PORT OF IBERIA DISTRICT

FINANCIAL REPORT

JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Port of Iberia District
New Iberia, Louisiana

Opinion

We have audited the accompanying basic financial statements of the Port of Iberia District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Port of Iberia District's basic financial statements as listed in table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Port of Iberia District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Port of Iberia District 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port of Iberia District'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Port of Iberia District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port of Iberia District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 5 through 8 and on pages 32 through 34, respectively, 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.

Other Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that comprise the District's basic financial statements. The schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency 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 December 15, 2023, on our consideration of the Port of Iberia District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port of Iberia District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port of Iberia District's internal control over financial reporting and compliance.

Broussard Poche LLP

Lafayette, Louisiana
December 15, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the District's annual financial report is designed to focus on the current year's activities, resulting changes and currently known facts. It should be read in conjunction with the financial statements that begin on page 10.

FINANCIAL HIGHLIGHTS

Assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $156,139,202 (net position). Of this amount, 25.04% or $39,089,796 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies.

The District's net position increased $16,586,062 resulting from operating income generated and state and local funding received under the various programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements and the notes to financial statements.

The District'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 government 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 District are included in the statements of net position.

The financial statements provide both long and short-term information about the District'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.

FINANCIAL ANALYSIS

Net Position

The District's total assets and deferred outflows of resources at June 30, 2023 was $195,945,910. This represented an increase of $19,900,487 or 11.30% over the prior year. Total liabilities and deferred inflows of resources at June 30, 2023 amounted to $39,806,708 for an increase of $2,981,366 or 8.10% from 2022. As of June 30, 2023, total net position was $156,139,202, which represented an increase of $16,919,121 or 12.15%. The District's net position is detailed in Table 1.

TABLE 1
Port of Iberia District
Net Position
June 30, 2023 and 2022

	2023	2022
Assets:		
Current assets	$ 42,544,845	$ 42,075,110
Property (net)	116,836,545	102,362,327
Other assets	36,366,717	31,569,250
Total assets	$195,748,107	$176,006,687
Deferred outflows of resources	$ 197,803	$ 38,736
Current liabilities	$ 777,312	$ 2,027,909
Long-term liabilities	404,230	60,181
Total liabilities	$ 1,181,542	$ 2,088,090
Deferred inflows of resources	$ 38,625,166	$ 34,737,252
Net position:		
Net investment in capital assets	$116,836,545	$102,362,327
Restricted	212,861	201,064
Unrestricted	39,089,796	36,656,690
Total net position	$156,139,202	$139,220,081

In 2023, property (net) increased $14,474,218 to $116,836,545 or 14.14% over 2022 primarily due to additions related to ongoing construction projects partially offset by depreciation expense of $2,658,555. Other assets of the District increased $4,797,467 during 2023 due to the increase in amounts due from other governmental agencies for construction grants.

The item "net investment in capital assets," consists of capital assets net of accumulated depreciation reduced by the amount of outstanding indebtedness (offset by the related debt) attributable to the acquisition, construction, or improvement of those assets.

Changes in Net Position

For the year ending June 30, 2023, the change in net position was an increase of $16,586,062 or 11.91%. A prior period adjustment related to restatement of the OPEB liability and amounts associated with tenant leases resulted in net increase of $333,059 to net position as of July 1, 2022. During 2023, the District's total operating revenues amounted to $3,554,601, an increase of $235,001 or 7.08% over 2022. During 2023, total operating expenses amounted to $4,278,890, an increase of $246,158 or 6.10% over 2022. Capital contributions for the year ending June 30, 2023 amounted to $15,827,043, an increase of $6,142,562 or 63.43% over 2022 due to increases in reimbursable capital expenditures under the state Port Priority and AGMAC Programs. The changes in net position are detailed in Table 2.

TABLE 2
Port of Iberia District
Changes in Net Position
For the Years Ended June 30, 2023 and 2022

	2023	2022
Operating revenues:		
Docks	$ 24,433	$ 40,252
Leases	3,510,838	3,261,008
Other	19,330	18,340
Total operating revenues	$ 3,554,601	$ 3,319,600
Operating expenses:		
Operating expenses	$ 1,620,335	$ 1,597,117
Depreciation	2,658,555	2,435,615
Total operating expenses	$ 4,278,890	$ 4,032,732
Operating loss	$ (724,289)	$ (713,132)
Other revenue, net	1,483,308	242,629
Capital contributions	15,827,043	9,684,481
Change in net position	$ 16,586,062	$ 9,213,978
Total net position, beginning of year	139,220,081	129,776,233
Prior period adjustment	333,059	-
GASB 87 implementation	-	229,870
Total net position, end of year	$156,139,202	$139,220,081

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2023, the District had invested $116,836,545 in capital assets net of accumulated depreciation and related debt. As compared to the prior year, this amount represents an increase of $14,474,218. The change is the result of new capital additions in the current year partially offset by depreciation expense.

Additional information on the District's capital assets can be found in Note 3 on page 21 of this report.

Debt Administration

In addition, the District has a $250,000 payable recorded on the statements of net position as of June 30, 2023 and 2022 to the Louisiana State Bond Commission. This amount was to be reimbursed to the Louisiana State Bond Commission. However, during the 1993 regular session of the Louisiana Legislature, HCR267 was adopted to grant $250,000 to the Port of Iberia District. In lieu of payment to the Port of Iberia District, the State Bond Commission was to cancel the $250,000 payable to the State of Louisiana, as per written correspondence from Governor Edwin W. Edwards and an act of the 1993 Louisiana

Legislature. The Attorney General's Office has indicated that the way this was handled was unconstitutional. This problem has not been resolved as of the date of these financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Port of Iberia District, Post Office Box 9986, New Iberia, Louisiana 70562.

BASIC FINANCIAL STATEMENTS

Exhibit A

PORT OF IBERIA DISTRICT

STATEMENT OF NET POSITION
June 30, 2023

ASSETS	
CURRENT ASSETS	
Cash and cash equivalent	$ 31,579,510
Certificates of deposit	153,406
Investment in LAMP	569,743
Leases receivable, net of allowance for doubtful accounts of $25,000	2,489,246
Due from other governmental agencies	6,861,008
Prepaid expenses	337,536
Other receivables	554,396
Total current assets	$ 42,544,845
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of $43,680,228	$116,836,545
OTHER ASSETS	
Leases receivable, net of current portion	$ 36,153,856
Restricted cash	212,861
Total other assets	$ 36,366,717
Total assets	$195,748,107
DEFERRED OUTFLOWS OF RESOURCES	
Defined benefit pension plan	$ 197,803
Total assets and deferred outflows of resources	$195,945,910

See Notes to Financial Statements.

Exhibit A
(continued)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

CURRENT LIABILITIES	
Accounts payable	$ 36,238
Construction project payables	185,511
Accrued expenses	49,903
Due to other governments	281,604
Deposits payable	224,056
Total current liabilities	$ 777,312
LONG-TERM LIABILITIES	
Unfunded net pension liability	$ 157,523
Unfunded OPEB obligation	246,707
Total long-term liabilities	$ 404,230
Total liabilities	$ 1,181,542
DEFERRED INFLOWS OF RESOURCES	
Defined benefit pension plan	$ 20,273
Leases	38,604,893
Total deferred inflows of resources	$ 38,625,166
NET POSITION	
Net investment in capital assets	$116,836,545
Restricted	212,861
Unrestricted	39,089,796
Total net position	$156,139,202
Total liabilities, deferred inflows of resources and net position	$195,945,910

PORT OF IBERIA DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2023

OPERATING REVENUES	
Leases	$ 3,510,838
Tonnage and docking fees	11,000
Boat stall rentals	13,433
Sewerage district maintenance fees	7,658
Water franchise fee	11,672
Total operating revenues	$ 3,554,601
OPERATING EXPENSES	
Accounting and auditing	$ 38,990
Bad debt expense	61,334
Advertising	72,798
Auto allowances	31,854
Depreciation and amortization	2,658,555
Dues and subscriptions	10,553
Employee benefits	30,184
AGMAC project costs	70,176
Hurricane repairs	12,548
Insurance	325,626
Land acquisition expenses	33,180
Legal fees	50,505
Miscellaneous	3,007
Office expense	47,378
Outside services	83,424
Port improvements and development	152,764
Repairs and maintenance	220,113
Salaries:	
Director	168,183
Other	130,797
Taxes – payroll	4,960
Travel	13,099
Telephone	23,326
Utilities	35,536
Total operating expenses	$ 4,278,890
Operating loss	$ (724,289)

(continued)

PORT OF IBERIA DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
For the Year Ended June 30, 2023

Operating loss (carried forward)	$ (724,289)
OTHER REVENUE (EXPENSE)	
Interest income - investments	$ 1,496,867
Net loss on lease termination	(13,559)
Total other revenue (net)	$ 1,483,308
Income before capital contributions	$ 759,019
Capital grants and contributions	15,827,043
Change in net position	$ 16,586,062
Net position, beginning of year, as previously stated	$139,220,081
Prior period adjustment (see Note 15.)	333,059
Net position, beginning of year, as restated	$139,553,140
Net position, end of year	$156,139,202

See Notes to Financial Statements.

Exhibit C

PORT OF IBERIA DISTRICT

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 2,885,814
Receipts from other governmental units	7,658
Other operating receipts	11,672
Payments to suppliers	(2,572,342)
Payments to employees	(298,980)
Net cash provided by operating activities	$ 33,822
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Increase in restricted cash	$ (11,797)
Net cash used in noncapital financing activities	$ (11,797)
CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES	
Capital contributions	$ 11,987,607
Capital asset acquisitions	(17,132,773)
Net cash used in capital related financing activities	$ (5,145,166)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of certificates of deposit	$ (1,013)
Other non-operating income	1,483,308
Net increase in LAMP	(21,338)
Net cash provided by investing activities	$ 1,460,957
Net decrease in cash and cash equivalents	$ (3,662,184)
Cash and cash equivalents, beginning of year	35,241,694
Cash and cash equivalents, end of year	$ 31,579,510

(continued)

PORT OF IBERIA DISTRICT

STATEMENT OF CASH FLOWS (CONTINUED)
For the Year Ended June 30, 2023

RECONCILIATION OF INCOME FROM OPERATING TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	$ (724,289)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	2,658,555
Bad debt expense	61,334
Change in assets and liabilities -	
(Increase) decrease in assets:	
Leases receivables	(3,959,185)
Prepaid expenses and other assets	(212,007)
(Decrease) increase in liabilities:	
Accounts payable	(1,254,097)
Accrued expenses	3,500
Unfunded net pension and OPEB liabilities	311,526
Change in deferred outflows of resources	(159,067)
Change in deferred inflows of resources	3,307,552
Net cash provided by operating activities	$ 33,822

See Notes to Financial Statements.

Note 1. Summary of Significant Accounting Policies

The financial statements of Port of Iberia District (the "District") are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies are described below.

Reporting entity:

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government -

Port of Iberia District - The District is a political subdivision of the State of Louisiana created under the provisions of Louisiana Revised Statute 34:241. The District is governed by a board of commissioners consisting of seven members who serve without compensation. Two of the members are appointed by the City of New Iberia, one member each by the Towns of Jeanerette and Loreauville, and three members are appointed by the Iberia Parish Council. The Board is responsible for the regulation of commerce and traffic within the District.

Operations of the District are administered through an executive director who also serves as the port director. The operations of the District are financed primarily through lease payments from port improvements as well as various operating grants from state and federal agencies. The District's offices and operations are located in an area that is five miles south of the City of New Iberia and encompasses more than 2,000 acres of land, both public and private, and is the base of operations for more than 30 companies. There are 10 miles of access roadways, three miles of railroad frontage, steel bulkheading, sewerage system, electrical service, natural gas, 11-1/2 miles of water frontage, 14 miles of water system that provides access to the Intracoastal Waterway and Gulf of Mexico, and a developed water channel, public dock, and marina.

Component units –

Governmental accounting standards establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.

2. Whether the primary government's governing authority appoints a majority of board members of the potential component unit.

3. Fiscal interdependency between the primary government and the potential component unit.

4. Imposition of will by the primary government on the potential component unit.

5. Financial benefit/burden relationship between the primary government and the potential component unit.

The Port of Iberia Economic Development Corporation (the "Corporation") was created in February 2014 and is considered to be a related organization of the District. The Corporation is a legally separate nonprofit public benefit and economic development corporation organized pursuant to the Louisiana Nonprofit Corporation Law in Chapter 2, Title 12, the Economic Development Cooperative Law in Part 1, Chapter 27, Title 33 and the public benefit corporation requirements as set forth in Section 1215(b), Part 1, Chapter 10, Title 41 of the Louisiana Revised Statutes. The transactions and activity of the Corporation during 2023 were not significant to the District.

Measurement focus, basis of accounting and financial statement presentation:

The accounting policies of the District are in conformity with accounting principles generally accepted in the United States of America as it applies to governmental entities. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred, regardless of when paid. Grants and similar items are recognized as revenues as soon as all earning requirements have been met.

The District's accounting records are accounted for in a single proprietary fund. The District's operations are financed and operated similar to a private business enterprise. Under a proprietary fund, costs of providing services are recovered through charges for those services to customers. Operating revenues and expenses are exclusive of nonoperating items. Operating revenues result from leasing property and providing services. Operating expenses are the result of costs associated with providing services and depreciation of capital assets used in providing those services. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When both restricted and unrestricted net position are available for use, restricted resources are first used with unrestricted resources consumed, as they are needed.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary accounting:

Annually, the District adopts a cash basis budget for its operations. A comparison of revenues and expenses to budget is not included in the accompanying financial statements since it is not required by generally accepted accounting principles.

Cash and cash equivalents:

Cash includes amounts in deposits held at financial institutions and cash on hand. For purposes of statements of cash flows, highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

Investments:

Investments include certificates of deposit and amounts invested in the Louisiana Asset Management Pool (LAMP). State statutes authorize the District to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. LAMP is a local government investment pool initiated by the Louisiana Treasurer's office and invests its assets only in securities and other obligations that are permissible under Louisiana State law for local governments. In accordance with generally accepted accounting principles, investments meeting the criteria specified are stated at fair value. Investments which do not meet the requirements are stated at cost.

Fair value measurement -

Investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – investments reflect prices quoted in active markets

Level 2 – investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active

Level 3 – investments reflect prices based upon unobservable sources

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Investments classified as Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Investments classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available. Investments classified in Level 3 are valued based upon unobservable sources.

Prepaid items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Receivables:

The District's lease receivables is measured at the present value of lease payments expected to be received during the lease terms for various port properties plus amounts invoiced and not yet collected. Under the lease agreements, lease payments are generally annual fixed payments due at the beginning of the year. Leases terms vary and contain options to renew.

A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the leases.

All receivables are shown net of an allowance account, as applicable. As of June 30, 2023, an allowance of $25,000 was recognized for potential uncollectible billed invoices related to leases.

Property, plant, and equipment:

All capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Depreciation of all exhaustible fixed assets is recorded as an operating expense in the statements of revenues, expenses and changes in net position, with accumulated depreciation reflected in the statements of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	Years
Furniture and fixtures	5 – 15
Steel bulkheading	30 – 40
Buildings and improvements	10 – 40

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as a expense or expenditure until then. The District has one item that meets this criterion, pension deferrals, for the 2023 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District has two items which meet the criterion for this category, pension deferrals and leases.

Compensated absences:

The District's formal policy on vacation and sick leave provides that permanent employees of the District accrue from 12 to 21 days of vacation and sick leave per year depending on the length of service (unless specifically negotiated under a separate employment contract). A maximum of 45 days of vacation leave and 180 days of sick leave may be accumulated. The policy provides for the payment of accumulated vacation leave not to exceed 45 working days upon retirement or voluntary separation of employment. The policy does not provide for the payment of accumulated sick leave. After 40 hours worked per week, compensatory time is earned at 1.5 hours for each hour worked.

Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees. As of June 30, 2023, total accrued vacation leave amounted to $29,799. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Parochial Employees' Retirement System of Louisiana (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Other postretirement employee benefit plan:

The District has elected to calculate information of an actuarial nature using the alternative measurement method permitted by GASB Statement 75 for plans with fewer than 100 employees.

The District pays the benefits as due and does not provide separate funding for the estimated liability calculated and accrued under this plan.

Note 2. Deposits and Investments

At June 30, 2023, the carrying amount of the District's deposits, including demand deposit accounts and certificates of deposit, was $31,945,778 and the bank balance was $31,959,558. Of the bank balance, $403,406 was secured from risk by federal deposit insurance and remainder by pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3).

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure there is no exposure to this risk is to require each financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage. These securities must be pledged in the District's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

As a means of limiting its exposure to fair value losses arising from rising interest rates, it is the District's policy that generally the District only invest in "certificate of deposit" and "money market instruments," which are defined as very creditworthy, highly liquid investments with maturities of one year or less.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy limits investments to fully insured and/or fully collateralized certificates of deposits and investment in the Louisiana Asset Management Pool (LAMP).

The LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment; the LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company. The LAMP is operated by a non-profit corporation, Louisiana Asset Management Pool, Inc., whose officers include the President, normally the Treasurer of the State of Louisiana, and a Secretary/Treasurer who is charged with the day-to-day operations of the program. LAMP, Inc. is governed by a Board of Directors consisting of nine to fourteen members elected each year by the participating entities.

The LAMP is intended to improve administrative efficiency and increase investment yield of participating public entities. The LAMP's portfolio securities are valued at market value even though the amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs registered money market funds, although the LAMP is not a money market fund and has no obligation to conform to this rule. The investment objectives of the LAMP are to preserve capital and protect principal, maintain sufficient liquidity, provide safety of funds and investments, and maximize the return on the pool. The LAMP seeks to maintain a stable net asset value of $1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective.

The dollar weighted average portfolio maturity of the LAMP assets is restricted to no more than 60 days. The LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in the LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by the LAMP and the fair value of the position of the pool is the same as the value of the pool shares. As of March 2023, the LAMP had a Standards and Poor's pool rating of AAAm. The total amount invested in LAMP at June 30, 2023 was $569,743.

Note 3. Property, Plant, and Equipment

A summary of activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 15,933,568	$ 6,900,000	$ -	$ 22,833,568
Construction in progress	31,612,750	6,484,580	25,423,072	12,674,258
	$ 47,546,318	$13,384,580	$25,423,072	$ 35,507,826
Capital assets being depreciated:				
Buildings and improvements	$ 50,556,723	$12,649,457	$ -	$ 63,206,180
Equipment and fixtures	482,274	87,263	-	569,537
Docks and bulkheading	34,214,181	-	-	34,214,181
Utility improvements	2,124,570	-	-	2,124,570
Channel improvements	8,402,787	16,434,545	-	24,837,332
Signage	57,147	-	-	57,147
Total capital assets being depreciated	$ 95,837,682	$29,171,265	$ -	$125,008,947
Less accumulated depreciation for:				
Buildings and improvements	$ 21,616,362	$ 1,226,946	$ -	$ 22,843,308
Equipment and fixtures	376,957	21,686	-	398,643
Docks and bulkheading	11,059,478	779,065	-	11,838,543
Utility improvements	1,451,953	70,818	-	1,522,771
Channel improvements	6,459,776	560,040	-	7,019,816
Signage	57,147	-	-	57,147
Total accumulated depreciation	$ 41,021,673	$ 2,658,555	$ -	$ 43,680,228
Total capital assets being depreciated, net	$ 54,816,009	$26,512,710	$ -	$ 81,328,719
Total capital assets, net	$102,362,327	$39,897,290	$25,423,072	$116,836,545

Substantially, all land, buildings, docks, and bulkheadings are leased to District tenants.

Note 4. Due to Other Governments

The District has a $250,000 non-interest bearing payable recorded in the statements of net position as a due to other governmental agencies. This payable is due to the Louisiana State Bond Commission. The amount due was to be reimbursed to the Louisiana State Bond Commission over a five year period at $50,000 annually without any interest. The installments due March 1990, 1991, 1992, 1993, and 1994 were deferred by the state. During the 1993 regular session of the Louisiana Legislature, HCR267 was adopted to grant the $250,000 to the District. In lieu of payment to the District, the State Bond Commission was to cancel the $250,000 payable to the State of Louisiana, as per written correspondence from the Governor and an act of the 1993 Louisiana Legislature. The Attorney General's Office has indicated that the way the transaction was handled is in violation of the State Constitution. This problem has not been resolved as of the date of the financial statements and the transaction remains a liability.

Note 5. Pension Plan

General information about the Plan:

All employees of the District are members of the Parochial Employees Retirement System of Louisiana (System), cost-sharing, multiple employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana and is administered by a separate board of trustees. The System is to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body which employs and pays persons serving the parish. It is composed of two plans, Plan A and Plan B, with separate assets and benefit provisions. The System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 – 2025 and other general laws of the State of Louisiana. Benefits are established or amended by State Statute. The System issues a publicly available financial report that can be obtained at persla.org. All employees of the District are members of Plan A.

Benefits provided:

Retirement - All permanent employees working at least 28 hours per week are eligible to participate in the System. Under Plan A, employees (who were hired prior to January 1, 2007) and who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of creditable service. For employees hired after January 1, 2007 and who retire at age 55 with at least 30 years of creditable service, at age 62 with 10 years of creditable service or at age 67 with 7 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of creditable service. Final-average salary is the employee's average salary over the 35 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination.

Survivor benefits - Upon the death of any member of Plan A with five or more years of creditable service who is not eligible for retirement the System provides for benefits for the surviving spouse and minor children as outlined in the statutes.

Deferred retirement option plan - Act 338 of 1990 established the deferred retirement option plan (DROP) for the retirement system. DROP is an option for a member who is eligible for normal retirement.

This option allows a member who is eligible to retire to elect to defer the receipt of benefits for three years. During this time period, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable had the person terminated employment are paid into the DROP fund. Upon termination, a participant may receive, at their option, a lump sum from the account equal to the balance, an annuity based upon the account balance in the fund or rollover the fund to an individual retirement account.

Disability benefits - For Plan A, a member may be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007 and has a least five years of creditable service or if hired after January 1, 2007 has seven years of creditable service, and is not eligible for normal retirement and has been certified as disabled by the State Medical Disability Board. Disability benefits are equal to the lesser of three percent of the final average compensation multiplied by the years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2017 and to age 62 for those members who are enrolled January 1, 2007 and later.

Contributions:

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the District is required to contribute at an actuarially determined rate. (For the plan year ended December 31, 2022, the actuarially determined contribution rate was 7.10%, of the member's compensation for Plan A. However, the actual rate was 11.50%, of annual covered payroll for Plan A.) Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contributions to the System under Plan A, exclusive of employee portion, for the year ending June 30, 2023 was $32,736, equal to the required contributions for the year.

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

At June 30, 2023, the District reported a liability of $157,523, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's required projected share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the District's proportion was .040928%.

For the years ended June 30, 2023, the District recognized pension expense of $54,911. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows	Inflows
Deferred resources:		
Differences between expected and actual experience	$ 5,824	$ 17,355
Change in assumptions	5,027	-
Net difference between projected and actual earnings on pension plan investments	166,294	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,344	2,918
Contributions subsequent to measurement date	18,314	-
Ending balance	$ 197,803	$ 20,273

The District reported $18,314 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2024	$ 22,218
2025	$ 27,851
2026	$ 52,904
2027	$ 74,557
2028	$ -
Thereafter	$ -

Actuarial methods and assumptions - The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	4.75% (including inflation)
Investment rate of return	6.40% (net of investment expense)
Actuarial cost method	Entry Age Normal
Expected remaining service lives	4 years

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned a credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females, using the MP2018 scale for annuitant and beneficiary mortality. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using the MP2018 scale for disabled annuitants.

Cost of living adjustments are based on the present value of future retirement benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Louisiana Legislature.

At December 31, 2022, the discount rate used to measure the total pension liability was 6.40%. 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 and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System'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 total pension liability.

The long-term rate of return on pension plan investments was determined using a triangulation method, which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building block approach (bottom-up). Risk and return correlations are projected on a forward looking basis in equilibrium, in which best estimates 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 rates 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 of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022 are summarized in the following table:

	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Asset class:		
Fixed income	33%	1,17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	2%	0.12%
	100%	5.60%
Inflation		2.10%
Expected arithmetic nominal return		7.70%

Sensitivity to changes in discount rate - The following presents the net pension liability (asset) of the District as of December 31, 2022 calculated using the discount rate of 6.40%, as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Employers proportionate share of the net pension liability (asset)	$389,560	$157,523	$ (37,010)

As of June 30, 2023, the District had amounts payable to the plan of $16,737, for employer and employee shares of required contributions to the plan for the period April 1 to June 30, 2023.

Detailed information about the pension plan's fiduciary net position is available in audited stand-alone issued financial statements for the years ended December 31, 2022. Access to the audit report and financials can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Note 6. Lease of Land by District

The District is presently leasing approximately 140 acres of land from the City of New Iberia for a period of 99 years at a cost of $1 per year. The effective dates of the lease are from July 28, 1948 to July 27, 2047.

Note 7. Lease of Land and Facilities to Others

A significant portion of revenue generated by the District is attributable to District owned property leased to tenants at the District. Total lease revenue in 2023 amounted to $3,510,838 of which $2,727,201 represented recognition of previously recorded deferred inflows and $783,637 in interest recognized tenant receivables during the year.

Minimum future rentals on these noncancelable leases for the next five years and thereafter are as follows:

	Principal	Interest	Total
2024	$ 2,476,349	$ 605,489	$ 3,081,838
2025	2,108,291	772,142	2,880,433
2026	2,139,670	737,444	2,877,114
2027	1,798,628	1,538,421	3,337,049
2028	2,503,592	833,456	3,337,048
2029-2033	12,878,396	3,461,421	16,339,817
2034-2038	10,348,772	2,262,152	12,610,924
2038-2043	8,049,726	1,148,185	9,197,911
2044-2048	3,631,523	330,471	3,961,994
2049-2053	785,749	30,761	816,510
2054-2058	11,744	300	12,044
	$ 46,732,440	$ 11,720,242	$ 58,452,682
Less: estimated reserves for lease cancellations	(8,089,338)	-	(8,089,338)
Minimum future lease rentals, net	$ 38,643,102	$ 11,720,242	$ 50,363,344

Note 8. Board of Commissioners Compensation

The Board of Commissioners of the District serve without compensation.

Note 9. Risk Management

The District is subject to certain exposures to losses in the ordinary course of business operations. To address those exposures, the District utilizes commercial risks insurance.

Note 10. Federal, State and Local Assistance

In fiscal year 2023, the District received funds from the Louisiana Department of Transportation and Development under the state's Port Priority Program in order to assist in paying for certain capital expenditures associated with various construction projects whereby the improvements are intended to be leased to tenants of the port.

In addition, the District received funds from the Louisiana Department of Transportation and Development in order to assist them in paying certain expenditures associated with the establishment of a deep-water access channel to the Gulf of Mexico (AGMAC construction project). These funds were used to cover costs associated with the gas pipeline relocation and channel dredging phases of the project.

The following is a recap of federal, state and local assistance recognized by the District for the years ending June 30, 2023.

State:	
Louisiana Department of Transportation and Development	
(AGMAC Project and Port Priority Funding)	$ 15,827,043

Note 11. Intergovernmental Agreements

In August 2000, the District entered into an intergovernmental agreement with Sewerage District #1 in order to provide the necessary labor, materials, chemicals, and expertise to operate and maintain the sewer system located within the boundaries of the District. As part of this agreement, the District collects an additional fee in the amount of 10% of the regular monthly charges. This amount is restricted to recoup the costs of constructing the system and is placed in an escrow account to offset repairs, replacement and upgrade of the system. As of June 30, 2023, total cash restricted for this purpose amounted to $212,861.

Note 12. Commitments

The District had open construction and engineering contracts at June 30, 2023 for the following projects:

	Contract	Expended	Remaining Commitment
Port Millennium Expanse Phase III	$ 445,089	$ 76,029	$ 369,060
AGMAC Phase I Dredging	6,334,238	4,677,367	1,656,871
AGMAC Phase II Dredging	1,604,000	1,480,490	123,510
	$ 8,383,327	$ 6,233,886	$ 2,149,441

In April 2023 a notice of termination was issued on the construction contract for the AGMAC Phase I Dredging. A settlement agreement with the bond company was signed subsequent to year end in July 2023 in the amount of $10,871,927. The District submitted a request for proposal for the completion of construction. The contract was awarded in August 2023 for $17,320,034. Notice to proceed was issued in August 2023 with a date of completion of March 2024.

Note 13. Postemployment Benefits Other Than Pensions

Plan description – All employees who have retired and are receiving benefits payable in accordance with the parochial employees' retirement system of Louisiana's summary of principal features (latest edition) shall be eligible to receive reimbursement of the annual premiums of an individual or spousal health insurance, dental insurance, and qualifying Medicare supplement insurance plan upon eligibility. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided – The District is responsible for 100% of the premiums for a supplemental health insurance program, not to exceed 50% of the total costs of the Health and Hospitalization Program of a similar employee at the same position of Executive Director. Upon retirement of all other employees, reimbursement by the District shall be limited to ninety percent (90%) of the monthly premiums paid for the health insurance, dental insurance and qualifying Medicare supplement insurance of current District employees in an equal or comparable employment position.

Employees covered by benefit terms – At June 30, 2023, there were two inactive employees and 4 active employees covered by the benefit terms.

The District's OPEB liability of $246,707 was measured as of June 30, 2023, respectively and was determined by use of the alternative measurement method as permitted for plans with fewer than 100 participants.

Actuarial assumptions and other inputs – The total OPEB liability computed as of June 30, 2023 was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Discount rate	4.00%
Healthcare cost trend rates	5.00%
Salary increases, average, including inflation	3.30%

The discount rate was based on 20-year municipal bond yield rates. Mortality rates were based on the life expectancy tables used by the Internal Revenue Services (Single Life Expectancy).

The expected benefit cost in dollars used in the June 30, 2023 calculations were based on the actual premiums during the time periods July 1, 2022 – June 30, 2023.

Changes in the estimated OPEB liability at June 30, 2023 were as follows:

Balance at beginning of year	$ 280,716
Service costs	53,661
Interest costs	2,146
Changes in assumptions or other inputs	(80,534)
Benefit payments	(9,282)
Balance at end of year	$ 246,707

Changes in assumptions and other inputs primarily reflect the effects of changes to the estimated annual health insurance costs associated with the benefits under the plan for each period. Expense associated with this plan was not significant in 2023.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB liability – June 30, 2023	$ 274,915	$ 246,707	$ 220,950

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current healthcare cost trend rates:

	1% Decrease (4.00%)	Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability – June 30, 2023	$ 216,363	$ 246,707	$ 283,900

Note 14. Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following fair value measurements as of June 30, 2023:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Louisiana Asset Management Pool	$ 569,743	$ -	$ 569,743	$ -

Note 15. Prior Period Adjustment

During 2023 it was determined that the District's other postemployment benefit plan (OPEB) was intended to cover all full-time District employees participating in the Parochial Employees Retirement System of Louisiana. As such, the OPEB liability was remeasured as of July 1, 2022 to include all intended participants. This resulted in an increase of $220,535 to the liability balance and decrease to net position as July 1, 2022. Prior year change in net position as previously reported would have decreased by $70,439.

In 2023, it was discovered that the terms on one of the larger tenant leases was not properly reflected in the calculation of the lease receivable and deferred inflows related to leases upon adoption of GASB 87 in 2022. This resulted in an overall increase to net position as of July 1, 2022 of $553,594.

REQUIRED SUPPLEMENTARY INFORMATION

PORT OF IBERIA DISTRICT

SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFIT PLAN
(Required Supplementary Information)
(RESTATED)
For the Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018 and 2017

	2023	2022	2021	2020	2019	2018	2017
OPEB expenses:							
Service costs	$ 53,661	$ 64,692	$ 44,405	$ 30,512	$ 18,182	$ 27,450	$ 35,799
Interest	2,146	1,941	888	915	545	824	716
Changes in assumptions or other inputs	(80,534)	(3,544)	(16,256)	(17,642)	(8,459)	(46,360)	(20,014)
Benefit payments	(9,282)	(7,067)	(7,150)	(7,197)	(6,271)	(6,837)	(6,934)
Net change in total OPEB liability	$ (34,009)	$ 56,022	$ 21,887	$ 6,588	$ 3,997	$ (24,923)	$ 9,567
Total OPEB liability – beginning	280,716	224,694	202,807	196,219	192,222	217,145	207,578
Total OPEB liability – ending	$ 246,707	$ 280,716	$224,694	$202,807	$ 196,219	$ 192,222	$ 217,145
Covered employee payroll	$ 284,664	$ 290,949	$243,235	$246,251	$ 257,022	$ 235,976	$ 216,011
Total OPEB liability as a percentage of covered employee payroll	87%	96%	92%	82%	76%	81%	101%

NOTES TO SCHEDULE

Note 1. *Changes in assumptions or other inputs:* Changes of assumptions and other inputs primarily reflect the effects of changes to the estimated annual health insurance costs associated with the benefits under the plan for each period. Annual costs per participant used in each period was as follows:

	Annual Costs	Discount Rate	Premium Increases
2017	$ 6,934	2.00%	5.00%
2018	$ 6,819	3.00%	5.00%
2019	$ 6,271	3.00%	5.00%
2020	$ 7,197	3.00%	5.00%
2021	$ 7,150	2.00%	5.00%
2022	$ 7,067	3.00%	5.00%
2023	$ 7,162	4.00%	5.00%

Note 2. *Plan/assets:* The Plan is not administered through a separate trust. As such, no assets are accumulated in a trust to pay the related benefits.

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

PORT OF IBERIA DISTRICT

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
(Required Supplementary Information)
For the Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

Fiscal Year*	District's proportion of the net pension liability(asset)	District's proportionate share of the net pension liability(asset)	District's covered payroll	District's proportionate share of the net pension liability(asset) as a percentage of its covered payroll	Plan Fiduciary net position as a percentage of the total pension liability
2015	0.036947%	$ 10,102	$ 194,367	5.20%	99.15%
2016	0.036654%	$ 96,484	$ 209,077	46.15%	92.23%
2017	0.036187%	$ 74,528	$ 216,011	34.50%	94.15%
2018	0.035438%	$ (26,304)	$ 235,976	-11.15%	101.98%
2019	0.042433%	$ 188,333	$ 257,022	73.28%	88.86%
2020	0.040534%	$ 1,908	$ 248,133	0.77%	99.89%
2021	0.034718%	$ (60,875)	$ 143,235	-25.03%	104.00%
2022	0.039914%	$ (188,012)	$ 287,417	-65.41%	110.46%
2023	0.040928%	$ 157,523	$ 298,980	52.69%	91.74%

*Amounts presented were determined as of the measurement date (December 31 of the previous year).

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

Notes to Required Supplementary Information

Changes of Benefit Terms and Assumptions:

2015
A. No changes in benefit terms or assumptions

2016
B. Discount rate decreased from 7.25% to 7.00% and inflation rate decreased from 3.00% to 2.50% along with salary assumptions decreasing from 5.75% to 5.25%.

2017
C. No changes in benefit terms or assumptions.

2018
D. Discount rate decreased from 7.00% to 6.75%.

2019
E. Discount rate decreased from 6.75% to 6.50% and inflation rate decreased from 2.50% to 2.40% along with salary assumptions decreasing from 5.25% to 4.75%. Mortality rates based on Pub-2010 Public Retirement Plans Mortality Table.

2020
F. No changes in benefit terms or assumptions.

2021
G. Discount rate decreased from 6.50% to 6.40% and inflation rate decreased from 2.40% to 2.30%.

2022
H. No changes in benefit terms or assumptions.

2023
I. No changes in benefit terms or assumptions.

Schedule F

PORT OF IBERIA DISTRICT

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS
(Required Supplementary Information)
For the Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

Fiscal Year*	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2015	$ 47,948	$ 47,948	$ -	$ 194,367	24.67%
2016	$ 44,331	$ 44,331	$ -	$ 209,077	21.20%
2017	$ 48,062	$ 48,062	$ -	$ 216,011	22.25%
2018	$ 50,656	$ 50,656	$ -	$ 235,976	21.47%
2019	$ 52,633	$ 52,633	$ -	$ 257,022	20.48%
2020	$ 47,238	$ 47,238	$ -	$ 248,133	19.04%
2021	$ 47,548	$ 47,548	$ -	$ 243,235	19.55%
2022	$ 57,705	$ 57,705	$ -	$ 287,417	20.08%
2023	$ 59,519	$ 59,519	$ -	$ 298,980	19.91%

*Amounts presented were determined as of the end of the fiscal year.

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

Notes to Required Supplementary Information

Changes of Benefit Terms and Assumptions include:

2015
A. No changes in benefit terms or assumptions
2016
B. Discount rate decreased from 7.25% to 7.00% and inflation rate decreased from 3.00% to 2.50% along with salary assumptions decreasing from 5.75% to 5.25%.
2017
C. No changes in benefit terms or assumptions.
2018
D. Discount rate decreased from 7.00% to 6.75%.
2019
E. Discount rate decreased from 6.75% to 6.50% and inflation rate decreased from 2.50% to 2.40% along with salary assumptions decreasing from 5.25% to 4.75%. Mortality rates based on Pub-2010 Public Retirement Plans Mortality Table.
2020
F. No changes in benefit terms or assumptions.
2021
G. Discount rate decreased from 6.50% to 6.40% and inflation rate decreased from 2.40% to 2.30%.
2022
H. No changes in benefit terms or assumptions.
2023
I. No changes in benefit terms or assumptions.

OTHER SUPPLEMENTARY INFORMATION

PORT OF IBERIA DISTRICT

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
For the Year Ended June 30, 2023

Agency Head: Craig F. Romero

Purpose:	
Salary	$ 161,540
Benefits:	
Insurance	7,086
Retirement	18,577
Car allowance	18,000
Travel	8,242
Registration fees	600
	$ 214,045

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

To the Board of Commissioners
Port of Iberia District
New Iberia, 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 basic financial statements of Port of Iberia District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Port of Iberia District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port of Iberia District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port of Iberia District'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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 charges with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Port of Iberia District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

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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 Port of Iberia District'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 Port of Iberia District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Broussard Poche LLP

Lafayette, Louisiana
December 15, 2023

PORT OF IBERIA DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2023

We have audited the basic financial statements of Port of Iberia District as of and for the year ended June 30, 2023, and have issued our report thereon dated December 15, 2023. 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 audit of the financial statements as of June 30, 2023 resulted in an unmodified opinion.

Section I. - Summary of Auditors' Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	
Material weaknesses	☐ Yes ☒ No
Control deficiencies identified that are not considered to be material weaknesses	☐ Yes ☒ No
Compliance	
Compliance material to financial statements	☐ Yes ☒ No

Section II – Financial Statement Findings

No matters are reported.

PORT OF IBERIA DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year June 30, 2023

Section I. Internal Control and Compliance Material to the Financial Statements

None noted.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III Management Letter

The prior year's report did not include a management letter.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of Port of Iberia District and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. Port of Iberia District's management is responsible for those C/C areas identified in the SAUPs.

Port of Iberia District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal year period July 1, 2022 through June 30, 2023. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe that 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.

We obtained a copy of their budgeting policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

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.

We obtained a copy of their purchasing policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

c. **Disbursements**, including processing, reviewing, and approving

We obtained a copy of their disbursement policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

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).

We obtained a copy of their receipts policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

e. **Payroll/Personnel**, including (1) payroll processing, and (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.

   We obtained a copy of their payroll/personnel policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

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.

   We obtained a copy of their contracting policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

g. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

   We obtained a copy of their travel and expense reimbursement policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

h. **Credit cards (and debit cards, fuel cards, purchase-cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).

   We obtained a copy of their credit card policy effective for the fiscal year ended June 30, 2023. Items noted above are addressed by the policy.

i. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statue (R.S.) 42:111-1121, (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.

   The District did not have a written policy addressing these items.

j. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

   This is not applicable to the District for the fiscal year ended June 30, 2023.

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.

   The District did not have a written policy addressing these items.

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.

   The District did not have a written policy addressing these items.

2. Board or Finance Committee

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

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

The board met with a quorum monthly during the fiscal year ended June 30, 2023.

ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

The minutes included a monthly budget-to-actual comparison.

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

This is not applicable to the District for the fiscal year ended June 30, 2023.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

This is not applicable to the District for the fiscal year ended June 30, 2023.

3. Bank Reconciliations

A. Obtain a listing of client 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 selected each account, and observe that:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

We observed that bank reconciliations include an electronic log of when they were prepared. All reconciliations were prepared within 2 months of the related statement closing date.

ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Bank reconciliations did not include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks reviewed each bank reconciliation.

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

No reconciling items have been outstanding more than 12 months from the statement closing date.

4. Collections (excluding electronic funds transfers)

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

There is only one deposit site.

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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:

i. Employees that are responsible for cash collections do not share cash drawers/registers.

All collections are checks, no cash is collected therefore no cash drawer/register is used.

ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

The Chief Administrative Officer is responsible for all collections (no cash), preparing/making the bank deposit and reconciling collection documentation to the deposit.

iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The Chief Administrative Officer is responsible for all collections (no cash), posting collection entries to the general ledger and reconciles ledger postings to each other and the deposit.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

The Chief Administrative Officer is responsible for reconciling all collection (no cash) to the general ledger and collecting payments.

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

The District does not allow cash collections (only checks) therefore none of the employees are covered by a bond or insurance policy for theft.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A (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). Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

No exceptions noted.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

Collection checks are mailed to the District and the reports accompanying the checks are stamped with a "received date". Deposits are only made once a month. For both deposit dates selected, the number of business days between collection and deposit ranged from 3-19 business days.

v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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

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

The District has only one location that processes payments.

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions noted.

ii. At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The employee responsible for processing payments can also add/modify vendor files. Periodic vendor file review does not occur.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and.

The employee who is responsible for mailing all payments also processes payments.

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exceptions noted

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

i. Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions noted.

ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

No exceptions noted.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g. sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: if no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exception noted.

__6. Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)__

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.

Management provided a list of all active credit cards, bank debit cards, fuel cards, and purchase-cards, including the card numbers and the names of the persons who maintain possession of the cards. We obtained management's representation that the listing was complete.

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

i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

There is no evidence of approval on the monthly statements.

ii. Observe that finance charges and late fees were not assessed on the selected statements.

None noted.

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

No exceptions noted.

7. Travel and Travel-Related Expense Reimbursement (excluding card transactions)

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

i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

We observed that the approved reimbursement rate is no more than the established rates on the GSA website.

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

We observed all but one reimbursement were supported by itemized lists/receipts that identify the expense.

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

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

All travel and related expenses examined were approved by the board at the monthly meeting.

8. Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions noted.

ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions noted.

iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).

No exceptions noted.

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

9. Payroll and Personnel

A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We obtained a listing of employees and elected officials during the fiscal year ended June 30, 2023 and management's representation that this listing is complete. We agreed the selected employee/officials salaries/pay rates to their employee file.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and does not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

All employees documented their daily attendance and leave.

ii. Observe that supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

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

Per management, there were no terminations during the fiscal year ended June 30, 2023.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

All employer and employee portions of third-party payroll related amounts have been paid and any associated forms have been filed, by required deadlines.

10. Ethics

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:

i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170: and.

No exceptions noted.

ii. 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.

Not applicable, there were no changes to the District's ethics policy during the fiscal year ended June 30, 2023.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exceptions noted.

11. Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

Not applicable.

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

Not applicable.

12. Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S 24:523.

No misappropriations of public funds and assets were noted during the fiscal year ended June 30, 2023.

B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

13. Information Technology Disaster Recovery/Business Continuity

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

i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

ii. 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.

We performed the procedure and discussed the results with management.

iii. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

No exception noted. No terminated employees during the fiscal year.

14. Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

No exception noted.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exception noted.

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

i. Number and percentage of public servants in the agency who have completed the training requirements;

ii. Number of sexual harassment complaints received by the agency;

iii. Number of complaints which resulted in a finding that sexual harassment occurred;

iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

v. Amount of time it took to resolve each complaint.

No exceptions noted.

<u>Management's response/corrective actions:</u> *The District concurs with the exceptions identified above. The District will work to address all exceptions. Some exceptions are related to the limited number of personnel. Duties are monitored and segregated as much as possible with the resources available to the District.*

We were engaged by the Port of Iberia District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Port of Iberia District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Broussard Poche LLP

Lafayette, Louisiana
December 15, 2023