries and limits of Wards 6, 7, and 8 of Tangipahoa Parish. The South Tangipahoa Parish Port Commission is governed by seven board members from Tangipahoa Parish who are appointed directly by the Governor and serve with no compensation.

The Commission maintains an office located in Ponchatoula, Louisiana and a port facility located in Manchac, Louisiana. The 140-acre port terminal currently contains two (2) 30,000 square foot warehouse facilities, two (2) barge docks, and 6,000 feet of storage track located directly adjacent to the mainline of the Canadian National Railroad. The Commission presently has two paid employees, an executive director and an administrative assistant, and the port facility is operated under a Marine Terminal Operators Agreement with a contract operator.

Financial Statement Presentation

The Commission's operations are accounted for in a proprietary fund type - the enterprise fund, which is similar to private business enterprises. Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statements of net position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and certain highly liquid investments purchased with an initial maturity of 90 days or less.

Accounts Receivable

Accounts receivable is uncollateralized and stated at net realizable value. Management considers all accounts receivable balances collectible, thus no allowance for doubtful accounts has been recorded.

Investments
The Commission reports its investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair value.

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

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

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

Property and Equipment
Property and equipment are stated at cost, less accumulated depreciation. The Commission capitalizes individual purchases of property and equipment in excess of $5,000. Depreciation is recorded on a straight-line basis over the estimated useful lives of 10 to 40 years.

Net Position
Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities, the statement of net assets title is now referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

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

Restricted - Consists of amounts with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other amounts that do not meet the definition of "restricted" or "net investment in capital assets"

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

Compensated Absences
The Commission adopted GASB Statement No. 101, Compensated Absences. This statement requires the liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, leave accumulates, and if leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The adoption of GASB Statement No. 101 did not result in a material change to the previously reported compensated absences liabilities. No restatement of beginning net position was required.

Employees of the Commission are covered by the State of Louisiana civil service regulations and, as such, accumulate sick and annual leave in accordance with varying rates stipulated under these regulations. Upon termination and/or retirement, unused vacation not to exceed 300 hours is paid to the employee at the employee's current rate of pay. At retirement, unused vacation in excess of 300 hours and unused sick leave is considered in computing the years of service for retirement benefit purposes. As of December 31, 2025, employees of the Commission have accumulated and vested employee leave benefits of $17,562.

Pensions
For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees’ Retirement System (LASERS) additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits
The Commission provides certain continuing health care and life insurance benefits for its retired employees. The Commission recognizes the expense of providing these retiree benefits in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

Upcoming Accounting Pronouncements
The Governmental Accounting Standards Board (“GASB”) has issued statements not yet implemented by the Commission. The statements, which may have an impact on the Commission, are as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement is effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, provides users of government financial statements with essential information about certain types of capital assets. The Statement is effective for fiscal years beginning after June 15, 2025.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for the fiscal year ending December 31, 2026.

2. Deposits

The Commission's deposits consist of the following at December 31, 2025:

	Cash
Deposits per statement of net position	$ 1,100,519
Deposits per financial institutions	1,139,364
Bank Balances:	
Uninsured and uncollateralized	$ -
Collateralized with securities held by the pledging institution's trust department or agent, in the Commission's name	-
Collateralized, including securities held by the pledging institution or its agent but not in the Commission's name	1,688,043
	$ 1,688,043

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial Deposit Risk
In the case of deposits, this is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it.

3. Investments

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

a. United States bonds, treasury notes, certificates, or any other federally insured investment.
b. Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana.
c. Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

Investments are measured at fair value and are comprised of the following at December 31, 2025:

	Maturity Less Than One Year	Maturity 2 to 5 Years	Total
U.S. Treasury obligations	$ -	$ 2,240,207	$ 2,240,207
U.S. Treasury notes/bonds	617,049	401,135	1,018,184
Federal agency securities	506,566	949,227	1,455,793
Certificates of deposit	198,651	-	198,651
	$ 1,322,266	$ 3,590,569	$ 4,912,835

The following schedule summarizes investment return (loss), including interest and administrative fees, for the year ended December 31, 2025:

Increase (decrease) in fair market value of investments	$ 47,809

Interest Rate Risk
Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. The Commission's investment policy limits interest rate risk by generally limiting maturities of its investments to shorter term securities, money market mutual funds, or similar investment pools.

Credit Risk
The credit risk of investments is the risk that the issuer or counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The Commission limits its investment in securities to those classified as investment grade by S&P (EBB or better) and Moody's (Baa or better). At December 31, 2025, the Commission's portfolio consisted of only securities with a rating of AAA by Moody's and AA+ by S&P.

4. Fair Value Measurements

The fair value measurement accounting literature provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Commission has the ability access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data. Level 3 inputs are unobservable and are based on assumptions market participants would utilize in pricing the assets.

The Commission uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

At December 31, 2025, the Commission's investments consist of only certificates of deposit, Federal agency securities and U.S. Treasury Obligations which are assessed using Level 2 inputs.

5. Property and Equipment

Property and equipment consists of the following at December 31:

	Balance 12/31/24	Additions	Disposals	Balance 12/31/25
Capital Assets Not Being Depreciated				
Land	$ 303,000	$ -	$ -	$ 303,000
Construction in progress	-	93,263	-	93,263
	303,000	93,263	-	396,263
Capital Assets Being Depreciated				
Port facility	8,929,450	-	-	8,929,450
Wastewater system	205,422	-	-	205,422
Improvements and equipment	5,652,573	35,459	-	5,688,032
	14,787,445	35,459	-	14,822,904
Accumulated depreciation	(8,027,525)	(322,093)	-	(8,349,618)
	6,759,920	(286,634)	-	6,473,286
	$ 7,062,920	$ (193,371)	$ -	$ 6,869,549

Depreciation expense for the year ended December 31, 2025 was $322,093.

6. Noncurrent Liabilities

The following is a summary of changes in noncurrent liabilities for the year ended December 31, 2025:

	Balance at 12/31/24	Additions	Payments and Reductions	Balance at 12/31/25	Due Within One Year
Other post-employment benefits obligation	$ 103,502	$ -	$ (6,706)	$ 96,796	$ -
Net pension liability	295,948	-	(63,645)	232,303	-
Accrued compensated absences	17,562	-	-	17,562	-
	$ 417,012	$ -	$ (70,351)	$ 346,661	$ -

7. Leases

Lease Revenues
The Commission leases to others substantially all of its land, property and equipment under various lease agreements. The Commission recognized $1,448,496 in lease revenue and $27,244 in interest revenue during the year ended December 31, 2025, related to these leases. As of December 31, 2025, the Commission's receivable for lease payments was $2,047,144. Also, the Commission has a deferred inflow of resource associated with these leases that will be recognized as revenue over the lease terms. As of December 31, 2025, the balance of the deferred inflow of resources was $1,921,727.

At December 31, 2025, future payments included in the measurement of the lease receivable for each of the next five fiscal years and in five-year increments thereafter are as follows:

	Principal	Interest	Totals
2026	699,590	15,842	715,432
2027	107,014	12,986	120,000
2028	108,089	11,911	120,000
2029-2033	556,953	43,047	600,000
2034-2038	575,497	14,503	590,000
	$ 2,047,144	$ 98,288	$ 2,145,432

The majority of the Commission's rental revenue is derived from three customers – Bayou Diesel, CC Holdings and Air Products. For the year ending December 31, 2025, approximately $225,000, or 16%, of lease revenue was received from Bayou Diesel, approximately $116,000, or 8% of lease revenue, was received from CC Holdings and approximately $1,050,000, or 74% of lease revenue, was received from Air Products.

Operating Lease
The Commission rents office space on a month-to-month basis from an unaffiliated company. Rent expense for the year ended December 31, 2025 was $9,600.

8. Retirement Plan

Louisiana State Employees' Retirement System

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

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

Retirement Benefits
The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

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

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

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

Members in the regular plan will receive a 2.5% accrual rate and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

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

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

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

Disability Benefits
Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

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

Survivor's Benefits
Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011, who was in state service at the time of death, must have a minimum of five years of service credit, at least two of

which were earned immediately prior to death, or who had a minimum of twenty years of service credit, regardless of when earned, in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the member's final average compensation.

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

Employer Contributions
The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The Commission's contractually required composite contribution rate for the year ended December 31, 2025 was 34.74% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Commission were $44,486 for the year ended December 31, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At December 31, 2025, the Commission reported a liability of $232,303 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2025 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Commission's proportion of the Net Pension Liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the Commission's proportion was 0.00515%, which was a decrease of 0.00029% from its proportion measured as of June 30, 2024. For the year ended December 31, 2025, the Commission recognized pension expense of $224 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

At December 31, 2025, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,227	$ -
Net difference between projected and actual actual earnings on pension plan investments	-	39,783
Changes in assumptions	-	-
Changes in proportion	-	-
Employer contributions subsequent to the measurement date	21,722	-
	$ 24,949	$ 39,783

$21,722 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Period Ended:	Amount
12/31/26	$ 5,064
12/31/27	(19,673)
12/31/28	(15,151)
12/31/29	(6,796)
	$ (36,556)

Actuarial Assumptions
A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2025 are as follows:

Valuation date:	June 30, 2025
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	2 years
Investment rate of return	7.25% per annum, net of investment expenses
Inflation rate	2.40% per annum
Salary increases, including inflation and merit increases:	2.4% - 15.3%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021
Disabled members:	Mortality rates based on RP-2000 Disabled Retiree Mortality Table

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Expected Long Term Real Rates of Return
Cash	0.85%
Equity	9.64%
Fixed Income	7.90%
Alternative Investments	7.43%
Total Fund	5.75%

Discount Rate
The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.25%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer's proportionate share of the net pension liability	$ 353,618	$ 232,303	$ 151,527

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2025 Comprehensive Annual Financial Report at www.lasersonline.org.

Payable to Pension Plan
At December 31, 2025 the Commission accrued $1,681 as payable to the pension plan.

9. Other Post-Employment Benefits Plan

Plan Description
The Office of Group Benefits ("OGB") administers the State of Louisiana's post-retirement benefits plan – a defined benefit, multiple-employer other postemployment benefit plan ("OPEB"). OPEB provides medical, prescription drug, and life insurance benefits to retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. Current employees, who participate in an OGB health plan, while active, are eligible for plan benefits if they are enrolled in the OGB health plan immediately before the date of retirement and retire under one of the state sponsored retirement systems (Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System, or Louisiana State Police Retirement System,) or they retire from a participating employer that meets the qualifications in the Louisiana Administrative Code 32:3.303. Benefit provisions are established under R.S. 42:851 for health insurance benefits and R.S. 42:821 for life insurance benefits. The obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended under the authority of R.S. 42:802.

At December 31, 2025, the Commission had two active employees and no inactive employees were covered by the benefit terms. There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of December 31, 2025. The plan is funded on a "pay-as-you-go basis" under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

Employer contributions are based on plan premiums and the employer contribution percentage. Premium amounts vary depending on the health plan selected and if the retired member has Medicare coverage. OGB offers retirees four self-insured healthcare plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage also have access to four fully insured Medicare Advantage plans.

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retirees and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums for individual retirees. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2025, the Commission reported a liability of $96,796 for its total OPEB liability. The total OPEB liability was measured as of December 31, 2025, and was determined by an actuarial valuation as of that date. The Commission's total OPEB liability was based on projections of the Commission's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended December 31, 2025, the Commission recognized a total OPEB expense of $4,109. The Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,532	$ -
Changes in assumptions	-	11,380
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	-	-
	$ 3,532	$ 11,380

Deferred outflows of resources related to OPEB resulting from the Commission's contributions subsequent to the measurement date, if applicable, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2025.

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

Period Ended:	Amount
12/31/2026	$ (4,905)
12/31/2027	(2,943)
12/31/2028	-
12/31/2029	-
Thereafter	-
	$ (7,848)

Actuarial Methods and Assumptions
The total OPEB obligation in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Measurement date:	December 31, 2025
Actuarial cost method:	Individual Entry Age Normal
Investment rate of return	N/A - Benefit payments are funded on a pay-as-you-go basis
Discount rate	4.83% annually
Healthcare cost trend rate	5.50% through 2025 then decreasing annually to 4.04% in 2074
Salary increases, including inflation and merit increases:	13.95% in first year after hire, decreasing to 3.26% at 19 years of ser
Cost of living adjustments:	Not substantively automatic
Mortality	Mortality rates based on PubG-2010 Employee and Retiree Tables Projected using MP-2021 with 2020 as the base year

The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the Commission's total OPEB liability using the current discount rate as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (3.83%)	Current Discount Rate (4.83%)	1.0% Increase (5.83%)
Total OPEB liability	$ 108,839	$ 96,796	$ 86,673

Sensitivity of the Total OPEB Liability to Changes to the Healthcare Cost Trend Rates
The following presents the Commission's total OPEB liability calculated using assumed trend rates, as well as what the Commission's total OPEB liability would be if it were calculated using a trend rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (4.50%)	Healthcare Trend (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	$ 85,929	$ 96,796	$ 109,710

OPEB Expense and changes in OPEB Obligation
The OPEB expense, the OPEB expense contributed to the plan, and the OPEB obligation at the end of the year for the Commission were as follows:

	Total OPEB Liability
Total OPEB liability, beginning of year	$ 103,502
Service cost	2,892
Interest	4,240
Differences between expected and actual experience	-
Changes in assumptions	(8,829)
Benefit payments	(5,009)
Total OPEB liability, end of year	$ 96,796

Payables to the OPEB Plan
At December 31, 2025, the Commission did not have any amounts due to the OPEB plan.

10. Compensation of Board Members

Board Member	Amount
Daryl Ferrara	$ -
Tina Roper	-
Timothy DePaula	-
Rhonda Sheridan	-
Joseph "William" Sims	-
Joshua "Logan" Davis	-
Brandon Schanzbach	-

11. Subsequent Events

Management has evaluated subsequent events through June 24, 2026, which is the date the financial statements were available to be issued.

Required Supplementary Information

South Tangipahoa Parish Port Commission
Schedule of Changes in Total OPEB Liability
For the Year Ended December 31, 2025

Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019
Service cost	$ 2,892	$ 4,399	$ 3,653	$ 8,518	$ 8,532	$ 6,797	$ 5,872
Interest	4,240	3,529	3,673	3,803	3,656	3,352	4,221
Changes of benefit terms	-	-	-	-	-	-	-
Changes between expected and actual experience	-	10,598	-	(102,221)	(3,859)	2,678	(9,388)
Changes in assumptions	(8,829)	(16,482)	5,641	12,409	1,287	36,426	18,215
Benefit payments	(5,009)	(4,748)	(3,636)	(3,446)	-	-	-
	(6,706)	(2,704)	9,331	(80,937)	9,616	49,253	18,920
Total OPEB liability, beginning of year	$ 103,502	$ 106,206	$ 96,875	$ 177,812	$ 168,196	$ 118,943	$ 100,023
Total OPEB liability, end of year	$ 96,796	$ 103,502	$ 106,206	$ 96,875	$ 177,812	$ 168,196	$ 118,943
Covered payroll	$ 135,324	$ 126,978	$ 126,978	$ 123,280	$ 123,476	$ 119,880	$ 119,880
Total OPEB liability as a percentage of covered-employee payroll	71.53%	78.98%	83.64%	78.58%	144.01%	140.30%	99.22%
OPEB fiduciary net position	-	-	-	-	-	-	-
OPEB fiduciary net position as a percentage of total OPEB liability	0%	0%	0%	0%	0%	0%	0%

South Tangipahoa Parish Port Commission
Schedule of Employer's Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2025

	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Employee Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2025	0.00515%	$ 232,303	$ 131,052	177%	79.30%
June 30, 2024	0.00544%	295,948	123,847	239%	74.60%
June 30, 2023	0.00543%	363,592	122,896	296%	68.42%
June 30, 2022	0.00564%	425,991	122,003	349%	63.65%
June 30, 2021	0.00165%	90,816	34,880	260%	72.78%
June 30, 2020	0.00166%	137,541	34,880	394%	57.99%
June 30, 2019	0.00175%	127,076	34,880	364%	62.90%
June 30, 2018	0.00620%	422,494	119,880	352%	64.30%
June 30, 2017	0.00643%	452,597	119,880	378%	62.54%
June 30, 2016	0.00638%	500,679	119,880	418%	57.70%

*** The amounts presented have a measurement date of June 30, 2025.*

South Tangipahoa Parish Port Commission
Schedule of Employer's Pension Contributions
For the Year Ended December 31, 2025

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2025	$ 47,741	$ 47,741	-	$ 131,052	36.43%
December 31, 2024	50,433	50,433	-	131,052	38.48%
December 31, 2023	50,585	50,585	-	123,847	40.84%
December 31, 2022	39,017	39,017	-	98,777	39.50%
December 31, 2021	13,900	13,900	-	34,880	39.85%
December 31, 2020	14,109	14,109	-	34,880	40.45%
December 31, 2019	21,680	21,680	-	56,130	38.62%
December 31, 2018	45,434	45,434	-	119,880	37.90%
December 31, 2017	44,175	44,175	-	119,880	36.85%
December 31, 2016	44,595	44,595	-	119,880	37.20%

OPEB Schedule

There are no assets accumulated in a trust that meet the requirements in paragraph 4 of GASB Statement 75 to pay related benefits.

Changes of Benefit Terms
There were no changes in benefit terms in any year presented.

Changes of Assumptions
The discount rate used in actuarial assumptions increased from 4.08% for the December 31, 2024 measurement date to 4.83% for the December 31, 2025 measurement date. The discount rate used in actuarial assumptions decreased from 3.26% for the December 31, 2023 measurement date to 4.08% for the December 31, 2024 measurement date. The discount rate used in actuarial assumptions decreased from 3.72% for the December 31, 2022 measurement date to 3.26% for the December 31, 2023 measurement date. The discount rate used in actuarial assumptions increased from 2.06% for the December 31, 2021 measurement date to 3.72% for the December 31, 2022 measurement date. The discount rate used in actuarial assumptions decreased from 2.12% for the December 31, 2020 measurement date to 2.06% for the December 31, 2021 measurement date. The discount rate used in actuarial assumptions decreased from 2.74% for the December 31, 2019 measurement date to 2.12% for the December 31, 2020 measurement date. The discount rate used in actuarial assumptions decreased from 4.11% for the December 31, 2018 measurement date to 2.74% for the December 31, 2019 measurement date.

Pension Plan Schedule

Changes of Benefit Terms
A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.

Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

In the June 30, 2019 valuation, Act 595 of 2018 provides for a disability benefit equal to 100 percent of final average compensation for members of the Hazardous Duty, Corrections Primary and Secondary, Wildlife and Harbor Police plans who are totally and permanently disabled in the line of duty by an intentional act of violence.

Changes of Assumptions include:
There were several changes in assumptions for the June 30, 2017 valuation. The Board adopted a plan to gradually reduce the discount rate from 7.75% to 7.50% in .05% annual increments, beginning July 1, 2017. Therefore, the discount rate was reduced from 7.75% to 7.70% for the June 30, 2017 valuation. A 7.65% discount rate was used to determine the projected contribution requirements for fiscal year 2018/2019. The Board reduced the inflation assumption from 3.0% to 2.75%, effective July 1, 2017.

Since the inflation assumption is a component of the salary increase assumption, all salary increase assumptions decreased by .25%.

In addition, the projected contribution requirement for fiscal year 2018/2019 includes direct funding of administrative expenses, rather than a reduction in the assumed rate of return, per Act 94 of 2016.
For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.70% to 7.65%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.65% to 7.60%. For the valuation year ended June 30, 2020, the investment rate of return was decreased from 7.60% to 7.55%. For the valuation year ended June 30, 2021, the investment rate of return was decreased from 7.55% to 7.40%. %. For the valuation year ended June 30, 2022, the investment rate of return was decreased from 7.40% to 7.25%. For the valuation years ended June 30, 2023, June 30, 2024, and June 30, 2025, the investment rate of return remained the same at 7.25%.

Supplementary Information

South Tangipahoa Parish Port Commission
Schedule of Compensation, Benefits, and Other Payments to Commission Head
For the Year Ended December 31, 2025

Commission Head: Patrick Dufresne
Position: Executive Director

Purpose	Amount
Salary	$ 91,052
Benefits - insurance	8,403
Benefits - retirement	30,908
	$ 130,363

Reports Required by
Government Auditing Standards

PINELL & MARTINEZ LLC
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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*

To the Board of Commissioners
South Tangipahoa Parish Port Commission
Ponchatoula, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the South Tangipahoa Parish Port Commission, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the South Tangipahoa Parish Port Commission's basic financial statements, and have issued our report thereon dated June 24, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the South Tangipahoa Parish 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 South Tangipahoa Parish Port Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the South Tangipahoa Parish Port Commission's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Pinell & Martinez, llc

Covington, Louisiana
June 24, 2026

A. Summary of Auditor's Results

a. Financial Statements

Type of auditors' report issued: Unmodified

b. Internal control over financial reporting:

Material weaknesses identified	______	yes	✓	no
Significant deficiencies identified not considered to be material weaknesses	______	yes	✓	none noted

c. Noncompliance material to financial statements noted

Noncompliance material to financial statements noted	______	yes	✓	no

B. Findings in Accordance with *Government Auditing Standards*

None noted.

A. Findings in Accordance with *Government Auditing Standards*

None noted.

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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
South Tangipahoa Parish Port Commission
Ponchatoula, Louisiana

We have performed the procedures enumerated below on the control and compliance areas of the South Tangipahoa Parish Port Commission (the "Commission") as of and for the year ended December 31, 2025. The Commission's management is responsible for the control and compliance areas identified in the Statewide Agreed-Upon Procedures.

The South Tangipahoa Parish Port Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for their 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:

Written Policies and Procedures

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

   a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
   b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
   c) ***Disbursements***, including processing, reviewing, and approving.
   d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
   e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
l) ***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.

Results
No exceptions noted.

Board or Finance Committee

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

   a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
   b) For those entities reporting on the governmental accounting model, observe whether the minutes 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. *Alternately, for those entities reporting on the nonprofit 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.*
   c) 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.

d) 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.

Results
The Board is required to meet monthly (second Tuesday of each month) in accordance with their Bylaws. However, there was no Board meeting held in March 2025. We will note this exception.

Bank Reconciliations

3. 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:

   a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
   b) Bank reconciliations include 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
   c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results
No exceptions noted.

Collections (excluding electronic funds transfers)

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

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

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

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

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

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

   a) Observe that receipts are sequentially pre-numbered.
   b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
   c) Trace the deposit slip total to the actual deposit per the bank statement.
   d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).
   e) Trace the actual deposit per the bank statement to the general ledger.

Results
No exceptions noted.

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

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

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

   a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
   b) At least two employees are involved in processing and approving payments to vendors.
   c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

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

10. For each location selected under #8 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:

    a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity, and
    b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, 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.*

Results
No exceptions noted.

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

12. 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.

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

    a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized 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 major of a Lawrason Act municipality, should not be reported); and
    b) Observe that finance charges and late fees were not assessed on the selected statements.

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

15. Using the list of terminated employees obtained in Payroll and Personnel procedure #20 identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

Results
No exceptions noted.

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

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

    a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov).
    b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
    c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1h.
    d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results
N/A – There were no travel or travel-related expense reimbursements in 2025.

Contracts

17. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.*

Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results
No exceptions noted.

Payroll and Personnel

18. 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.

19. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #18 above, obtain attendance records and leave documentation for the pay period, and:

    a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
    b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;
    c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
    d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

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

21. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums,

garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results
No exceptions noted.

Ethics

22. Using the 5 randomly selected employees/officials from procedure #18 under "Payroll and Personnel" above, obtain ethics documentation from management, and

    a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
    b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results
No exceptions noted.

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

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

Results
N/A – the Commission had no bonds/notes or other debt instruments in 2025.

Fraud Notice

25. 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.

26. Observe 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.

Results
No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

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

    a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (1) occurred within the past week, (2) was not stored on the government's local network, and (c) was encrypted.
    b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
    c) 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.
    d) 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 #20. Observe evidence that the selected terminated employees have been removed or disabled from the network.
    e) Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, 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.

Results
No exceptions noted.

Prevention of Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #18 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

27. Observe 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).

28. 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 it includes the applicable requirements of R.S. 42:344:

a) Number and percentage of public servants in the agency who have completed the training requirements;
b) Number of sexual harassment complaints received by the agency;
c) Number of complaints which resulted in a finding that sexual harassment occurred;
d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
e) Amount of time it took to resolve each complaint.

Results
No exceptions noted.

We were engaged by the South Tangipahoa Parish Port Commission 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. 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 the control and compliance areas listed above. 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 South Tangipahoa Parish Port Commission and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management of the South Tangipahoa Parish Port Commission and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Pinell & Martinez, llc

Covington, Louisiana
June 24, 2026