

**GREATER KROTZ SPRINGS  
PORT COMMISSION**

**Annual Financial Report**

**Year Ended June 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/2/09

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# **INTRODUCTORY SECTION**

# Greater Krotz Springs Port Commission

P. O. BOX 155  
KROTZ SPRINGS, LOUISIANA 70750  
337-566-8867 Phone  
337-566-8889 Fax

September 10, 2009

Board Members of the  
Greater Krotz Springs Port Commission  
State of Louisiana  
Krotz Springs, Louisiana

The Greater Krotz Springs Port Commission Financial Report for the year ended June 30, 2009, is submitted for your review. This report reflects continuing improvement in the development of the port facility.

The accompanying financial statements have been examined by the Port's independent certified public accountant, George F. Delaune, CPA, APC, and his opinion resulting from his examination is included in this Annual Financial Report. As part of his examination, the auditor performed tests of the Port's compliance with certain provisions of laws, regulations, and contracts, and an evaluation of the Port's internal control over financial reporting as required by Government Auditing Standards and the Louisiana Governmental Audit Guide.

The Financial Report is presented in two sections. The Introductory Section includes this letter of transmittal which highlights the progress of the Port's operations for the current fiscal year and a list of officials. The Financial Section includes the independent auditor's report, the financial statements and related notes.

## Role of the Port in Economic Development

Louisiana ports and the maritime industry plays a major role in economic development, providing millions of dollars in state and local tax revenues, and providing thousands of jobs throughout the state. Ports in Louisiana are among the busiest in the world, moving more than a billion tons of cargo annually to and from the United States, Central and South America, Africa, the Pacific Rim, the Middle East, the Baltic States, Europe and all points in between.

According to a study conducted by Dr. Timothy Ryan, University of New Orleans, for the Ports Association of Louisiana (PAL) in March 1998, Louisiana ports provided approximately one in every 8 jobs in the state; 28 percent of the state's total gross product and 5.6 percent of all personal income in the state. Louisiana ports generate \$395 million in state and local tax revenues annually and those one in 8 jobs translate to 229,871 jobs. The Port of Krotz Springs, in spite of its disadvantages of being a shall-draft inland river port has been successful in contributing to these positive state numbers.

## Progress Report

The Greater Krotz Springs Port Commission has been in existence since 1956 when the initial land for the port facility was acquired. Since that time, the Port has had a number of tenants. Today, businesses operating at the Port or leasing property were Alon, USA, Cabot Corporation, and the Town of Krotz Springs. It is estimated that approximately 250 employees are working at the port complex. Of these, approximately 200 or 80% of the employees reside in St. Landry Parish. These are direct jobs. We do not

calculate trucking jobs, rail jobs, barge and maritime jobs or temporary construction jobs that are all spin-offs of the Port and its industries.

Seven docks are being operated at the port at this time handling products of oil and grain. During the current fiscal year, the Port handled approximately 3.5 million tons.

### **Capital Projects and Expansion**

The Port has accomplished a number of capital projects in recent years.

1993 - Phase I of a \$2.5 million expansion project to clear 30 acres of property, put in roads and drainage to create additional industrial sites was completed. Three hundred forty-two thousand dollars (\$342,000) of this money was provided by the Ports Priority Program of the Transportation Trust Fund.

1994 - The Port extended utility lines, (gas and water) to some newly created industrial sites at a cost of \$120,000 shared by Cabot Corporation and the Port Authority. Also, a new access road for the Bunge Grain Elevator was provided at a cost of \$50,000 shared by Bunge and the Port.

1997 - Road and ramp improvements were completed in August 1997 at Boat Ramp Road. The project provided better and safer access to the river docks and helped alleviate truck traffic congestion and bottlenecks created by heavy truck traffic. Cost of the work was \$67,132.50. The contractor was Artigue Construction Company. The Port spent \$4,288.57 putting 235 tons of limestone on a .6 mile stretch of levee road within the Port area. The Port paid for the limestone and the Levee Board did the grading and spreading.

1998 - Phase II of the \$2.5 million expansion project for the construction of a general cargo dock was completed at a cost of \$1,429,788.90. Funding was provided by the Ports Priority Program of the Transportation Trust Fund in the amount of \$1,167,076.71 and the Port paid 10% or \$129,675.19 of the construction contract and \$133,037.00 for all engineering, permitting, surveying, administration, inspection and geotechnical work.

2001 - In completing Phase III of the \$2.5 million expansion project, the Port received funding in the amount of \$621,000 from the Ports Priority Program of the Transportation Trust Fund to construct a warehouse/transit shed, parking and storage to compliment the general cargo dock project. Final cost of the project was \$638,013.00 with the Port paying 10% or \$63,801.00 and all engineering costs.

2009 - On January 20, 2009, the Port purchased 92.53 acres from the B. F. Vannoy Estate for \$185,000. This was bature property located on the Atchafalaya River 8 miles north of Krotz Springs at Bayou Petite Prairie.

2009 - On August 3, 2009, the Port purchased 53.42 acres from the Bradford & Ware Planting Company, Inc. for \$106,840. This was bature property located on the Atchafalaya River 5.8 miles of the Port Office at Bayou Courtableau.

### **Economic Development and Outlook**

#### **Public Boat Launch**

The Port has contracted with Aucoin and Associates to design and build a new public boat launch on Port property. The project will be funded with a capital outlay grant in the amount of \$670,000 through the Louisiana Department of Natural Resources, Atchafalaya Basin Program. In addition, the U.S. Corp of Engineers has ear-marked \$100,000 towards the project. In a cooperative endeavor agreement with the Town of Krotz Springs, cost of construction in excess of \$770,000 will be shared 50:50. It is hoped that construction will begin by November 2010 during low water.

### **LA Hwy 105 Improvement**

The Port Board is pushing to have Highway 105 improved from Krotz Springs to Interstate 10. This would help truck traffic at the Port and give them another outlet to reach a major highway.

### **Port Expansion**

The Port has hired the "Core Group" which specializes in appraisals and real estate transactions to help search for bature property along the west bank of the Atchafalaya River within St. Landry Parish (the Port's jurisdiction). The Core Group has successfully located property and the Port acquired 146 acres in two separate transactions mentioned above. The Port is in the process of buying another 50 acres.

### **Bunge Grain Facility**

RT & MNL Plant Demolition contracted to demolish the old Bunge Grain facility in July 2008. The contract was at no cost to the Port as the terms of the contract with RT & MNL to demolish the facility and clear the property for the salvage value of the facility. In April 2009, the Port contracted with Road Rock Recycling to take up additional concrete on the Bunge Site. This will improvement Port property for future tenants.

### **Other Projects**

We also worked to form a regional coalition with St. Martin Parish to create an industrial corridor along the Atchafalaya River from Krotz Springs to Interstate 10 at Butte LaRose.

**Gary Soileau**  
Executive Director

**GREATER KROTZ SPRINGS PORT COMMISSION  
208 SOUTH LEVEE ROAD  
P. O. BOX 155  
KROTZ SPRINGS, LOUISIANA 70750  
(337) 566-8867**

**GOVERNING BOARD**  
(Effective 7/31/2008)

<b>COMMISSIONER</b>	<b>APPOINTEE</b>
Arlen Lafleur	St. Landry Parish
Billy Frilot, V.P.	St. Landry Parish
Tommy McMillan	St. Landry Parish
Sal Diesi, President	City of Opelousas
Vernon Haynes	City of Opelousas
Barry K. Soileau	City of Eunice
Cheryl Carter	City of Eunice
James Soileau, Secretary	Town of Krotz Springs
Monita Reed	Town of Krotz Springs
Kirt Soileau	St. Landry Parish Municipal Assn
Michael R. Thibodeaux, Treasurer	St. Landry Parish Municipal Assn

Gary Soileau, Executive Director

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**FINANCIAL SECTION**

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# George F. Delaune

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(A Professional Corporation)

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GOVERNMENT FINANCE  
OFFICERS ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Board Members of  
Greater Krotz Springs Port Commission  
State of Louisiana  
Krotz Springs, Louisiana

I have audited the accompanying basic financial statements of the business-type activities of GREATER KROTZ SPRINGS PORT COMMISSION, as of and for the year ended June 30, 2009, as listed in the Table of Contents. These basic financial statements are the responsibility of management of the Greater Krotz Springs Port Commission. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my 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, and the Louisiana Governmental Audit Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Greater Krotz Springs Port Commission as of June 30, 2009, and the results of its operations and the cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated September 10, 2009, on my consideration of the Greater Krotz Springs Port Commission's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of my audit.

The Management's Discussion and Analysis on pages 11 through 14, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Greater Krotz Springs Port Commission's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on it.

*George F. Delaune, CPA*

September 10, 2009

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# Greater Krotz Springs Port Commission

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Greater Krotz Springs Port Commission's (Port) annual financial report offers readers a narrative overview and analysis of the financial performance of the Port for the fiscal year ended June 30, 2009. The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting and Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year and prior year is required to be presented in the MD&A. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the Port's basic financial statements, which begin on page 14.

### FINANCIAL HIGHLIGHTS

- The Port's net assets (assets fully owned with no restrictions) represent approximately 98.94% of total assets. Net assets increased by \$39,487 from \$5,844,179 in 2008 to \$5,983,666 in 2009.
- Operating revenues increased by \$28,529.
- The Port's operating expenses exceeded operating revenues by \$39,869 for the year ended June 30, 2009; but this was reduced by interest income of \$79,356 to show a net increase of \$39,487.
- Interest earned on investments showed a significant decrease of \$67,107. This is significant since interest earned on cash and investments dropped from 4.28% on 2008 to 2.34% for 2009.
- Cash and investments increased by \$61,233 for the year ended June 30, 2009.

### USING THIS ANNUAL REPORT

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

This annual report consists of three parts – management's discussion and analysis, the Enterprise Fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include only the financial activities of the Greater Krotz Springs Port Commission. These financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statement of Changes in Net Assets. All assets and liabilities associated with the operation of the Port are included in the Statement of Net Assets.

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

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

The Statement of Net Assets (page 15) presents information on all of the Port's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Port is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (page 16) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Statement of Cash Flows (page 17) presents information showing how the Port's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income to net cash provided by operating activities (indirect method) as required by GASB 34.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found on pages 18 to 25 of this report.

## **FINANCIAL ANALYSIS**

### **Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Port, net assets increased by \$39,487 between the fiscal years 2008 and 2009.

The Port's total assets are mainly composed of cash and investments (55.90%) and capital assets (43.75%). The Greater Krotz Springs Port Commission owns and operates a port authority all of which is located in Krotz Springs, St. Landry Parish, Louisiana. The Port actively recruits firms located outside of Louisiana to locate in the area.

Net assets of the Port increased by 0.66%. Net assets are restricted as to the purposes they can be used for or are invested in capital assets (land, buildings, improvements, etc.) Consequently, unrestricted net assets were \$3,358,569 and \$3,337,688 at the end of 2008 and 2009, respectively. These balances reflect the Port's income from operations that far exceeds long-term investment in its fixed assets on an annual basis.

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Current and other assets	\$ 3,401,637	\$ 3,430,166	-0.83%
Capital assets	<u>2,645,978</u>	<u>2,585,610</u>	2.33%
Total assets	<u>6,047,615</u>	<u>6,015,776</u>	0.52%
Other liabilities	<u>63,949</u>	<u>71,597</u>	-10.68%
Total liabilities			
Net assets -			
Invested in capital assets	2,645,978	2,585,610	2.33%
Unrestricted	<u>3,337,688</u>	<u>3,358,569</u>	-0.62%
Total net assets	<u>\$ 5,983,666</u>	<u>\$ 5,944,179</u>	0.66%

#### Changes in Net Assets

The Port's total revenues decreased by 4.80% from \$463,181 in 2008 to \$440,914 in 2009 primarily due to reduction in interest rates on investments. Total expenses increased by 10.11% from \$364,561 in 2008 to \$401,427 in 2009.

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenues:			
Operating -			
Charges for services	\$ 361,558	\$ 316,718	14.15%
Nonoperating -			
Interest	<u>79,356</u>	<u>146,463</u>	-45.81%
Total revenues	<u>440,914</u>	<u>463,181</u>	-4.80%
Expenses:			
Operating	<u>401,427</u>	<u>364,561</u>	10.11%
Total expenses	<u>401,427</u>	<u>364,561</u>	10.11%
Change in net assets	<u>\$ 39,487</u>	<u>\$ 98,619</u>	59.96%

The Port has been actively seeking additional land for expansion. During the fiscal year, the Port spent \$41,517 for engineering, land appraisals, and wetland determinations.

#### CAPITAL ASSETS

At June 30, 2009 and 2008, the Port had \$2,645,978 and \$2,712,023 , respectively, invested in a broad range of capital assets, including land, buildings, wharfs and docks, mooring dolphins, road and land improvements, etc. The Port acquired 92.53 acres of land valued at \$185,000 during the current fiscal year.

**Capital Assets at June 30, 2009 and 2008**  
(Net of Depreciation)

	2009	2008
Land	\$ 602,994	\$ 417,994
Boat launch under consideration	200,000	200,000
Buildings	557,235	615,369
Wharfs and docks	947,536	1,087,820
Road and road improvements	335,306	381,293
Mooring dolphin	0	0
Furniture and equipment	2,907	6,147
	\$ 2,645,978	\$ 2,712,023

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Our continuing search for bature property along the west bank of the Atchafalaya River within St. Landry Parish appears to be eminent. On January 20, 2009, the Port acquired 92.53 acres and on August 3, 2009, the Port acquired 53.42 acres. The Port is in the process of making offers on one tract of land totaling approximately 50 acres valued at approximately \$250,000. With this acquisition and the acquisitions made this past year, the future looks bright for the operations of the Port.

The estimated budget for the fiscal year ending June 30, 2009, shows a net change in net assets of \$203,027 before depreciation. This compares conservative to the fiscal year ended June 30, 2009 change of \$224,132.

**CONTACTING THE PORT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Port's finances for all those with an interest in the government's finances. If you have questions about this report or need additional financial information, contact Gary Soileau, Executive Director of the Greater Krotz Springs Port Commission, Krotz Springs, Louisiana at (337) 566-8867.



**GREATER KROTZ SPRINGS PORT COMMISSION**  
**STATEMENT OF NET ASSETS**  
(Proprietary Fund Type - Enterprise Fund)  
June 30, 2009  
(with comparative total for 2008)

	2009	2008
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 1,180,968	\$ 1,119,735
Investments	2,200,000	2,300,000
Leases receivable	9,801	1,268
Interest receivable	3,618	9,163
Deposits on land options	7,250	
Total Current Assets	3,401,637	3,430,166
<b>Capital Assets</b>		
net of accumulated depreciation	2,645,978	2,585,610
<b>TOTAL ASSETS</b>	\$ 6,047,615	\$ 6,015,776
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 6,313	\$ 3,704
Accrued payroll and benefits	3,133	2,927
Deferred income	54,503	64,966
Total Current Liabilities	63,949	71,597
<b>Net Assets</b>		
Invested in capital assets	2,645,978	2,585,610
Unrestricted	3,337,688	3,358,569
Total Net Assets	5,983,666	5,944,179
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 6,047,615	\$ 6,015,776

The accompanying notes are an integral part of this statement.

**GREATER KROTZ SPRINGS PORT COMMISSION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**(Proprietary Fund Type - Enterprise Fund)**  
**Year Ended June 30, 2009**  
**(with comparative total for 2008)**

	<u>2009</u>	<u>2008</u>
<b>Operating Revenues</b>		
Leases	\$ 348,780	\$ 284,692
Tonnage and docking fees	12,778	32,026
<b>Total Operating Revenues</b>	<u>361,558</u>	<u>316,718</u>
<b>Operating Expenses</b>		
Commissioners per diem	22,275	21,225
Salaries and benefits	100,722	100,278
Board meetings	5,478	5,467
Travel	19,843	17,855
Meetings and conventions	21,718	18,563
Dues	3,833	4,157
Advertising and promotion	2,632	1,756
Professional fees	58,876	23,503
Insurance	19,443	20,259
Telephone and utilities	5,717	6,451
Repairs and maintenance	11,389	16,862
Office expense	4,869	3,723
Depreciation	124,632	124,462
<b>Total Operating Expenses</b>	<u>401,427</u>	<u>364,561</u>
<b>Operating (Loss)</b>	(39,869)	(47,843)
<b>Nonoperating Revenues</b>		
Interest income	79,356	146,463
<b>Change in Net Assets</b>	<u>39,487</u>	<u>98,620</u>
<b>Net Assets, Beginning of Year</b>	<u>5,944,179</u>	<u>5,845,559</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 5,983,666</u>	<u>\$ 5,944,179</u>

The accompanying notes are an integral part of this statement.

**GREATER KROTZ SPRINGS PORT COMMISSION**  
**STATEMENT OF CASH FLOWS**  
(Proprietary Fund Type - Enterprise Fund)  
Year Ended June 30, 2009  
(with comparative total for 2008)

	2009	2008
<b>Cash Flows From Operating Activities</b>		
Receipts from tenants	\$ 342,563	\$ 400,545
Payments to suppliers	(142,583)	(107,044)
Payments to commissioners	(22,275)	(21,225)
Payments to employees and benefits	(109,122)	(108,678)
Net cash provided by operating activities	68,583	163,598
<b>Cash Flows From Investing Activities</b>		
Purchases of certificates of deposits		(50,000)
Redemption of certificates of deposits	100,000	
Interest received on interest-bearing deposits	84,900	149,342
Net cash provided by investing activities	184,900	99,342
<b>Cash Flows From Capital &amp; Related Financing Activities</b>		
Deposits on land options	(7,250)	
Acquisition of capital assets	(185,000)	(3,400)
Net cash used in capital & related financing activities	(192,250)	(3,400)
<b>Net Increase in Cash</b>	61,233	259,540
<b>Cash, Beginning of Year</b>	1,119,735	860,195
<b>CASH, END OF YEAR</b>	\$ 1,180,968	\$ 1,119,735
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>		
Operating (loss)	\$ (39,869)	\$ (47,843)
Adjustments to reconcile operating loss to net cash provided by operating activity:		
Depreciation	124,632	124,462
Changes in assets and liabilities:		
Receivables, net	(8,532)	18,861
Accounts and other payables	2,608	2,959
Accrued expenses	206	193
Deferred income	(10,462)	64,966
Net cash provided by operating activities	\$ 68,583	\$ 163,598

The accompanying notes are an integral part of this statement.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 1 - INTRODUCTION**

The Greater Krotz Springs Port Commission was created as a political subdivision of the State of Louisiana by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 34:1451-1456. The Port Commission has the power to regulate the commerce and traffic in St. Landry Parish in such a manner as may be best for public interest; and it is empowered to own and have charge of, to administer, construct, operate and maintain wharves, warehouses, landings, docks, sheds, belt and connection railroads, shipways, canals, channels, slips, basins, locks, elevators and other structures and facilities necessary and proper for the use and development of the business of the area under its control.

The Port Commission is governed by a board of commissioners, consisting of eleven members appointed as follows:

1. Three members by the St. Landry Parish Police Jury
2. Two members by the City of Opelousas
3. Two members by the City of Eunice
4. Two members by the Town of Krotz Springs
5. Two members by the St. Landry Parish Municipal Association

The Port's office is located in Krotz Springs, Louisiana, and employs 2 administrative personnel. The Port's operations are funded entirely through annual self-generated revenues.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Port complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statement Nos. 20 and 34 provide the Port the option of electing to apply FASB pronouncements issued after November 30, 1989. The Port has elected not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note. For the fiscal year ended June 30, 2001, the Port early implemented the new financial reporting requirements of GASB Statement Nos. 33 and 34. As a result, an entirely new financial presentation format has been implemented.

Reporting Entity

The Port is reported as a stand-alone entity as defined by GASB Statement No. 14, "The Financial Reporting Entity." The Port is neither fiscally dependent on any other local government, nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements of the Port.

The Division of Administration of the State of Louisiana has determined that the Greater Krotz Springs Port Commission is a primary government and not a component unit or agency of the State of Louisiana for financial reporting purposes.

Basis of Presentation

These financial statements were prepared in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting. All activities of the Port are accounted for within a single proprietary (enterprise) fund. This fund type is used to report any activity for which a fee is charged to external users for goods and services. In addition, these financial statements include the provisions of GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments and related standards.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**Measurement Focus and Basis of Accounting**

**Measurement Focus**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. The proprietary fund of the Port utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

**Basis of Accounting**

Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expense generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Port's enterprise fund are charged to tenants for the use of the facilities. Operating expenses for enterprise funds include the cost of maintaining the facilities, administrative expenses, and depreciation on capital assets. All revenues not meeting the definition are reported as nonoperating revenues and expenses.

**Assets, Liabilities, and Equity**

**Cash and Investments**

The Port defines cash and cash equivalents as follows:

Cash – includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts (LAMP) hat have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents – includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

For the purpose of the statement of cash flows, "cash and cash equivalents" include all demand, pooled cash account, and certificates of deposit with an original maturity of three months or less. Additional cash disclosures are presented in Notes 2.

**Receivables**

Receivables consist of all revenues earned at year-end and not yet received.

**Inventories**

Inventories for supplies are immaterial and are recorded as expenses when purchased.

**GREATER KROTZ SPRINGS PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**Capital Assets**

All fixed assets are valued at historical cost. The Port maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. 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:

Building	30 Years
Wharfs and docks	30 Years
Road and road improvements	30 Years
Mooring dolphin	5 Years
Furniture, fixtures, and office equipment	5 Years

**Compensated Absences**

Employees can accumulate up to 400 hours of sick leave; however, no payment is made for accrued and unused sick leave upon termination or retirement. Two weeks of annual leave is earned by each employee; however, any unused portion lapses at the end of the fiscal year.

The liability for these compensated absences is recorded as long-term debt in the government-wide statements and fund statements as it is incurred. The current portion of this debt is estimated based on historical trends.

**Equity Classifications**

Equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
2. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Lease Revenues**

The Port's revenues include the leasing of land and improvements under cancelable operating leases. The leases are accounted for using the operating method whereby the amount of revenue recognized in each accounting period is equivalent to the amount of rent receivable according to the provisions of the lease. Deferred revenue includes the estimated fair value of improvements to the Port's facilities paid for by lessees. The revenue is being recognized over the terms of the operating leases.

**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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 3 - CASH AND INVESTMENTS**

At June 30, 2009, the Port has cash (book balances) shown on the balance sheet of \$1,180,968.

State statutes authorize the Port to invest in United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies, provided such obligations are backed by the full faith and credit of the United States of America; or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, political subdivisions are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost.

Investments held at June 30, 2009, in certificates of deposit amount to \$2,200,000.

Custodial credit risk is risk that, in the event of a bank failure, the Port's deposits might not be recovered. At June 30, 2009, cash and investments (excluding the LAMP investment) representing collected bank balances are secured from risk as follows:

Demand deposits	\$ 162,932
Certificates of deposits	2,200,000
	2,362,932
Total Collected Bank Balances	2,362,932
Secured by federal deposit insurance	(962,932)
Secured by collateralized pledge of securities	(1,397,000)
	3,000
Unsecured/uncollateralized	\$ 3,000

Cash and investments are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasurer.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 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 Board that the fiscal agent has failed to pay deposited funds upon demand.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. At June 30, 2009, cash on deposit in LAMP is \$926,972.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 4 - CAPITAL ASSETS**

A summary of proprietary fund type property, plant and equipment at June 30, 2009 follows:

	Beginning Balance 7-01-2008	Increases	Decreases	Ending Balance 6-30-2009
<b>Capital Assets not being depreciated:</b>				
Land	\$ 417,994	\$ 185,000		\$ 602,994
Boat launch under consideration	200,000			200,000
<b>Total capital assets not being depreciated</b>	<b>617,994</b>	<b>\$ 185,000</b>		<b>802,994</b>
<b>Other capital assets:</b>				
Buildings	872,010			872,010
Wharfs and docks	2,104,258			2,104,258
Road and road improvements	689,657			689,657
Mooring dolphin	43,119			43,119
Furniture and equipment	35,787			35,787
<b>Total other capital assets at historical cost</b>	<b>3,744,831</b>			<b>3,744,831</b>
<b>Less: Accumulated depreciation for -</b>				
Buildings	(285,708)	(29,067)		(314,775)
Wharfs and docks	(1,086,580)	(70,142)		(1,156,722)
Roads and road improvements	(331,358)	(22,993)		(354,351)
Mooring dolphin	(43,119)			(43,119)
Furniture and equipment	(30,450)	(2,430)		(32,880)
<b>Total accumulated depreciation</b>	<b>(1,777,215)</b>	<b>(124,632)</b>		<b>(1,901,847)</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 2,585,610</b>	<b>\$ 60,368</b>		<b>\$ 2,645,978</b>

**NOTE 5 - PENSION PLAN**

All full-time employees of the Port are members of the Louisiana State Employees Retirement System ("System"), a multiple-employer, public employee retirement system (PERS) controlled and administered by a separate board of trustees.

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. Vested employees may retire at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service. A participants basic annual retirement benefit is equal to \$300 plus 2.5% of their highest consecutive 36 month average salary multiplied by their years of credited service. Participants who became members of LASERS on or after July 1, 1986, are not eligible for the \$300 addition to the annual retirement benefit formula. The maximum annual retirement benefit may not exceed the lesser of 100% of a member's average compensation or certain specified dollar amounts of actuarially determined monetary limits depending upon the member's age at retirement. As an alternative to the basic retirement benefit, a member may elect to receive his retirement benefits under any one of four different options providing for a reduced retirement benefit payable throughout his life with certain benefits being paid to his designated beneficiary after his death. The System also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees' Retirement System.



**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**Description of Funding Policy -**

Covered employees are required by State statute to contribute 7.5% of their gross salary to the System and the Port contributes an additional percentage of 20.4% from July 1, 2007 to June 30, 2008. Contributions to the System during fiscal year ended June 30, 2009, 2008, and 2007 were funded through employee and employer contributions. Employer contributions were \$12,645, \$13,943, and \$11,546, respectively for years ended June 30, 2009, 2008, and 2007. The total payroll of the Port, fully covered by the system, was \$68,350, \$68,350, and \$60,450, for the same periods. Under present statutes, the Port does not guarantee any of the benefits granted by the system.

**NOTE 6 - LEASE REVENUES**

The Port negotiates lease-rental and user contracts with companies for the use of the Port's wharfs, docks, land and warehouses. Fees are composed of minimum lease payments and, in certain contracts, additional rates based upon the volume of commodities moved across the docks leased. The total lease and tonnage revenue earned in the fiscal year ended June 30, 2009 was \$361,558. A summary of current leases follows:

**Cabot Corporation**

On April 5, 1993 (amended on September 13, 1993), the Port entered into a lease with Cabot Corporation for the use of 5.58 acres of land, more or less which includes a basic rent and one cent per barrel for all material, either incoming or outgoing, moved across the dock. The Port also granted several easements, servitudes, rights of way, rights of passage, etc. for Cabot Corporation to conduct its business. The term of the lease is for 5 years from April 5, 1993, with Cabot Corporation having the option to extend the same for 4 additional 5 year terms unless giving notice in writing to the Port 60 days in advance of the end of a particular 5-year term to renew. (The lease is in its third renewal period which extends the lease until April 5, 2013.)

Cabot Corporation guarantees a 30,000 barrel minimum per month throughput. Said one cent per barrel charge to accrue on October 1, 1993 and shall be due on a calendar month basis thereafter. Cabot Corporation shall furnish to Port a monthly throughput report no later than 30 days following the end of the month covered by each report. The Additional Rent shall be adjusted at the beginning of each option year to reflect the increase in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), South Region.

For the fiscal year ended June 30, 2009, Cabot Corporation paid \$49,312.

**Alon Refining Krotz Springs, Inc.**

On May 13, 1993, the Port entered into a lease with Phibro Energy USA, Inc. for the use of a certain tracts or parcels of land and/or rights of way designated as Tract 2-A containing 10.16 acres, Tract 3 containing 5.29 acres, Tract 4 containing 1.46 acres, Tract 5 containing 2.95 acres. In addition Phibro shall have a pipeline and road right-of-way for the existing Phibro pipelines and the existing roads, etc.

The surface lease agreement shall be for a period of 10 years commencing on January 1, 1993 and ending on December 31, 2002, subject to Phibro's option to extend or renew this lease for one additional 5 year period commencing on January 1, 2003 and terminating on December 31, 2007, on the same terms and conditions as contained herein.

Phibro agrees to pay a monthly rental of \$15,285, due and payable on or before the 15<sup>th</sup> day of each month beginning March 15, 1993 and like installment due and payable on or before the 15<sup>th</sup> day of each month thereafter. The rental shall be adjusted by 25% of the CPI adjustment on January 1 of each year of the primary lease and any extension thereof.

In May 1997, Basis Petroleum, Inc. (formerly known as Phibro Energy USA, Inc.) sold all of its capital stock to Valero Refining and Marketing Company, a wholly owned subsidiary of Valero Energy Corporation.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

On February 5, 2007, the lease with Valero Refining was extended to December 31, 2017, with one option to extend the lease for one five year period. In addition, lease payments will adjust on January 1<sup>st</sup> of each year in accordance with the original lease.

On June 2, 2008, the Port agreed to assign the lease to Alon Refining Krotz Springs, Inc. after it's acquisition of the facilities from Valero Refining.

The present monthly rental is \$18,434.55 and for the fiscal year ended June 30, 2009, Valero paid a total of \$203,425.

**Alon Refining Krotz Springs, Inc.**

On January 1, 2006, the Port entered into a lease with Valero Refining Company - Louisiana for the use of a 16,000 sq. ft. warehouse and 11.58 acres situated in Section 15, T-6-S, R-7-E, St. Landry Parish. The term of the lease is 10 years, commencing January 1, 2006 with the option to extend the lease on the same terms for 2 additional 10 year terms. Valero is to pay \$17,370 per year land rental and \$24,000 per year warehouse rental. The rental is to be adjusted annually to reflect the changes in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), South Region.

On June 2, 2008, the Port agreed to assign the lease to Alon Refining Krotz Springs, Inc. after it's acquisition of the facilities from Valero Refining.

For the fiscal year ended June 30, 2009, Valero paid a total of \$44,021 for this lease.

**Alon Refining Krotz Springs, Inc.**

On June 4, 2007, the Port entered into a lease with Valero Refining Company - Louisiana for the use of a cargo dock and 5.495 acres situated in Section 15, T-6-S, R-7-E, St. Landry Parish. The term of the lease is 5 years, commencing July 1, 2007 with the option to extend the lease on the same terms for 5 additional 5 year terms. Valero is to pay \$60,000 per year rental. The rental is to be adjusted annually to reflect the changes in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), South Region.

On June 2, 2008, the Port agreed to assign the lease to Alon Refining Krotz Springs, Inc. after it's acquisition of the facilities from Valero Refining.

For the fiscal year ended June 30, 2009, Valero paid a total of \$60,000 for this lease.

**Town of Krotz Springs**

On August 7, 2006, the Port entered into a lease with the Town of Krotz Springs for the use of a 3,000 sq. ft. metal building situated on Lot A in the Town of Krotz Springs. The term of the lease is 5 years, commencing August 1, 2006 with the option to extend the lease for an additional 5 year term with the rent amount to be negotiated based on the appraised value of the premises on August 1, 2011. The Town of Krotz Springs is to pay \$4,800 annually.

**NOTE 7 - RISK MANAGEMENT**

The Port is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee medical insurance; and natural disasters. The Port carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. There were no significant reductions in insurance coverage in 2009 from coverage in the prior year. Settled claims has not exceeded this commercial coverage in the past three fiscal years.

Under these policies, general liability coverage is provided for up to a maximum of \$500,000 per occurrence, with a \$10,000 deductible.

**GREATER KROTZ SPRINGS PORT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 8 - LITIGATION AND CLAIMS**

There were no judgments, claims or similar contingencies pending against the Port at June 30, 2009.

**NOTE 9 - FEDERAL FINANCIAL ASSISTANCE**

The Board received no federal funds during the fiscal year ended June 30, 2009.

**NOTE 10 - COMPENSATION PAID TO BOARD MEMBERS**

The schedule of per diem payments to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Port members are paid \$75 for each meeting they attend, as authorized by Louisiana Revised Statute 34:1451.

The amounts paid to Board members during the year are as follows:

<u>Member</u>	<u>2009</u>
Cheryl L. Carter	\$ 1,725
Sal Diesi	1,725
Billy Fritel	2,625
Vernon Haynes	1,575
Arlen LaFleur	1,950
Malcolm McMillan	2,775
Monita Reed	1,275
Barry K. Soileau	1,725
James Soileau	2,550
John K. Soileau	1,725
Michael R. Thibodeaux	2,625
	<u>\$ 22,275</u>

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## **OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on internal control over financial reporting and on compliance and other matters as required by Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide. This report is based solely on the audit of the financial statements and includes, where appropriate, any deficiencies and/or material weaknesses in internal control over financial reporting or compliance matters that would be material to the presented financial statements.

# George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT  
(A Professional Corporation)

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OFFICERS ASSOCIATION

## **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**

Board Members of  
Greater Krotz Springs Port Commission  
State of Louisiana  
Krotz Springs, Louisiana

I have audited the financial statements of the business-type activities of GREATER KROTZ SPRINGS PORT COMMISSION, as of and for the year ended June 30, 2009, and have issued my report thereon dated September 10, 2009. I conducted my 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, and the Louisiana Governmental Audit Guide.

### **Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Greater Krotz Springs Port Commission's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Greater Krotz Springs Port Commission's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Greater Krotz Springs Port Commission's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Greater Krotz Springs Port Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Greater Krotz Springs Port Commission's financial statements that is more than inconsequential will not be prevented or detected by the Greater Krotz Springs Port Commission's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Greater Krotz Springs Port Commission's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Krotz Springs Port Commission's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under Government Auditing Standards or the Louisiana Governmental Audit Guide.

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

*George F. Delaune, CPA*

September 10, 2009

**GREATER KROTZ SPRINGS PORT COMMISSION  
SCHEDULE OF FINDINGS  
YEAR ENDED JUNE 30, 2009**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Greater Krotz Springs Port Commission.
2. No instances of noncompliance were disclosed during the audit of the basic financial statements.
3. No deficiencies were disclosed during the audit of the basic financial statements.
4. There were no federal awards received by Greater Krotz Springs Port Commission.

**B. FINDINGS--FINANCIAL STATEMENTS AUDIT**

NONE



GREATER KROTZ SPRINGS PORT COMMISSION  
RESOLUTION OF PRIOR YEAR REVIEW FINDINGS  
YEAR ENDED JUNE 30, 2009

There were no prior years audit findings.