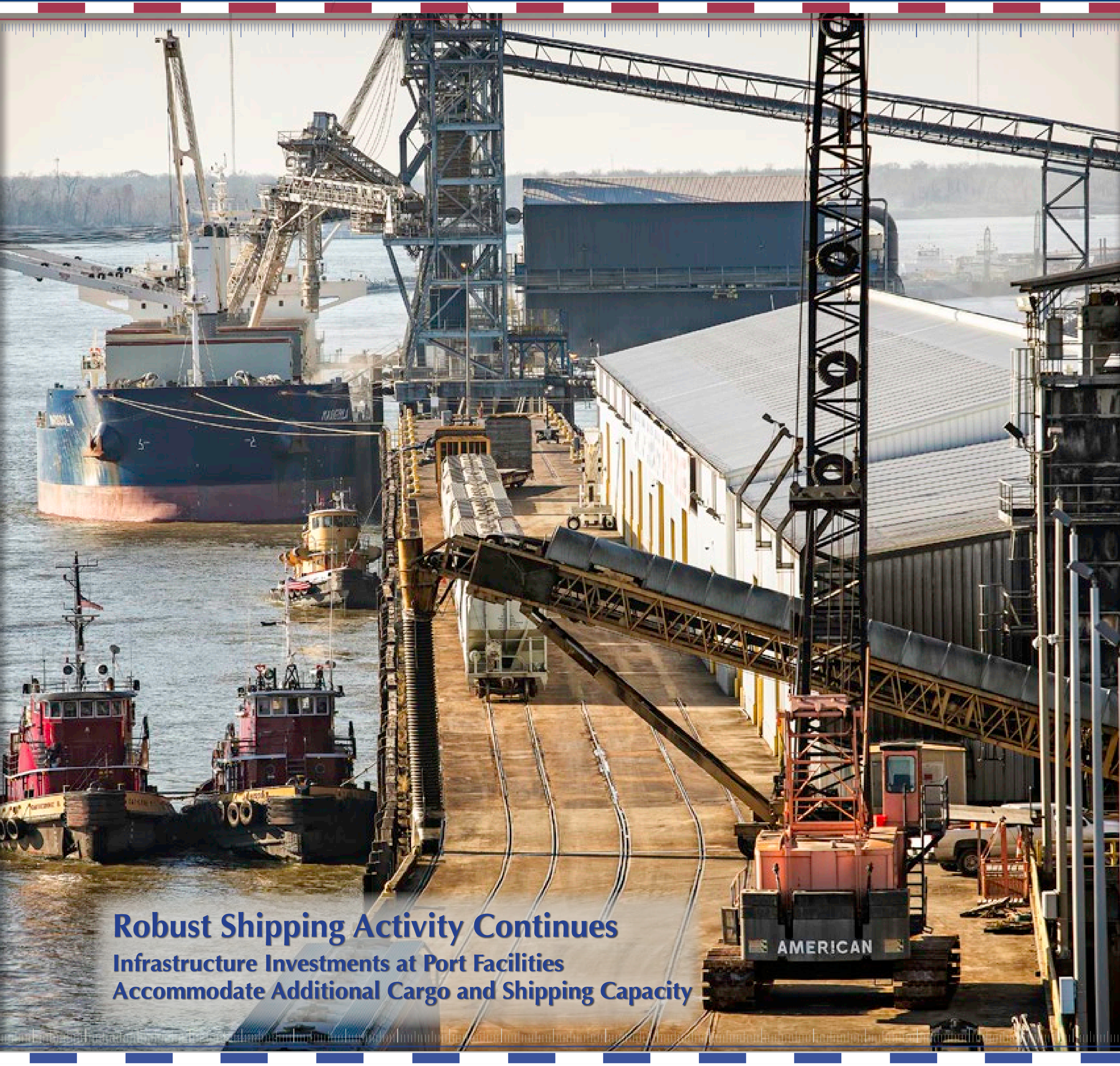
PORT OF GREATER BATON ROUGE

2015

Comprehensive Annual Financial Report

A Component Unit of the State of Louisiana For the Twelve-Month Period Ended December 31, 2015



Robust Shipping Activity Continues

Infrastructure Investments at Port Facilities Accommodate Additional Cargo and Shipping Capacity

PORT OF GREATER BATON ROUGE

Prepared by the Department of Finance and Administration

Katie LeBlanc, Director of Finance and Administration

GREATER BATON ROUGE PORT COMMISSION • P.O. BOX 380, PORT ALLEN, LOUISIANA 70767 • 225.342.1660

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STATISTICAL SECTION (UNAUDITED)

Introduction

According to recently released figures by the U.S. Army Corps of Engineers for the year 2014, the Port of Greater Baton Rouge ("the Port") ranked 8th in the nation for total tonnage, handling 69.1 million tons within the Port's jurisdiction.

The public facilities of the Port of Greater Baton Rouge generated another record year in 2015, and the amount of shipping activity and jobs created in the maritime industry remains strong. Overall, in 2015 the Port's public facilities handled 9,605,775 short tons compared to 9,281,421 short tons in 2014, an increase of 3.5 percent. Facilities showing the largest percent increases from 2014 included the General Cargo Docks (up 96.5%), Grain Elevator (up 24.6%) and the Inland Rivers Marine Terminal (up 24.8%). In 2015, there were 149 ship calls at the docks, a 20% increase over the previous year.

PORT OF GREATER BATON ROUGE

Post Office Box 380 • Port Allen, Louisiana 70767-0380 • Phone (225) 342-1660 • Fax (225) 342-1666 • www.portgbr.com

June 23, 2016

The Board of Commissioners
Greater Baton Rouge Port Commission
2425 Ernest Wilson Drive
Port Allen, Louisiana 70767

Dear Board of Commissioners:

The Port of Greater Baton Rouge experienced an excellent year in 2015 as new port facilities became fully operational and as the new infrastructure investments at the port accommodated additional cargo and shipping capacity. Increased shipping activity has a direct positive economic impact and contributes to the local and state tax base. Employment in the construction, transportation, petrochemical and maritime sectors of our regional and state economy is created.

Shipping Activity Robust, Revenues and Overall Cargo Increased by 3.5 Percent

Additional cargo at the Port has increased the number of ship calls, barge transportation, rail and trucking within the region. The Port's public facilities handled 9,605,775 short tons compared to 9,281,421 short tons in 2014, an increase of 3.5 percent. Port facilities showing the largest percent increases from 2014 included the General Cargo Docks (up 96.5%), Grain Elevator (up 24.6%) and the Inland Rivers Marine Terminal (up 24.8%). In 2015, there were 149 ship calls at the docks, a 20% increase over the previous year. According to recently released figures by the U.S. Army Corps of Engineers for the year 2014, the Port of Greater Baton Rouge move up one in its port rankings and was ranked 8th in the nation for total tonnage, handling 69.1 million tons within the Port's jurisdiction. Revenues for the Port increased by approximately $800,000 for the year primarily due to increases in activity at the general cargo docks, grain elevator and rail shipments. The wood pellet export storage facility became operational and began shipments in April 2015, also contributing to the increase.

Rail Infrastructure Improvements Completed - $9.5 million

In recent years, the port has aggressively worked towards improvements of the rail system within the Port and continued rail upgrades are a priority for the port's leadership, management and shippers. The Port completed $9.5 million in improvements to the Port's rail system to provide additional capacity within the Port as well as replace aging infrastructure.

Rail, drainage and related rail expansion and improvements were completed in 2015 on North Line Road, which will improve rail access to the Inland Rivers Marine Terminal. The port received a $1 million dollar grant from the U.S. Economic Development Administration for rail upgrades on the North Line Road property and funded $3.1 million of port funds to complete this project. In addition the port has submitted federal grants to the U.S. Department of Transportation in a continued effort to seek funding for the rail upgrades within the Port.

The Wood Pellet Rail Car Unloading Facility Tracks for Baton Rouge Transit, LLC, began construction in the winter of 2014 and was completed in mid-2015. This project was funded through the Louisiana Department of Transportation Port Construction and Development Priority Program in the amount of $5,130,834, and the funds were used to construct and rehabilitate rail infrastructure and ancillary public infrastructure. The Greater Baton Rouge Port Commission provided the 10 percent match estimated at $688,000.

Grain Dock Access Bridge and Barge Fleeting Area - $5.5 million

The completion of the export grain elevator expansion by Louis Dreyfus Commodities in October 2013 contributed to the renewed activity at the port's dock facilities. This activity has dramatically increased the number of ship calls, barge transportation, rail and trucking within the region. A $5.5 million Grain Dock Access Improvement Project was completed to provide access for work crews, and other services required by vessels while in port. The State of Louisiana Capital Outlay Program provided partial funding for this project. During 2015, ship calls at the grain elevator increased by 20 percent.

General Cargo Dock Ship Fender Rehabilitation - $5.1 million

The Louisiana Department of Transportation Port Construction and Development Priority Program (PCDPP) approved a project to upgrade the Dock Fender System at the deep water terminal. The project is approved but has not been funded from the State of Louisiana and is scheduled to move forward in 2016 depending upon water levels in the Mississippi River. The deep water terminal is capable of docking three deep-draft vessels simultaneously. The project will enhance the deep water dock capabilities and improve berthing capacity for ships at the general cargo docks and support larger vessels such as post-panamax vessels which are expected to be calling the docks.

The total project cost is estimated at $5,130,834. The construction cost is estimated at $4,910,834 of which $4,419,751 is being acquired from the PCDPP. The PCDPP will reimburse the Port once funding is appropriated by the Legislature. The Project is estimated to take one year to complete and is expected to begin construction in 2016.

Wood Pellet Export Facility Completed & Operational

Baton Rouge Transit, LLC a wholly owned subsidiary of Drax Biomass International Inc. selected the Port of Greater Baton as the location for its storage and exporting facility in the winter of 2013. Drax Biomass International is a development and operating company focused on manufacturing wood pellets for renewable low-carbon power generation from sustainable biomass. The facility became operational in February 2015.

On March 29, 2015, the Port welcomed the bulk carrier, ***MV TBC Princess***, as the first ship to arrive at the Port's General Cargo Docks to load biomass pellets from the Baton Rouge Transit, LLC Facility. The vessel was 580 feet in length and loaded 23,108 metric tons for export to the United Kingdom. The facility has the yearly capacity to load 1.5 to 2 million metric tons into vessels and an additional 30 ships are expected to arrive annually at the General Cargo Docks.

Genesis Entergy Construction Underway

In 2014, Genesis Energy, L.P., a Houston based company, announced plans to construct a $150 million oil storage and import/export terminal at the Port of Greater Baton Rouge. Construction began in 2014 and the facility is planned to be operational by the end of 2016. Once Genesis' subsidiary, Baton Rouge Port Services, LLC, begins storing and exporting oil to other bulk terminals, it is expected that 33 million barrels of crude oil and other petroleum products will be run through the terminal annually which generate up to $2 million in annual revenue to the port.

Continuous Improvement, Investment & Infrastructure Growth

The diversification of the port's cargo base and revenue streams, improved utilization of the marine infrastructure and assets, continue to be at the center and at the forefront of the port's overall success and sustainability as a market leader among U.S. Gulf of Mexico ports well into the future. Our efforts to build upon these public infrastructure assets to create jobs, increase international trade and U.S. exports is part of our continuing mission.

Through the port's maintenance and rehabilitation programs, state and federal grants, and private sector funding, our maritime infrastructure continues to be upgraded for maximum utilization for our existing customers and shippers and we continually evaluate market conditions, shipping trends, jobs created and the future needs of port users.

As a public Port, one of our strategic objectives is to work closely with all private/public partnerships, port stakeholders and maritime interests along the Mississippi River to promote international commerce and trade. The port maintains close working relationships with federal, state, local, and regional authorities and private sector stakeholders within the port jurisdiction to insure a vertically integrated approach to port growth, sustainability, and maritime security.

Our Board of Commissioners and staff share the same common goal and are committed to the mission of the Port of Greater Baton Rouge, which has been a cornerstone of the port's long-term success as it develops policy and sets a future direction for the growth and betterment of the public port facilities. The port's emphasis for the years ahead will continue to be directed at planning for future port growth and fostering domestic and international trade so as to create jobs and investment opportunities for industries within the port region.

It is an exciting time in the growth and development of the Port of Greater Baton Rouge. The Port's Board of Commissioners appreciate the effort and support of the local and state legislative delegation, congressional delegation and existing companies located at the port and on the Mississippi River and the cooperative effort of all of the port's stakeholders. My sincere appreciation and thanks to the Port's Board of Commissioners and to the talented and professional port staff for their leadership, guidance and support as the port continues its efforts to build an even stronger port for future generations. In 2016, the port looks forward to working closely with the many private and public partnerships that consider the port and its transportation infrastructure an excellent location resulting in additional ship calls and jobs at the Port.

At the port, we are continuing our efforts to increase the value of the Port of Greater Baton Rouge as an economic asset to the entire region.

Sincerely,

Jay Hardman, P.E.
Executive Director

PORT OF GREATER BATON ROUGE

Post Office Box 380 • Port Allen, Louisiana 70767-0380 • Phone (225) 342-1660 • Fax (225) 342-1666 • www.portgbr.com

June 23, 2016

Board of Commissioners and Executive Director
2425 Ernest Wilson Drive
Greater Baton Rouge Port Commission
Port Allen, Louisiana 70767

The Comprehensive Annual Financial Report of the Greater Baton Rouge Port Commission (the Commission), for the twelve-month period ending December 31, 2015, as prepared by the Finance Department, is hereby submitted for your review.

This report was prepared under the guidance of the Executive Director and by the Finance and Administration Department. Responsibility for the completeness, accuracy and fairness of the presentation rests with the Finance Director and administrative staff. To the best of our knowledge, all data is accurate with regard to all material aspects and is reported in a manner that is designed to fairly present the financial position of the Port Commission. Disclosures necessary to enable the reader to understand the Commission's financial activities have been included.

A Management's Discussion and Analysis (MD&A) that is designed to complement this letter of transmittal and the basic financial statements can be found in the financial section immediately following the report of the independent auditors.

Economic Outlook

The nine-parish Baton Rouge Metropolitan Statistical Area (MSA) is in an industrial expansion like no other in its history. Louisiana's petrochemical industry manufactures one-quarter of America's petrochemicals. This includes basic chemicals, plastics, and fertilizers. Louisiana ranks first in crude oil production and second in natural gas production in the U.S., including offshore production. Nearly 100 petrochemical facilities operate in the state, valued at more than $19.6 billion, with the Capital Region home to 65 of these petrochemical facilities. Most of these facilities are located along the Mississippi River.

According to the Louisiana State University, Department of Economics, Louisiana Outlook Report for 2016-2017, the sheer volume of announced industrial work in Louisiana is unprecedented—pegged by economists at as much as $140 billion since 2012. A record $8 billion in industrial expansions is underway and construction is expected to peak in 2017 for the Baton Rouge area. Baton Rouge, particularly along the Mississippi River, has had five very strong years of growth in a row which is largely due to the record industrial expansions in the area.

The Baton Rouge MSA is ideally situated to capitalize on this boom. There are numerous pipelines already in place to deliver natural gas to the plants and the supply of natural gas is abundant. There is also an abundance of available water (the Mississippi River), and there is an excellent waterway for transporting the bulk production of this industry by barge (the Mississippi River). These are the drivers behind the $8 billion in industrial announcements in the region.

Baton Rouge area employment is at a historic high at 412,200 nonfarm jobs, according to the reports from the Louisiana Workforce Commission. The capital region has experienced 63 consecutive months of year-over-year job gains, even during a time of severe budget cuts at LSU and Southern University and cutbacks in state government, and the oil and gas sectors of the economy. Total nonfarm employment for the Baton Rouge MSA was estimated at 410,400 for December 2015, the second highest level in series history. The estimate shows a loss of 900 jobs over the month but an increase of 8,800 jobs over the year. The Baton Rouge MSA added jobs over the year every month since January 2011. Over the year construction increased by 6,700 jobs, with the heavy and civil engineering construction subsector increasing by 2,600. Professional and business services added 5,300 jobs from last year while education and health services increased by 1,000. State government lost 1,200 jobs over the year, while local government lost 700 jobs.

The unemployment rate for Louisiana in December 2015 was 6.1%, and the national average rate in December 2015 was 5.7%. Louisiana gained 21,700 jobs in 2014, with the majority of these jobs created by the private sector. This represents a 5.6% increase to the Capital Region's current total of 381,500 jobs.

International Trade & Exports

The Port of Greater Baton Rouge ranks 8th in the nation in total tonnage with over 69.1 million short tons of cargo moving through the port's jurisdiction. The Mississippi River petrochemical corridor and the vast amount of agricultural products, cargo, and raw materials imported and exported make the port a strategic location of national and international importance. Typically within the port industry, factors related to the local, national and international economies contribute significantly to the port's level of success and this trend is projected to continue upward**.**

Louisiana's 2015 worldwide merchandise exports decreased by 24.1 percent over 2014, according to a report released by the World Trade Center of New Orleans. For 2015, Louisiana exports totaled $49.2 billion, compared to $64.8 billion in 2014, and $63.2 billion in 2013. Louisiana's principal export markets for 2015 were China ($6.6 billion, up 8.91 percent), Mexico ($5.8 billion, up 14.53 percent), and Canada ($2.9 billion, up 5.59 percent), followed by the Netherlands, Japan, Colombia, and Brazil. Rounding out the top ten were France, the United Kingdom, and Belgium. Louisiana's exports have typically shown tremendous growth over the past 6 years. Exports for all 50 States and Puerto Rico, the U.S. Virgin Islands, and the District of Columbia set another annual record in 2014, totaling $1.62 trillion, a 2.78 percent increase over 2013 totaled $1.50 trillion. Louisiana ranked 9th among U.S. states, the same ranking it held in 2013.

Internal Controls

The management of the Commission is responsible for establishing and maintaining internal controls over its operations. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures.

The objectives of internal controls are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be derived and that the evaluation of the costs and benefits requires estimates and judgments by management.

Budgetary Controls

The Commission staff prepares an annual Operations and Maintenance Budget that is based on expected collections and expenditures for the fiscal year. The Board of Commissioners approves and adopts the budget, which constitutes the authority of the Commission to incur liabilities and authorize projected expenditures from the respective budgeted categories. In addition, the Commission approves certain expenses from the general fund account for maintenance of existing facilities and for new construction, on an as needed basis.

Monthly financial statements, which compare actual performance with budget, are presented to the Commission for review of the financial status and to measure the effectiveness of the budgetary controls.

Debt Administration

The Commission is authorized by the state legislature to have outstanding indebtedness of up to $100,000,000 evidenced by negotiable bonds or notes. The Greater Baton Rouge Port Commission has outstanding Bond indebtedness of $2,668,761 through a 1999A and 1999B Series issue. These bonds mature serially to the year 2019. The bonds are limited and special obligations payable solely from lawfully available funds and certain funds held by the Trustee pursuant to the Trust Indenture. No other assets are available for payment of the principal or interest on the Bonds.

State statutes require an annual audit by either an independent certified public accountant or the Louisiana Legislative Auditor. The Louisiana Legislative Auditor elected to contract this service to the independent Certified Public Accounting firm, Broussard & Company, Certified Public Accountants for the audit years 2014-2016. The auditor's report on the component unit financial statements is included in the financial section of this report.

Financial Condition

As demonstrated by the statements and schedules included in the financial section of this report, the Commission continues to be in sound financial condition.

Reporting Entity

The Greater Baton Rouge Port Commission was established by virtue of Act 9 of the Regular Session of the 1952 Legislature of Louisiana, adopted as an amendment to the Constitution of Louisiana as Section 29, Article VI thereof, and was created as an Executive Department (now a political subdivision) of the State of Louisiana. The Commission is governed by a board of commissioners and has the power and authority to regulate the commerce and traffic within certain boundaries of the State of Louisiana and has charge of and administers public wharves, docks, sheds, landings and other structures useful for the commerce of the port area.

Financial Reporting

The Commission is a component unit of the State of Louisiana and includes only the financial information of this component unit.

The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles applicable to governments and to the guidelines set forth in the industry audit guide, *Audits of State and Local Governmental Units*. The Greater Baton Rouge Port Commission adopted the provisions of Governmental Accounting Standards Board's Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments,* Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, and* Statement No. 68*, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27.*

Fund Description

The Greater Baton Rouge Port Commission has only one fund to which all accounts are organized and accounted for as a single entity. This fund is operated as an Enterprise Fund, which is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges.

Operating Revenues

The port's operating revenues for 2015 increased considerably from 2014. Overall Port revenues changed from $7,953,567 in 2014 to $8,779,785 in 2015, an increase of 10.4%. Combined operating and non-operating revenues were recorded at $8,895,948, which was up by $837,955 over the same period in 2014. Increases in wharfage and rail storage and switching fees contributed to the increase for 2015. Net position increased by $5,346,422 due to an increase in both wharfage revenue and rail storage and switching. Total net assets were $80,044,265 at year-end, as compared to $74,697,843, as restated the previous year.

As port staff continues to focus on diversification and future growth for the port, our dedicated, talented employees, will carry out daily port operations to enhance and improve the public port facilities. We will also strive to provide opportunities and incentives so that the port has the ability to expand and entice new business to locate and operate within the port's jurisdiction. As the port region continues to grow, there will be opportunities to increase the port's revenue base as well as to stimulate new opportunities for our local, state, and national economies as the port continues to be an economic driver for the region.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port Commission for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the 21st consecutive year the Port Commission received this prestigious award. To be awarded a Certificate of Achievement, the Port Commission must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement from the GFOA is valid for a period of one year only. The port's finance department's evaluation concluded that this current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements. This report will be submitted to the GFOA for evaluation and to determine its eligibility for another Certificate of Achievement.

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the staff of the Finance and Administration Department, and the support of the executive department and the personnel of the professional accounting firm of Broussard & Company, Certified Public Accountants. Special recognition is given to the port finance and accounting staff, for their extraordinary efforts and professionalism in maintaining and preserving the port's financial department and records throughout the year and the design and preparation of the 2015 Comprehensive Annual Financial Report.

Respectfully Submitted,

Katie G. LeBlanc

Katie G. LeBlanc
Director of Finance and Administration

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Greater Baton Rouge Port Commission Louisiana

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2014

Jeffrey R. Emer

Executive Director/CEO

GREATER BATON ROUGE PORT COMMISSION

A Political Subdivision of the State of Louisiana

BOARD OF COMMISSIONERS 2015

Corey Sarullo
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Iberville Parish

Bobby Watts
Vice President
East Baton Rouge Parish

Jimmy Sanchez
Secretary
Ascension Parish

Brenda Hurst
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West Baton Rouge Parish

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Lee Harang
Louisiana Farm Bureau

Timothy W. Hardy
East Baton Rouge Parish

Jerald Juneau
East Baton Rouge Parish

Raymond Loup
West Baton Rouge Parish

Travis Medine
Louisiana Farm Bureau

Randy Poche
East Baton Rouge Parish

Lynn Robertson
West Baton Rouge Parish

Clint Seneca
Iberville Parish

Blaine Sheets
Ascension Parish

GOVERNANCE

The Greater Baton Rouge Port Commission was created by Act #9 of the Louisiana Legislature in 1952. The port commission is a political subdivision of the State of Louisiana. The port governance is a 15-member commission appointed and serving at the pleasure of the Governor of the State of Louisiana. The port commission's responsibility is to establish policy and provide oversight into the port's development. Port commissioners are selected from the parishes served by the port.

PORT STAFF

John G. Hardman, Jr., P.E.
Executive Director

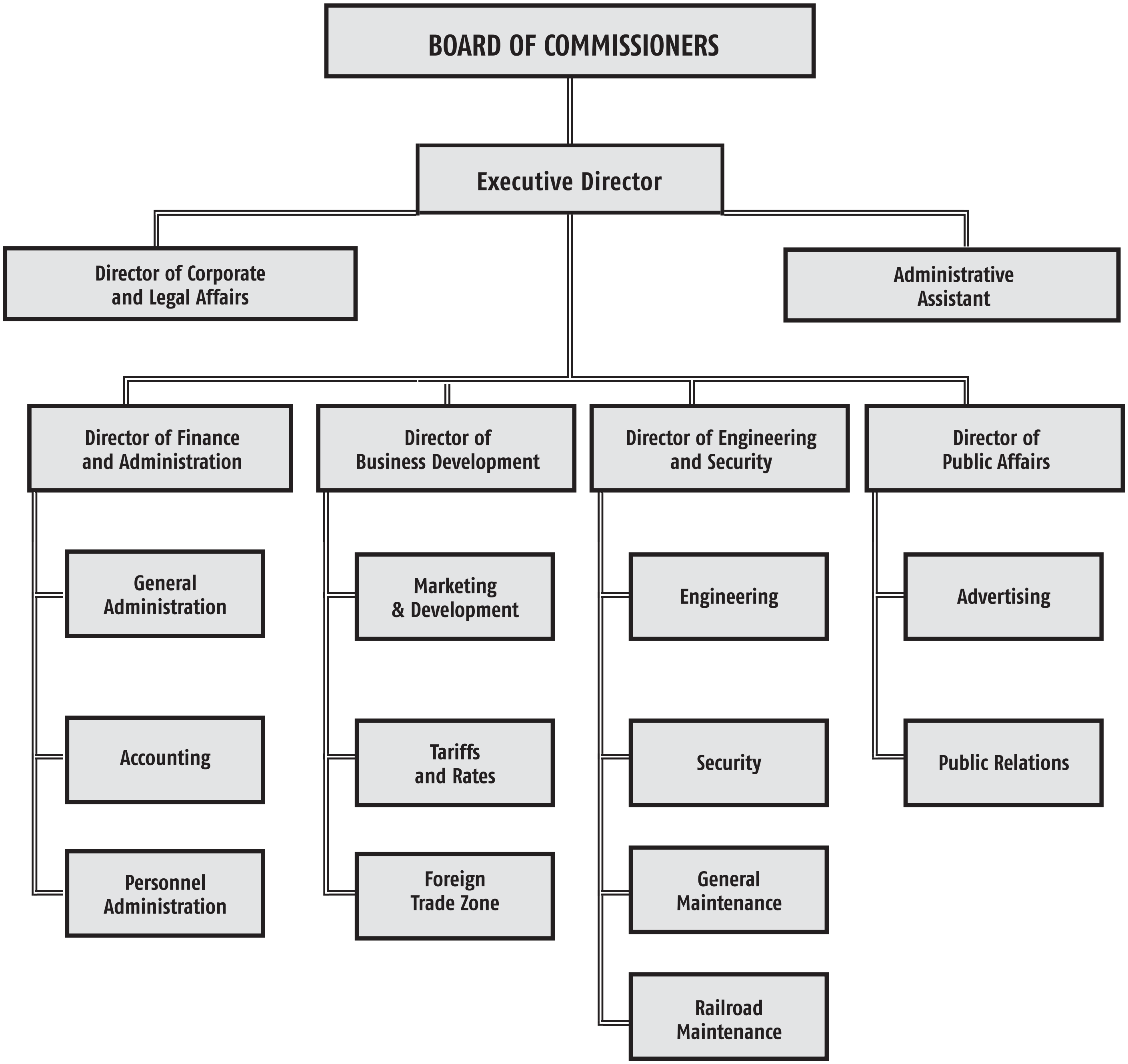
Greg Johnson
Director of Business Development

Katie G. LeBlanc
Director of Finance and Administration

Karen K. St. Cyr
Director of Public Affairs

T. Barry Wilkinson
Director of Corporate and Legal Affairs

Cortney White, P.E.
Director of Engineering and Security


BOARD OF COMMISSIONERS
Executive Director
Director of Corporate and Legal Affairs
Administrative Assistant
Director of Finance and Administration
Director of Business Development
Director of Engineering and Security
Director of Public Affairs
General Administration
Accounting
Personnel Administration
Marketing & Development
Tariffs and Rates
Foreign Trade Zone
Engineering
Security
General Maintenance
Railroad Maintenance
Advertising
Public Relations

Financial

In 2015, the Port's leadership continued its initiatives to maintain and improve the overall maritime infrastructure. The Port received approval through the State of Louisiana Department of Transportation Port Construction and Development Priority Program to upgrade rail on the general cargo docks and within the Port for the new biomass exporting facility operated by Baton Rouge Transit, LLC. The Port completed $9.5 million in improvements to the Port's rail system to provide additional capacity within the Port as well as replace aging infrastructure. By mid-2016, Genesis Energy, L.P. will become operational with their completion of a $150 million crude oil, intermediates and refined products import/export terminal at the Port.

FINANCIAL REPORT

GREATER BATON ROUGE
PORT COMMISSION
(STATE OF LOUISIANA)

AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2015

Submitted by:

Department of Finance & Administration

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Broussard & Company
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Greater Baton Rouge Port Commission
Port Allen, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Greater Baton Rouge Port Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Greater Baton Rouge Port Commission, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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

One Lakeside Plaza, 127 West Broad Street, Suite 800, Lake Charles, LA 70601

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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The required supplementary information other than MD&A, as required by the Government Accounting Standards Board, the accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations,* and other supplementary information are presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The required supplementary information other than MD&A, the schedule of expenditures of federal awards and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 required supplementary information other than MD&A, the schedule of expenditures of federal awards and other supplementary information are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The Annual Financial Report, presented as supplementary information in the Compliance Section, is not a required part of the basic financial statements, but is supplementary information required by Louisiana's Office of Statewide Reporting and Accounting Policy. The Annual Financial Report is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Annual Financial Report is fairly stated in all material respects in relation to the 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 May 13, 2016, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Commission's internal control over financial reporting and compliance.

Broussard and Company

Lake Charles, Louisiana
May 13, 2016

GREATER BATON ROUGE PORT COMMISSION

Port Allen, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of **Greater Baton Rouge Port Commission's (the Commission)** financial performance provides a narrative overview and analysis of the Commission's financial activities for the fiscal year ended December 31, 2015. Please read it in conjunction with the Commission's basic financial statements.

FINANCIAL HIGHLIGHTS

1. Cash decreased by $149,827 during the year, primarily due to capital spending.

2. Operating revenues increased $826,000 during 2015 primarily due to an increase in rail car and vessel income.

3. In 2015, the Commission adopted GASB Statement No. 68 and No. 71. The net effect was a decrease in beginning net position of $4,934,290. For more information, see Note 1 in the Notes to the Financial Statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. Government Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments,* provides that special purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of:

- Management's Discussion and Analysis (MD&A)
- Statement of Net Position
- Statement of Revenues, Expense, and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements
- RSI other than MD&A, if applicable.

Enterprise Fund Financial Statements

The basic financial statements present information for the Commission as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position provide information to present the change in the Commission's financial condition for the current year's operations.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most businesses. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Commission's net position and their changes. Net position – the difference between assets and liabilities – is a measure of the financial position of the Commission. Increases or decreases in the Commission's net position are an indicator of whether the Commission's financial position is improving or deteriorating.

The Statement of Cash Flows provides information on the changes in cash during the year. This statement reports the net cash provided or used by operating, non-capital financing activities, capital and related financing activities, and investing activities.

FINANCIAL ANALYSIS OF THE ENTITY

GREATER BATON ROUGE PORT COMMISSION
STATEMENT OF NET POSITION
(In thousands)

	2015	2014	% Change
Current and other assets	$ 19,867	$ 20,277	(2)
Capital assets	73,282	67,892	8
Total assets	93,149	88,169	6
Deferred outflows of resources related to pension liability	534	251	113
Total assets and deferred outflows of resouces	93,683	88,420	6
Current and other liablilities	3,399	3,183	7
Long-term obligations	10,122	9,886	2
Total liabilities	13,521	13,069	3
Deferred inflows of resources related to pension liability	118	654	(82)
Components of Net Position:			
Net investment in capital assets	66,320	64,639	3
Restricted for debt service	31	56	(45)
Unrestricted	13,693	10,002	37
Total net position, as restated	80,044	74,697	7
Total liabilities, deferred inflows of resources and net position	$ 93,683	$ 88,420	6

Restricted net position represents those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net position includes those that do not have any limitations on how the amounts may be spent.

Net position of the Commission increased by $5,347,000, or 7%, during the year ended December 31, 2015. The primary reason is due to increases in capital contributions and rail car and vessel income.

GREATER BATON ROUGE PORT COMMISSION
CHANGES IN NET POSITION
(In thousands)

	2015	2014	% Change
Lease rentals	$ 3,653	$ 4,240	(14)
Dockage and wharface	2,850	2,461	16
Rail car, vessel and other	2,276	1,252	82
Operating revenue	8,779	7,953	10
Operating expenses	(8,889)	(8,035)	11
Operating loss	(110)	(82)	34
Non-operating revenues	116	104	12
Non-operating expenses	(190)	(180)	6
Loss before capital contributions	(184)	(158)	16
Capital contributions	5,531	6,429	(14)
Change in net position	5,347	6,271	(15)
Net position- beginning of year, as restated	74,697	68,426	9
Net position - end of year	$ 80,044	$ 74,697	7

The Commission's operating revenues increased by 10%, or $826,000, due to additional rental income throughout the year. Operating expenses increased in line with revenues.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal years ended December 31, 2015 and 2014, the Commission had $73,282,000 and $67,892,000, respectively, invested in a broad range of capital assets, including land, construction in progress, railroad tracks and yards, roadways and structures, buildings and structures, equipment, furnishings and transportation equipment. This amount represents a net increase (including additions and disposals) of $5,390,000 over the last year. Accumulated depreciation at the end of 2015 and 2014 was $76,209,000 and $72,748,000, respectively. For additional information on capital asset activity, see Note 4 in the Notes to the Financial Statements section. Capital assets at December 31, net of accumulated depreciation, are as follows:

CAPITAL ASSETS
(In thousands)

	2015	2014
Land	11,212	11,212
Construction in progress	14,018	9,725
Building and improvements	33,243	35,304
Infrastructure	11,653	8,028
Equipment	3,156	3,623
Total	$ 73,282	$ 67,892

Debt

The Commission had $2,669,000 in revenue bonds outstanding as of December 31, 2015, compared to $3,253,000 in the prior year, a decrease of 18%. No new debt was issued during the year ended December 31, 2015. The Commission carries a BBB- debt rating on its debt. Additional information concerning the revenue bonds is disclosed in Note 5 in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEARS BUDGETS

In accordance with the requirements of GASB 34, we are not aware of any known facts, decisions or conditions that are expected to have a significant effect on the Commission's financial position or results of operations.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens, customers, investors, and creditors with an overview of the Commission's finances and to show the Commission's accountability for the revenues and other funding it receives. If you have any questions about this report or need additional information, contact Katie LeBlanc, Director of Finance, Greater Baton Rouge Commission at P.O. Box 380, Port Allen, Louisiana 70767 or (225) 342-1660.

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Exhibit A

GREATER BATON ROUGE PORT COMMISSION

Port Allen, Louisiana

STATEMENT OF NET POSITION

December 31, 2015

ASSETS	
CURRENT	
Cash	$ 7,088,044
Investments	8,375,509
Accounts receivables, net	2,420,649
Due from other governments	1,188,927
Accrued interest receivable	17,442
Prepaid expenses	38,762
Restricted investments	737,303
Total current assets	19,866,636
CAPITAL ASSETS	
Non-depreciable	25,231,061
Depreciable, net	48,051,228
Total capital assets	73,282,289
Total assets	93,148,925
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension liaiblity	534,683
Total assets and deferred outflows of resouces	$ 93,683,608

The accompanying notes to financial statements
on Exhibit D are an integral part of this statement.

Exhibit A
(Continued)

GREATER BATON ROUGE PORT COMMISSION
Port Allen, Louisiana

STATEMENT OF NET POSITION
December 31, 2015

LIABILITITES

CURRENT	
Payable from unrestricted assets:	
Accounts payable	$ 220,552
Contracts payable	286,754
Other accrued liabilities	512,279
Revenues received in advance	1,673,912
Total current liabilities - payable from unrestricted assets	2,693,497
Payable from restricted assets:	
Current portion of long-term debt	610,000
Accrued interest payable	47,667
Unredeemed bonds and coupons	48,405
Total current liabilities - payable from restricted assets	706,072
Total current liabilities	3,399,569
ENVIRONMENTAL REMEDIATION LIABILITY	5,048
NET PENSION LIABILITY	5,262,124
OTHER POST EMPLOYMENT BENEFITS PAYABLE	2,795,837
LONG TERM DEBT, less current maturities	2,058,761
Total noncurrent liabilities	10,121,770
Total liabilities	13,521,339
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension liability	118,004
NET POSITION	
Net investment in capital assets	66,319,568
Restricted for debt service	31,231
Unrestricted	13,693,466
Total net position	80,044,265
Total liabilities, deferred inflows of resources and net position	$ 93,683,608

The accompanying notes to the financial statements
on Exhibit D are an integral part of this statement.

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Exhibit B

GREATER BATON ROUGE PORT COMMISSION

Port Allen, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the year ended December 31, 2015

OPERATING REVENUES	
Lease rentals	$ 3,653,246
Dockage and wharfage	2,850,106
Rail car, vessel and other	2,276,433
Total operating revenues	8,779,785
OPERATING EXPENSES	
Direct	2,672,528
Administrative	2,756,516
Depreciation	3,460,888
Total operating expenses	8,889,932
Operating loss	(110,147)
NON-OPERATING	
Investment income	116,163
Interest expense	(147,958)
Loss on sale of investments	(42,637)
Total nonoperating	(74,432)
Change in net assets before capital contributions	(184,579)
Capital contributions, net	5,531,001
Increase in net position	5,346,422
NET POSITION	
Beginning of year, as restated	74,697,843
End of year	$ 80,044,265

The accompanying notes to the financial statements on Exhibit D are an integral part of this statement.

Exhibit C

GREATER BATON ROUGE PORT COMMISSION

Port Allen, Louisiana

STATEMENT OF CASH FLOWS

For the year ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 8,491,875
Payments to suppliers for goods and services	(3,147,742)
Payments to employees for services	(2,624,012)
Net cash provided by operating activities	2,720,121
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Repayment of loans	(583,850)
Interest paid on loans	(158,325)
Acquisition/construction of capital assets, net	(8,840,065)
Capital contributions	4,670,999
Net cash used in capital and related financing activities	(4,911,241)
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of investment securities	(7,270,000)
Realized loss on sale of investment security	(42,637)
Proceeds from calls and maturities of investment securities	9,095,000
Interest and dividends earned on investment securities	258,930
Net cash provided by investing activities	2,041,293
Net decrease in cash	(149,827)
CASH	
Beginning of the year	7,237,871
End of the year	$ 7,088,044

The accompanying notes to the financial statements
on Exhibit D are an integral part of this statement.

Exhibit C
(Continued)

GREATER BATON ROUGE PORT COMMISSION
Port Allen, Louisiana

STATEMENT OF CASH FLOWS
For the year ended December 31, 2015

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating loss	$ (110,147)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Allowance for doubtful accounts	42,000
Depreciation	3,460,888
Change in operating assets and liabilities	
Accounts receivable	(907,804)
Prepaid expenses	19,161
Accounts payable and other accrued liabilities	(411,895)
Revenue received in advance	577,894
Change in net pension obligation	(88,845)
OPEB benefits	138,869
Net cash provided by operating activities	$ 2,720,121
SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:	
Change in capital contributions receivable	$ 860,002
Change in unrealized loss on investments	$ (146,833)
Change in investment premiums and discounts	$ 26,622

The accompanying notes to the financial statements on Exhibit D are an integral part of this statement.

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Exhibit D

GREATER BATON ROUGE PORT COMMISSION

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Greater Baton Rouge Port Commission (the Commission) was established by virtue of Act 9 of the Regular Session of the 1952 Legislature of Louisiana, adopted as an amendment to the Constitution of Louisiana as Section 29, Article VI, thereof. The Commission was created as an Executive Department (now a political subdivision) of the State of Louisiana. The Commission is governed by a board of commissioners and has the power and authority to regulate the commerce and traffic within certain boundaries of the State of Louisiana and have charge of and administer public wharves, docks, sheds, and landings and other structures useful for the commerce of the port area.

Basis of Presentation

The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred or economic asset used. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and reporting standards.

These financial statements were prepared in accordance with GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. All activities of the Commission 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 2015, the Commission adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27, and Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment to GASB Statement No. 68. The net effect to the entity-wide Statement of Net Position for the prior year that resulted from the adoption of GASB 68 and 71 is as follows:

Total net position, December 31, 2014 as previously reported	$ 79,632,133
Net pension liability at December 31, 2014	(4,532,346)
Deferred inflows of resources at December 31, 2014	(654,146)
Deferred outflows of resources at December 31, 2014	252,202
Total net position, December 31, 2014, as restated	$ 74,697,843

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the report amounts of assets and liabilities, the disclosures 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. Estimates are primarily used when accounting for valuation and collection of receivables, depreciation, net pension liability, obligations for post-employment benefits, and deferred revenue.

Reporting Entity

As the governing authority of the state, for reporting purposes, the State of Louisiana is the financial reporting entity. The financial reporting entity consists of (1) the primary government (state), (2) organizations for which the primary government is financially accountable, and (3) 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.

The Commission is considered a component unit of the State of Louisiana (State) because the State has financial accountability over the Commission in that the governor appoints all the commission members and can impose his will on the Commission. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the State, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Measurement Focus

The Commission applies the provisions of Statement No. 34 ("Statement 34") of the GASB *Basic Financial Statements and Management's Discussion and Analysis for State and Local Government*. Statement 34 establishes standards for external financial reporting for all state and local governmental entities which includes a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

The accounts of the Commission are organized and operated as an enterprise fund. Enterprise funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

The Commission prepares the annual Operations and Maintenance budget for internal management purposes, and the budget is based on what is expected to be collected during the fiscal year. The budget is approved by the Board of Commissioners. The adopted budget constitutes the authority of the Commission to incur liabilities and authorize expenses from the respective budgeted funds. In addition, certain expenses are approved monthly by the Board before payment from the General Fund budget. The Commission is not required to present a budget comparison in its financial statements.

Cash and Investments

Cash includes cash on hand, demand deposits, interest-bearing demand deposits, and cash in trust accounts. The Commission is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

State Law R.S. 33.2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. government, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporations.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are reported at fair value with gains and losses included in the statement of revenue and expenses.

Receivables

Receivables consist of all revenues earned at year-end and not yet received. All known uncollectible accounts have been removed from receivables and an allowance of $42,000 has been made for doubtful accounts based on a periodic aging of accounts receivable. Receivables are comprised of dock and wharf fees as well as lease rentals.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Property and equipment are stated at cost. Public domain (infrastructure) assets including roads, surface drainage, railroad tracks and yards are capitalized along with other capital assets. The Commission generally capitalizes assets with a cost of $500 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets as shown below:

	Years
Railroad tracks and yards	20 - 40
Buildings and structures	5 - 40
Roadways and surface drainage	5 - 33
Equipment	5 - 25
Office furniture and fixtures	3 - 10
Transportation equipment	3 - 5

Restricted assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are for loan repayment and debt service.

The mortgage indentures associated with the outstanding loans require certain amounts to be transferred at certain intervals and carried in restricted asset accounts. At December 31, 2015, the net balance of these accounts was sufficient to meet all requirements.

Lease Revenue Recognition

Lease rentals, as further explained in Note 7, are accounted for under the operating method whereby revenue is recognized currently as rentals become due.

Compensated Absences

Employees accrue and accumulate annual and sick leave at varying rates in accordance with state law based on full-time service. The leave is accumulated without limitation. Upon separation of employment, employees or their heirs are compensated for accumulated annual leave not to exceed 300 hours at their current rate of pay. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits. The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expense when the leave is earned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences(Continued)

The liability for compensated absences increased by $17,663 during 2015 as follows:

	2015
Balance, beginning of year	$ 301,593
Increases	139,147
Decreases	121,484
Balance, end of year	$ 319,256

Equity Classifications

Equity has classifications of net position that are displayed in three components:

- Net investment in capital assets - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

- Restricted - This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted net assets - This component of net assets consists of net assets that do not meet the definition of "restricted" or "net investment in capital assets."

Revenues and Expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Commission. Operating revenues consist primarily of lease rentals. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions.

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is the Commission's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

The Commission applies the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenses(Continued)

GASB Statement No. 63 introduced and defined deferred outflows of resources and deferred inflows of resources as consumption and an acquisition, respectively, of net assets by the government that is applicable to a future reporting period. It also identifies net position, rather than net assets, as the residual of all elements presented in a statement of net position.

Subsequent Events

The Commission evaluated its December 31, 2015 financial statements for subsequent events through the date of the independent accountants' audit report, the date of which the financial statements were available to be issued. The Commission is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

At December 31, 2015, the Commission has cash (book balances) totaling $7,088,044 as follows:

Demand deposits	$ 7,087,044
Petty cash	1,000
	$ 7,088,044

Custodial credit risk is the risk that, in the event of a bank failure, the Commission's deposits might not be recovered. The Commission's deposit policy for custodial credit risk conforms to state law, as described in Note 1 to the financial statements. At December 31, 2015, the Commission's total demand deposit bank balance of $7,087,044 was entirely secured by federal deposit insurance or pledged securities held by the Commission's agent in the Commission's name.

Investments

As of December 31, 2015, investments of the Commission consisted of the following:

	Fair Market Value	Cost
Obligations of federally sponsored entities	$ 8,126,596	$ 8,197,790
Government money market fund - restricted	737,303	739,548
Louisiana Asset Management Pool	248,913	248,913
Stock	-	3,355
	$ 9,112,812	$ 9,189,606

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Commission will not be able to recover the value of its investment. The Commission is not exposed to custodial credit risk since the investments are held in the name of the Commission or held by the Commission. The Commission's investment policy conforms to state law, as described in Note 1, which has no provision for custodial credit risk.

Concentration of credit risk relates to the amount of investments in any one entity. The following presents investments that represent five percent or more of the Commission's total investments.

Description	CUSIP	Fair Market Value
Federal Home Loan Mortgage	3137EADM8	$ 3,452,295
Federal National Mortgage Association	3135G0F73	2,229,662
Federal Home Loan Mortgage	3137EADR7	1,481,778
Federal National Mortgage Association	3135G0D75	962,861
		$ 8,126,596

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Commission's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2015, the Commission had the following investment in debt securities:

Investment Type	Fair Value	Investment Maturities (In Years)	
		Less than 1	1 - 5
Obligations of federally sponsored entities	$ 8,126,596	$ -	$ 8,126,596
Government money market fund - restricted	737,303	737,303	-
Louisiana Asset Management Pool	248,913	248,913	-
	$ 9,112,812	$ 986,216	$ 8,126,596

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. At December 31, 2015, the Commission invested in obligations of federally sponsored entities in the amount of $8,126,596, which are not rated. The Commission's investment in Hancock Horizon Government Money Market Fund is rated AAAm by Standard and Poors. The investment in Louisiana Asset Management Pool (LAMP) is rated AAAm by Standard and Poors. The commission follows the policy of the state of Louisiana and therefore is not exposed to investment credit risk. The type of investment allowed by the state law ensures that the Commission is not exposed to credit risk.

The investment in LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA R.S. 33:2955. 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. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company.

A separate financial report for the Louisiana Asset Management Pool is prepared by the Louisiana Legislative Auditor in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Copies of the report can be obtained from LAMP's website at www.lamppool.com.

At December 31, 2015, the Commission owned 4,474 shares of stock of Ormet Primary Aluminum Corporation. The stock was received in 2008 and 2010 as a result of bankruptcy court proceedings related to a prior contract receivable from a lease termination agreement with Ormet Primary Aluminum Corporation dated May 3, 1999. In 2005 and 2006, the Commission received a partial settlement of the receivable and wrote off the remainder which was deemed uncollectible due to the bankruptcy. At December 31, 2015, the stock had a fair market value of zero.

NOTE 3 – DEFINED BENFIT PENSION PLAN

Louisiana State Employees' Retirement System

Plan Description

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

All state employees, except those specifically excluded by statute, become members of LASERS Defined Benefit Plan (DBP) as a condition of employment, unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the Governor may, at their option, become members of LASERS. Also, qualifying unclassified state employees may have made an irrevocable election to participate in the Optional Retirement Plan (ORP) between July 12, 1999 and December 7, 2007, when the plan closed. All plans are considered one pension plan for financial reporting purposes. All assets accumulated for the payment of benefits may legally be used to pay benefits to any plan members or beneficiaries.

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

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 on the System's website at http://lasersonline.org.

Benefits Provided

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

(Continued)

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retirement

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

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

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service.

(Continued)

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

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

Deferred Retirement Benefits

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

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

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Disability Benefits

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

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Permanent Benefit Increases/Cost-of-Living Adjustments

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

(Continued)

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended December 31, 2015 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Regular Employees hired before 7/01/06	Closed	7.50%	37.20%
Regular Employees hired on or after 7/01/06	Closed	8.00%	37.20%
Regular Employees hired on or after 1/01/11	Open	8.00%	37.20%

*For ORP the projected employer contribution effort was calculated using the shared UAL portion of the contribution rate of 33.4% for 2016.

The agency's contractually required composite contribution rate for the year ended December 31, 2015 was 37.20% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were $410,665, $456,995, $374,521 for the years ended December 31 2015, 2014, and 2013, respectively.

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

At December 31, 2015, the Commission reported a liability of $5,262,124 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Commission's proportion of the Net Pension Liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At December 31, 2015, the Commission's proportion was 0.07737%, which was an increase of 0.00488% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Commission recognized pension expense of $445,736 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $35,071.

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

At December 31, 2015, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,035	$ (43,101)
Net difference between projected and actual earnings on pension plan investments	-	(4,760)
Changes in proportion and differences between employer contributions and proportionate share of contributions	232,931	(70,143)
Employer contributions subsequent to the measurement date	294,717	-
Total	$ 534,683	$ (118,004)

The Commission reported $794,451 as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

June 30, 2017	$(79,024)
June 30, 2018	(35,923)
June 30, 2019	(39,440)
June 30, 2020	113,563

(Continued)

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015, and 2014 are as follows:

Valuation Dates	June 30, 2015 and 2014
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.75% per annum
Inflation Rate	3.0% per annum
Mortality	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.
Salary Increases	Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Regular	4.0%	13.0%
Judges	3.0%	5.5%
Corrections	3.6%	14.5%
Hazardous Duty	3.6%	14.5%
Wildlife	3.6%	14.5%

Cost of Living Adjustments	The present value of future benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Percentage Target Allocation	Long-Term Expected Real Rate of Return
Cash	-	0.24%
Domestic equity	27	4.56%
International equity	30	5.67%
Domestic Fixed Income	10	2.24%
International Fixed Income	2	3.64%
Alternative Investments	24	7.82%
Global Asset Allocation	7	3.70%
Total	100	5.66%

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(Continued)

NOTE 3 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

Current rate (7.75%)	$ 5,262,124
1.0% decrease (6.75%)	6,641,936
1.0% increase (8.75%)	4,090,326

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2015 Comprehensive Annual Financial Report at http://lasersonline.org.

NOTE 4 - NET POSITION

Net investment in capital assets

The change in amounts invested in capital assets, net of related debt is summarized as follows:

Beginning balance	$ 64,639,273
Net change in capital assets	1,096,445
Reduction in related debt	583,850
Ending balance	$ 66,319,568

Restricted net assets

Restricted net assets relate to debt service. The requirements for debt service at December 31, 2015 were computed as follows:

Assets restricted for loan repayment	$ 737,303
Current liabilities payable from restricted assets	(706,072)
Ending balance	$ 31,231

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Additions	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 11,212,425	$ -	$ -	$ 11,212,425
Construction in progress	9,724,676	4,697,909	403,949	14,018,636
Total capital assets not being depreciated	20,937,101	4,697,909	403,949	25,231,061
Capital assets being depreciated				
Railroad tracks and yards	4,334,601	4,140,174	-	8,474,775
Roadways and surface drainage	11,789,123	-	-	11,789,123
Buildings and structures	92,008,621	40,751	-	92,049,372
Equipment	10,230,396	370,998	-	10,601,394
Office furniture and fixtures	837,786	5,408	-	843,194
Transportation equipment	502,533	-	-	502,533
Total capital assets being depreciated	119,703,060	4,557,331	-	124,260,391
Less accumulated depreciation for:				
Railroad tracks and yards	2,917,130	51,968	-	2,969,098
Roadways and surface drainage	5,371,482	270,204	-	5,641,686
Buildings and structures	56,704,941	2,101,154	-	58,806,095
Equipment	6,607,667	981,628	-	7,589,295
Office furniture and fixtures	723,851	31,401	-	755,252
Transportation equipment	423,206	24,531	-	447,737
Total accumulated depreciation	72,748,277	3,460,886	-	76,209,163
Capital assets being depreciated, net	46,954,783	1,096,445	-	48,051,228
Net capital assets	$ 67,891,884	$ 5,794,354	$ 403,949	$ 73,282,289

Depreciation expense for the year ended December 31, 2015 was $3,460,888.

NOTE 6 - LONG-TERM DEBT

Revenue Bonds

The Commission is authorized by the State of Louisiana to have outstanding indebtedness up to $100,000,000 evidenced by negotiable bonds or notes.

On March 1, 1999, the Commission entered into a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority). Under the agreement, the Authority issued $5,700,000 Series1999A Revenue and Refunding Bonds and $3,300,000 Series 1999B Revenue Bonds and loaned the proceeds to the Commission. From the proceeds of the loan, the Commission was required to fund a reserve fund to receive the bond proceeds and make loan payments, and established a construction fund to receive bond proceeds and make payments on private activity and governmental projects for which the bond proceeds were lent.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Revenue Bonds (continued)

The Bonds were issued for the purpose of 1) with respect to the proceeds of the Series 1999A Bonds, currently refunding certain prior bonds and paying the costs of certain private activity projects, 2) with respect to the proceeds of the Series 1999B Bonds, paying the costs of certain governmental projects, and 3) paying the costs of issuance of the bonds.

Under the loan agreement, the Commission is required to repay the loan by making debt service payments, including principal, interest, and reserve requirements for the Authority's two bond issues. At December 31, 2015, the outstanding indebtedness consisted of the following:

Bond Series	Maturing	Call Prices (%)	Interest Rate	Payable at 1/1/15	Additions	Reductions	Payable at 12/31/15
1999A	2019	100-102	8% - 5.5%	$ 2,035,000	$ -	$ 365,000	$ 1,670,000
1999B	2019	100-102	8% - 5.25%	1,180,000	-	210,000	970,000
Unamortized premium on bonds payable				37,611	-	8,850	28,761
				$ 3,252,611	$ -	$ 583,850	2,668,761
Less: Amounts due within one year payable from restricted assets							(610,000)
Amounts due after one year							$ 2,058,761

Debt Service Requirements to Maturity

The annual requirements to amortize debt outstanding at December 31, 2015, are as follows:

Year	Principal	Interest	Total
2016	610,000	126,282	736,282
2017	640,000	92,482	732,482
2018	680,000	56,788	736,788
2019	710,000	19,200	729,200
	$ 2,640,000	$ 294,752	$ 2,934,752

NOTE 7 - LEASES

Various facilities, terminals and other properties of the Commission have been leased to tenants for various terms. The lessees bear substantially all ordinary operating and maintenance expenses of the leased properties and have the option of renewing the leases at the end of the original term.

The carrying values and depreciation expense of the properties leased under long-term leases by the Commission are as follows as of December 31, 2015:

Railroad tracks and yards	$ 562,680
Roadways and surface drainage	4,908,723
Buildings and structures	44,423,837
Equipment	2,308,409
	52,203,649
Less: Accumulated depreciation	(37,476,206)
Net leased property	$ 14,727,443

Depreciation expense for leased property during 2015 was $1,211,550.

The following is a schedule by years of future minimum rental payments receivable on non-cancelable long-term leases as of December 31, 2015:

Year	Future Rental Revenues
2016	$ 2,560,780
2017	2,237,527
2018	2,198,581
2019	2,113,327
2020	1,904,006
There after	15,211,813
	$ 26,226,034

For the purpose of these statements, the lease amount as set forth in the original lease agreement or set by the most recent appraisal was used in the determination of the minimum future rentals on long-term leases and thus is subject to change.

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description

The Commission's employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for fiscal year 2008) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The State administers the plan through the Office of Group Benefits. LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

Funding Policy

The contribution requirements of plan members and the Commission are established and may be amended by LRS 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits (OGB) offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Consumer Driven Health Plan (CDHP) and the Health Maintenance Organization (HMO) Plan. Retired employees who have Medicare Part A and Part B coverage also have access to four OGB Medicare Advantage plans which includes three HMO plans and one PPO plan.

Depending upon the plan selected, during the year ended December 31, 2015, employee premiums for a single member receiving benefits range from $62 to $98 per month for retiree-only coverage with Medicare or from $103 to $163 per month for retiree-only coverage without Medicare. The premiums for a retiree and spouse for the year ended December 31, 2015 range from $229 to $365 per month for those with Medicare or from $332 to $530 per month for those without Medicare.

The plan is currently financed on a pay as you go basis, with the Commission contributing anywhere from $185 to $296 per month for retiree-only coverage with Medicare or from $660 to $1,052 per month for retiree-only coverage without Medicare during the year ended December 31, 2015. Also, the Commission's contributions range from $687 to $1,095 per month for retiree and spouse with Medicare or $1,013 to $1,616 for retiree and spouse without Medicare.

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage, which is underwritten by The Prudential Insurance Company of America. The total premium is approximately $1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at $50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

NOTE 8 - POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Annual OPEB Cost

The Commission's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the Plan's fiscal years beginning July 1, 2015, 2014, and 2013 was $373,600, $355,300, and $356,600, respectively.

The following table presents the Commission's OPEB Obligation for the year ended December 31, 2015, the amount actually contributed to the plan, and changes in the Plan's net OPEB obligation:

Annual required contribution (ARC)	$ 373,600
Interest on net OPEB obligation	100,000
ARC adjustment	(95,510)
Annual OPEB cost	378,090
Claims costs	(239,221)
Increase in net OPEB obligation	138,869
Beginning net OPEB obligation	2,656,968
Ending net OPEB obligation	$ 2,795,837

Utilizing the pay-as-you-go method, the Commission contributed 42%, 56%, and 52% of the annual post-employment benefits cost during the years ended December 31, 2015, 2014, and 2013, respectively.

Trend Information

The Commission's net OPEB obligation, annual OPEB cost, and the percentage of annual OPEB cost contributed to the plan for the year ended December 31, 2015, and the three preceding years were as follows:

Year ended December 31,	Annual OPEB cost	Annual net OPEB cost contributed	Net OPEB obligation
2015	$ 378,090	42%	$ 2,795,837
2014	359,500	56%	2,656,968
2013	360,300	52%	2,499,547
2012	384,800	45%	2,324,274

NOTE 8 - POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Funded Status and Funding Progress

The Commission, through the Office of Group Benefits, has established a postemployment benefits plan trust. The Office of Group Benefits has not funded the trust. It has no assets and has a funded ratio of zero. As of July 1, 2014, the most recent actuarial valuation, the actuarial accrued liability (AAL) of $7,355,687 at December 31, 2015 is unfunded. Exhibit E-4 is the Schedule of Funding Progress, which presents information about the actuarial value of plan assets and the AAL for benefits.

The funded status of the plan as of the most recent valuation date of July 1, 2014, is as follows:

Actuarial accrued liability (AAL)	$ 7,355,687
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 7,355,687
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$ 1,458,073
UAAL as a percentage of covered payroll	504%

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

NOTE 8 - POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

In the July 1, 2015, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses) and initial annual healthcare inflation rate of 8.0% and 7.0% for pre-Medicare and Medicare eligibles, respectively, scaling down to an ultimate rate of 4.5% per year. The unfunded actuarial accrued liability is being amortized as level percentage of payroll on an open basis. The remaining amortization period at June 30, 2015, was thirty years. Salary increases were projected to be at 3.0%.

NOTE 9 - RISK MANAGEMENT AND CONTINGENT LIABILITIES

The Commission is exposed to various risks of losses related to general liability; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation; employee health and accident; and natural disasters. The Commission is a party to various legal proceedings incidental to its business. Certain claims, suits, and complaints arising in the ordinary course of business have been filed or are pending against the Commission. In the opinion of management, all such matters are adequately covered by commercial insurance purchased by the Commission, or if not so covered, are not expected to have a material effect on the financial statements of the Commission. Except as noted hereafter, settlement amounts have not exceeded insurance coverage for the current period or the three prior years.

At December 31, 2015, the Commission is a codefendant in multiple lawsuits involving asbestos exposure while the plaintiffs were employed by others on Commission property. In the opinion of the Commission's attorney, it is reasonably possible that there may be an unfavorable outcome to the Commission. In the event that the Commission is found liable and damages are imposed, the liability to the Commission in excess of insurance is estimated to be no greater than $600,000. Management intends to vigorously defend these matters.

NOTE 10 - DEFERRED COMPENSATION PLAN

Certain employees of the Commission participate in the Louisiana Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the State of Louisiana Public Employees Deferred Compensation Plan are included in the financial statements of the State of Louisiana. Effective November 1, 2000, the Commission may make a discretionary matching contribution up to 5% of the employees' base pay not to exceed $4,000 per calendar year. The Commission’s contribution for the year ended December 31, 2015 was $39,100.

NOTE 11 - CONSTRUCTION IN PROGRESS

Details of construction in progress at December 31, 2015 is as follows:

Wood Pellet Project	$ 9,509,100
Grain Elevator Upgrades	2,852,439
IRMT Project	794,124
Dock Fender Project	536,199
Fiber Optic Installation	326,774
Total	$ 14,018,636

NOTE 12 - ENVIRONMENTAL REMEDIATION LIABILITIY

The presence of chlorinated hydrocarbons near the Commission's property was first discovered during testing performed in connection with a neighboring property owner's own environmental remediation issues. Rollins Environmental Services, Inc. (REN) conducted additional testing to identify the source and extent of chlorinated organic compounds. The preliminary site assessment revealed the presence of chlorinated hydrocarbons in the area of the barge terminal on the Commission's property.

A plausible explanation of the presence of these chemicals is the vertical migration resulting from surface spillage caused by the transfer or piping of such materials during prior storage or shipment on the premises. An independent remediation contractor developed a remediation plan based on estimated annual expenses ranging from $35,000 to $40,000 for a period of 12 to 14 years. The remediation plan was proposed to and approved by the Louisiana Department of Environmental Quality. The resulting estimated potential liability of $500,000 is being shared equally by the Commission and two other potentially responsible parties. This liability could change due to price increases, changes in technology, or other factors. The Commission paid $15,000 in 2015 on this cost. The liability balance as of December 31, 2015 is $5,048.

NOTE 13 - OTHER COMMITMENTS

At December 31, 2015, the Port Commission had commitments outstanding, in the form of contracts relating to construction projects, of approximately $8,489,488.

NOTE 14 - CAPITAL CONTRIBUTIONS

The Commission received capital contributions from federal and state sources for the year ended December 31, 2015 in the amount of $5,531,001. The following is the breakdown of the source of these contributions for the year ended December 31, 2015:

State grants	$ 4,204,661
Federal grants	1,326,340
Total	$ 5,531,001

The state grants received during 2015 were for construction, Port security, and the remaining State match of 25% related to above noted federal grant.

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SUPPLEMENTAL INFORMATION

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Exhibit E-1

Greater Baton Rouge Port Commission

Schedule of Proportionate Share of Net Pension Liability

Last Ten Fiscal Years (1)(2)

Louisiana State Employees Retirement System (LASERS)

Employer's Proportion of the Net Pension Liability (Asset)		0.0774%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$	5,262,124
Employer's Covered-Employee Payroll	$	1,458,073
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll		360.8958%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		62.7%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(2) The amounts presented have a measurement date of June 30, 2015.

Exhibit E-2

Greater Baton Rouge Port Commission

Schedule of Pension Contributions

Last Ten Fiscal Years (1)

Plan	Contractually Required Contribution[1]	Contributions in Relation to Contractually Required Contribution[2]	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll[3]	Contributions as a % of Covered Employee Payroll
LASERS	$ 562,209	$ 554,485	$ 7,724	$ 1,458,073	38.03%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

For reference only:

[1] *Employer contribution rate multiplied by employer's covered employee payroll*

[2] *Actual employer contributions remitted to Retirement Systems*

[3] *Employer's covered employee payroll amount for the fiscal year ended December 31, 2015*

Exhibit E-3

Greater Baton Rouge Port Commission

Notes to Proportionate Share of Net Pension Liability and Schedule of Pension Contributions

For the year ended December 31, 2015

NOTE 1 – NET PENSION LIABILITY

Changes of Benefit Terms

Louisiana State Employees Retirement System (LASERS)

No Changes.

Changes of Assumptions

Louisiana State Employees Retirement System (LASERS)

No Changes.

Exhibit E-4

GREATER BATON ROUGE PORT COMMISSION

Required Supplemental Information Schedule

December 31, 2015

Schedule of Funding Progress for OPEB Plan

The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Project Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
July 1, 2014	-	$ 7,355,687	$ (7,355,687)	0%	1,458,073	504%
July 1, 2013	-	5,898,600	(5,898,600)	0%	1,277,000	462%
July 1, 2012	-	5,979,300	(5,979,300)	0%	1,293,790	462%
July 1, 2011	-	5,812,300	(5,812,300)	0%	1,330,276	437%
July 1, 2010	-	7,664,300	(7,664,300)	0%	1,437,000	533%
July 1, 2009	-	8,561,700	(8,561,700)	0%	1,403,600	610%

GREATER BATON ROUGE PORT COMMISSION

Other Supplemental Information Schedules

December 31, 2015

Schedule of Lease Information

The schedule of lease information provides information regarding property and facilities currently being leased by the Port Commission to various lessees.

Schedule of Future Lease Rent Revenue Without Options

The schedule of future lease rent revenue indicates the estimated revenues to be received from the leases currently in effect.

Schedule of Operating Expenses by Major Category

The schedule of operating expenses by major category groups details expenses by major expense category.

Schedule of Administrative Expenses

The schedule of administrative expenses details the administrative expenses by major type.

Summary Schedule of Operating Income (Loss) by Facility

The summary schedule of operating income (loss) by facility details the operating revenues, operating expenses, and depreciation expense by the various port facilities.

Schedule of Commissioners' Per Diem

The schedule of per diem paid board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 34:1221 and are included in personal services expenses. Board members are paid $75 per day, to a maximum of 24 days per year, for board meetings and official business. During the period of an emergency, as declared and determined by the governor, the Port Commission shall be authorized to hold as many meetings or emergency activities as the board deems necessary and the members shall be paid per diem for such meetings or activities.

Exhibit F-1

GREATER BATON ROUGE PORT COMMISSION

Schedule of Lease Information
December 31, 2015

Lessee	Facility	Minimum Annual Rent for 2016	Current Lease Date of Expiration
Agway Systems	Five Tracts of Land	$ 45,000	December 31, 2028
Baton Rouge Transit	Tract of Land	66,306	July 29, 2023
Baton Rouge Transit	Tract of Land	48,000	December 31, 2016
Community Coffee	Building & Land	70,489	April 30, 2039
Criterion Catalysts	Warehouse	22,917	Month-to-month
Criterion Catalysts	Rail Track Rental	24,000	December 31, 2017
Dal-Co, LLC	Tract of Land	12,000	August 31, 2020
Dow Chemical	Container Yard	204,200	May 31, 2021
ExxonMobil - Paxon	Railroad Servitude	1,000	Year-to-year
Horizon Milling, LLC	Tract of Land	106,000	March 31, 2032
Kateon Natie of Louisiana	Warehouse	130,115	September 30, 2020
Kinder Morgan Bulk Terminal	Barge Terminal	233,971	December 31, 2016
Louis Dreyfus Commodities	Facility	1,000,000	June 15, 2031
Louis Dreyfus Commodities	Office Space	9,600	June 15, 2031
Louisiana Sugar Products, Inc.	Tract of Land	35,409	September 30, 2026
Lowe Transportation	Facility	400	Month-to-month
Petroleum Fuel & Terminal	Tract of Land	188,500	January 31, 2020
Ports America	Tract of Land	4,167	Year-to-year
Rail Link, Inc.	Office Space	1,000	Month-to-month
South Louisiana Cement, Inc.	Tract of Land	51,700	December 31, 2020
Stone Oil Distributor	Tract of Land	104,400	October 31, 2018
West Baton Rouge Parish Communications District	Building	18,000	December 31, 2032
West Baton Rouge Parish Waterworks District #2	Tract of Land	3,600	April 30, 2050
Westway Terminal Company	Tract of Land	166,886	December 31, 2026
Others	Various	13,120	Varies
		$ 2,560,780	

Exhibit F-2

GREATER BATON ROUGE PORT COMMISSION

Schedule of Future Lease Rent Revenue Without Options
December 31, 2015

	2016	2017	2018	2019	2020	Later	Options End
Agway Systems	$ 45,000	$ 45,000	$ 45,000	$ 45,000	$ 45,000	$ 360,000	December 31, 2028
Baton Rouge Transit	66,306	66,307	66,307	66,307	66,307	171,292	July 29, 2023
Baton Rouge Transit	48,000	-	-	-	-	-	December 31, 2016
Community Coffee	70,489	70,489	70,489	70,489	70,489	1,292,306	April 30, 2039
Criterion Catalysts	22,917	-	-	-	-	-	Month-to-month
Criterion Catalysts	24,000	24,000	-	-	-	-	December 31, 2017
Dal-Co, LLC	12,000	12,000	12,000	12,000	8,000	-	August 31, 2020
Dow Chemical	204,200	204,200	206,654	208,400	208,400	86,835	May 31, 2021
ExxonMobil - Paxon	1,000	-	-	-	-	-	Year-to-year
Horizon Milling, LLC	106,000	106,000	106,000	106,000	106,000	1,192,500	March 31, 2032
Kateon Natie of Louisiana	130,115	130,115	130,115	130,115	97,586	-	September 30, 2020
Kinder Morgan Bulk Terminal	233,971	-	-	-	-	-	December 31, 2016
Louis Dreyfus Commodities	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,458,333	June 15, 2031
Louis Dreyfus Commodities	9,600	9,600	9,600	9,600	9,600	96,367	June 15, 2031
Louisiana Sugar Products	35,409	36,630	36,630	36,630	36,630	230,464	September 30, 2026
Lowe Transportation	400	-	-	-	-	-	Month-to-month
Petroleum Fuel & Terminal	188,500	188,500	188,500	188,500	15,708	-	January 31, 2020
Ports America	4,167	-	-	-	-	-	Year-to-year
Rail Link, Inc.	1,000	-	-	-	-	-	Month-to-month
South Louisiana Cement, Inc.	51,700	51,700	51,700	51,700	51,700	-	December 31, 2020
Stone Oil Distributor	104,400	104,400	87,000	-	-	-	October 31, 2018
West Baton Rouge Parish Communications District	18,000	18,000	18,000	18,000	18,000	216,000	December 31, 2032
West Baton Rouge Parish Waterworks District #2	3,600	3,600	3,600	3,600	3,600	105,600	April 30, 2050
Westway Terminal Company	166,886	166,886	166,886	166,886	166,886	1,001,316	December 31, 2026
Others	13,120	100	100	100	100	800	Varies
	$ 2,560,780	$ 2,237,527	$ 2,198,581	$ 2,113,327	$ 1,904,006	$ 15,211,813	

Exhibit F-3

GREATER BATON ROUGE PORT COMMISSION

Schedule of Operating Expenses by Major Category
December 31, 2015

Major Category		
Personnel Services	$	2,355,979
Depreciation		3,460,888
Operating Services		2,381,046
Other Post Employment Benefits		138,869
Supplies		270,131
Professional Fees		153,228
Travel		17,692
Other		112,099
Total	$	8,889,932

Exhibit F-4

GREATER BATON ROUGE PORT COMMISSION

Schedule of Administrative Expenses
December 31, 2015

Salaries and Wages	$ 797,119
Contributions to State Retirement System, Payroll Taxes, and Group Insurance	892,475
Director's Salary	195,399
Annual, Sick and Compensatory Leave	142,613
Commissioner's Per Diem	18,075
Advertising	148,363
Office Repairs and Maintenance	83,979
Legal	31,873
Legislative Consultant Fees	42,000
Engineering	4,155
Auditing	19,000
Consulting Fees	44,200
Trade and Sales Solicitation	47,871
Insurance	40,987
Travel	15,621
Dues and Subscriptions	23,120
Office Supplies and Postage	19,882
Outside Administrative Services	14,026
Education Expenses	10,604
Utilities	14,852
Telephone	3,543
Bad Debt	105,764
Miscellaneous	40,995
Total administrative expenses	$ 2,756,516

Exhibit F-5

GREATER BATON ROUGE PORT COMMISSION

Schedule of Operating Income (Loss) by Facility
December 31, 2015

	Operating Revenue	Operating Expense	Depreciation	Operating Income (Loss)
Grain Elevator	$ 1,939,499	$ 64,601	$ 290,066	$ 1,584,832
General Cargo Docks	846,904	377,850	1,195,629	(726,575)
Baton Rouge Barge Terminal	480,250	6,670	4,907	468,673
Molasses Tank Farm	375,623	62,447	-	313,176
West Bank railroad Facility	906,891	276,817	18,574	611,500
Petroleum Terminal	897,540	65,300	-	832,240
Midstream Bulk Handling Facility	-	-	-	-
Miscellaneaous River Activities	499,275	-	-	499,275
Miscellaneous East and West Bank Activities	2,113,285	1,675,408	960,559	(522,682)
Inland Rivers Marine Terminal	635,921	143,435	446,321	46,165
Foreign Trade Zone	40,000	-	-	40,000
Total before administrative expense	8,735,188	2,672,528	2,916,056	3,146,604
Administrative expense	44,597	2,756,516	544,832	(3,256,751)
Total	$ 8,779,785	$ 5,429,044	$ 3,460,888	$ (110,147)

Exhibit F-6

GREATER BATON ROUGE PORT COMMISSION

Schedule of Commissioners' Per Diem
December 31, 2015

Commissioner	Number of Days for Which Paid	Amount Paid
Donald Bohach	3	$ 225
Lee Harang	17	1,275
Timothy Hardy	16	1,200
Brenda Hurst	19	1,425
Jerald Juneau	23	1,725
Raymond Loupe	14	1,050
Travis Medine	12	900
Roy Pickern	5	375
Randy Poche	18	1,350
Lynn Robertson	17	1,275
Jimmy Sanchez	16	1,200
Corey Sarullo	21	1,575
Clint Seneca	21	1,575
Blaine Sheets	17	1,275
Bobby Watts	22	1,650
Total		$ 18,075

Exhibit F-7

GREATER BATON ROUGE PORT COMMISSION

Schedule of Compensation, Benefits and Other Payments to Agency Head

December 31, 2015

Agency Head: Jay Hardman

Purpose	Amount
Salary	$ 212,172
Benefits - insurance	16,140
Benefits - retirement	78,726
Deferred compensation	4,000
Vehicle provided by government	705
Reimbursements	330
Travel	3,329
Registration fees	2,058
Special meals	427
	$ 317,887

Statistical

The Port and Louis Dreyfus Commodities, LLC, the operator of the export grain terminal, continue efforts to make improvements to the grain elevator and anticipate another solid year for grain exports. A $5.1 million grain dock access improvement project was completed in 2015, and partially funded through the State of Louisiana Capital Outlay Program.

STATISTICAL REPORT

GREATER BATON ROUGE
PORT COMMISSION
(STATE OF LOUISIANA)

AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2015

Submitted by:

Department of Finance & Administration

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GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA

Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015

SUMMARY OF
STATISTICAL SECTION

This part of the Greater Baton Rouge Port Commission comprehensive financial report presents detailed information which provides further clarification to the information contained in the financial statements, note disclosures, and all required supplementary information. The information contained in this section includes important indicators about the Greater Baton Rouge Port Commission's overall financial well being. Reports in this section have been prepared according to GASB 44 guidelines.

Contents

Financial Trends Information:
The following schedules contain trend information to help the reader understand how the financial performance and condition of the Greater Baton Rouge Port Commission has changed over the past ten years.

1) Ten Year Comparative Schedule of Net Position
2) Ten Year Comparative Schedule of Revenues, Expenses, and Changes in Net Position

Revenue Capacity Information:
The following schedules contain information to help the reader assess the most significant sources of revenue of the Greater Baton Rouge Port Commission.

1) Ten Year Comparative Schedule of Revenue by Type and Related Average
2) Ten Year Comparative Schedule of Revenue Rates

Debt Capacity Information:
The following schedule contains information to help the reader assess the capability of the Greater Baton Rouge Port Commission to meet its current level of debt services and its ability to issue debt in the future.

1) Ten Year Comparative Schedule of Note Indebtedness

Demographics and Economic Information:
The following schedules contain information to help the reader understand demographic and economic indicators related to the financial activities of the Greater Baton Rouge Port Commission in its current environment.

1) Top Employers by Parish within Port Jurisdiction
2) Demographic Statistics by Parish within Port Jurisdiction

Operating Information:
The following schedules contain information directly related to the operating indicators and the number of government personnel employed by the Greater Baton Rouge Port Commission.

1) Ten Year Comparative of Port Staffing by Department
2) Ten Year Tonnage Comparison

Exhibit G-1

GREATER BATON ROUGE PORT COMMISSION

NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net position										
Net invested in capital assets	$ 66,320	$ 64,639	$ 59,496	$ 58,278	$ 52,530	$ 48,749	$ 47,206	$ 47,428	$ 46,242	$ 45,978
Restricted	31	56	78	95	116	181	199	213	313	287
Unrestricted	13,693	14,937	13,787	12,143	16,378	15,762	16,429	17,262	18,294	15,974
Total Net Position	$ 80,044	$ 79,632	$ 73,361	$ 70,516	$ 69,024	$ 64,692	$ 63,834	$ 64,903	$ 64,849	$ 62,239

Exhibit G-2

GREATER BATON ROUGE PORT COMMISSION

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Operating Revenues										
Rentals	$ 3,653	$ 4,241	$ 4,337	$ 3,896	$ 2,921	$ 2,220	$ 1,961	$ 2,423	$ 2,989	$ 2,531
Dockage and wharfage	2,850	2,461	1,598	1,406	1,716	2,168	1,504	1,970	2,136	1,705
Other	2,277	1,252	1,511	1,503	1,254	1,326	1,521	1,685	1,506	1,562
Total operating revenues	8,780	7,954	7,446	6,805	5,891	5,714	4,986	6,078	6,631	5,798
Operating Expenses										
Direct	2,673	2,277	2,431	2,332	2,369	2,146	2,171	2,226	2,023	2,202
Administrative	2,756	2,738	2,672	2,436	2,412	2,679	2,714	2,710	1,964	1,846
Depreciation	3,461	3,021	2,849	2,818	2,516	2,503	2,538	2,538	2,499	2,658
Total operating expenses	8,890	8,036	7,952	7,586	7,297	7,328	7,423	7,474	6,486	6,706
Non-operating revenues (expenses)										
Investment income	116	105	67	247	595	585	280	648	902	699
Interest expense	(148)	(179)	(208)	(234)	(260)	(283)	(306)	(331)	(356)	(380)
Loss on sale of investments	(43)	(2)	-	-	-	-	-	-	-	-
Gain on sale of capital assets	-	-	2	-	-	-	-	526	-	29
Insurance recoveries	-	-	4	5	9	19	153	22	-	-
Gain/(loss) from litigation	-	-	-	(200)	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-	2	-	-	175
Amortization of debt issue and bond premium, net	-	-	-	(7)	(7)	(7)	(7)	(7)	(7)	(7)
Trustee's fees	-	-	-	-	(5)	(15)	(4)	(4)	(4)	(4)
Total non-operating	(75)	(76)	(135)	(189)	332	299	118	854	535	512
Net Income (loss)	(185)	(158)	(641)	(970)	(1,074)	(1,315)	(2,319)	(542)	680	(396)

Exhibit G-3

GREATER BATON ROUGE PORT COMMISSION

REVENUE BY TYPE AND RELATED AVERAGE
LAST TEN FISCAL YEARS

(accrual basis of accounting)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Rentals	$ 3,653,246	$ 4,240,888	$ 4,337,658	$ 3,896,287	$ 2,920,944	$ 2,220,062	$ 1,961,005	$ 2,422,887	$ 2,989,287	$ 2,530,810
Wharfage	2,137,468	1,637,646	973,614	942,221	864,941	960,157	588,825	881,474	971,608	559,182
Dockage	712,638	823,130	624,476	464,226	851,327	1,208,253	914,708	1,088,312	1,164,277	1,145,320
Other operating revenue	2,276,433	1,251,903	1,510,817	1,503,060	1,254,452	1,325,576	1,521,213	1,685,450	1,505,752	1,561,518
Total operating revenue	$ 8,779,785	$ 7,953,567	$ 7,446,565	$ 6,805,794	$ 5,891,664	$ 5,714,048	$ 4,985,751	$ 6,078,123	$ 6,630,924	$ 5,796,830
Cargo tonnage	9,605,775	9,281,421	4,263,425	2,783,791	3,287,541	4,172,623	3,671,411	5,275,923	5,528,230	4,110,586
Average wharfage revenue per cargo ton	$ 0.22	$ 0.18	$ 0.23	$ 0.34	$ 0.26	$ 0.23	$ 0.16	$ 0.17	$ 0.18	$ 0.14
Number of ships	149	124	60	51	58	59	64	58	84	46
Average dockage revenue per ship	$ 4,783	$ 6,638	$ 10,408	$ 9,102	$ 14,678	$ 20,479	$ 14,292	$ 18,764	$ 13,860	$ 24,898

Exhibit G-4

GREATER BATON ROUGE PORT COMMISSION

REVENUE RATES
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(Unaudited)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Dockage Rates at General Cargo Docks (LOA)										
Ships & Ocean Going Barges										
First day, per ft										
0-199	$ 2.61	$ 2.61	$ 2.46	$ 2.46	$ 2.32	$ 2.32	$ 2.06	$ 2.06	$ 2.06	$ 2.06
200-399	3.43	3.43	3.23	3.23	3.05	3.05	2.70	2.70	2.70	2.70
400-499	4.67	4.67	4.40	4.40	4.15	4.15	3.68	3.68	3.68	3.68
500-599	6.27	6.27	5.91	5.91	5.57	5.57	4.95	4.95	4.95	4.95
600-699	7.28	7.28	6.85	6.85	6.47	6.47	5.75	5.75	5.75	5.75
700-799	9.24	9.24	8.71	8.71	8.21	8.21	7.30	7.30	7.30	7.30
800-899	11.13	11.13	10.50	10.50	9.89	9.89	8.79	8.79	8.79	8.79
900 ft +	13.31	13.31	12.55	12.55	11.83	11.83	10.53	10.53	10.53	10.53
Additional days, per ft, per day										
0-199	1.31	1.31	1.23	1.23	1.16	1.16	1.03	1.03	1.03	1.03
200-399	1.72	1.72	1.62	1.62	1.53	1.53	1.35	1.35	1.35	1.35
400-499	2.34	2.34	2.20	2.20	2.08	2.08	1.84	1.84	1.84	1.84
500-599	3.14	3.14	2.96	2.96	2.79	2.79	2.48	2.48	2.48	2.48
600-699	3.64	3.64	3.43	3.43	3.24	3.24	2.88	2.88	2.88	2.88
700-799	4.62	4.62	4.36	4.36	4.11	4.11	3.65	3.65	3.65	3.65
800-899	5.57	5.57	5.25	5.25	4.95	4.95	4.40	4.40	4.40	4.40
900 ft +	6.66	6.66	6.28	6.28	5.92	5.92	5.27	5.27	5.27	5.27
Liquid Bulk Barges										
First day, per ft										
0-199	1.00	1.00	0.90	0.90	0.75	0.75	0.75	0.75	0.75	0.75
200-399	1.05	1.05	0.95	0.95	0.80	0.80	0.80	0.80	0.80	0.80
400-449	1.30	1.30	1.20	1.20	1.05	1.05	1.05	1.05	1.05	1.05
450-499	1.55	1.55	1.45	1.45	1.30	1.30	1.30	1.30	1.30	1.30
Each day thereafter	40.00	40.00	25.00	25.00	15.00	15.00	15.00	15.00	15.00	15.00
Dockage Rates at Grain Elevator										
Ships (per GRT, per day)	-	-	-	-	0.19	0.19	0.19	0.19	0.19	0.19
Barges (per day)	-	-	-	-	45.00	45.00	45.00	45.00	45.00	45.00

Source: Port Tariff No. 1, Item 145

Exhibit G-4 (Continued)

GREATER BATON ROUGE PORT COMMISSION

REVENUE RATES
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(Unaudited)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Wharfage Rates (per ton)										
All articles (not provided for below)	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
Bulk Commodities										
Bauxite	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fluorspar	-	-	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Groats	-	-	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Lead Concentrates	-	-	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Logs	1.00	1.00	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Zinc Residue	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bulk Liquids, utilizing pipeline										
Liquid Fertilizers	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45
Molasses	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Other Bulk Liquid	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Bundled Galvanized Pipe	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Caustic Soda	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Flitches	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Heavy Lifts, in excess of 6,000 lbs	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Iron, steel, or other metal										
Fabrications or structures	1.85	1.85	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Coils, rails, bars, ingots, etc.	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Lumber	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Particle Board	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Pipe, coated or uncoated										
1-20,000 short tons	1.60	1.60	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Over 20,000 short tons	1.20	1.20	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Plywood	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Project Cargo	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price
PVC Plastics	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Single Lifts, in excess of 50,000 lbs	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price	Quoted price

Source: Port Tariff No. 1, Item 180

Exhibit G-5

GREATER BATON ROUGE PORT COMMISSION

NOTE INDEBTEDNESS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	1999A Revenue & Refunding Notes				1999B Revenue & Refunding Notes						
Fiscal Year End	Principal Paid	Interest Paid	Total Payment	Year End Balance	Principal Paid	Interest Paid	Total Payment	Year End Balance	Unamortized Premium Balance	Combined Balance	Per Capita
2015	$ 365,000	$ 101,888	$ 466,888	$ 1,670,000	$ 210,000	$ 56,438	$ 266,438	$ 970,000	$ 28,761	$ 2,668,761	$ 4.27
2014	$ 345,000	$ 121,240	$ 466,240	$ 2,035,000	$ 200,000	$ 67,200	$ 267,200	$ 1,180,000	$ 37,611	$ 3,252,611	$ 5.23
2013	$ 330,000	$ 139,300	$ 469,300	$ 2,380,000	$ 190,000	$ 77,319	$ 267,319	$ 1,380,000	$ 46,459	$ 3,806,459	$ 6.16
2012	$ 310,000	$ 156,183	$ 466,183	$ 2,710,000	$ 180,000	$ 86,778	$ 266,778	$ 1,570,000	$ 55,309	$ 4,335,309	$ 7.06
2011	$ 295,000	$ 172,064	$ 467,064	$ 3,020,000	$ 170,000	$ 95,618	$ 265,618	$ 1,750,000	$ 64,159	$ 4,834,159	$ 7.94
2010	$ 280,000	$ 187,088	$ 467,088	$ 3,315,000	$ 160,000	$ 103,868	$ 263,868	$ 1,920,000	$ 73,008	$ 5,308,008	$ 8.78
2009	$ 265,000	$ 202,053	$ 467,053	$ 3,595,000	$ 155,000	$ 112,324	$ 267,324	$ 2,080,000	$ 81,857	$ 5,756,857	$ 9.68
2008	$ 250,000	$ 217,863	$ 467,863	$ 3,860,000	$ 145,000	$ 121,311	$ 266,311	$ 2,235,000	$ 90,707	$ 6,185,707	$ 10.50
2007	$ 240,000	$ 233,788	$ 473,788	$ 4,110,000	$ 140,000	$ 130,217	$ 270,217	$ 2,380,000	$ 99,556	$ 6,589,556	$ 11.25
2006	$ 225,000	$ 249,013	$ 474,013	$ 4,350,000	$ 130,000	$ 138,655	$ 268,655	$ 2,520,000	$ 108,406	$ 6,978,406	$ 11.99

(1) Please refer to footnote 6 in the financial section for a detailed description of the notes and the usage of funding.
(2) Notes will mature in 2019
(3) Used total population of all four parishes within the Port's jurisdiction to calculate debt per capita.

Exhibit G-6

GREATER BATON ROUGE PORT COMMISSION

PRINCIPAL EMPLOYERS BY PARISH WITHIN THE JURISDICTION
CURRENT YEAR

Ascension Parish
2015

Employer	Number of Employees
BASF	1,047
Parish of Ascension	744
CF Industries	700
Wal-Mart Stores	700
Shell Chemical	650
LeBlanc's Food Stores	600
Eatel	530
St. Elizabeth Hospital and Physicians	489
Huntsman Chemicals	420
Volks Constructors	315
Total	6,195

East Baton Rouge Parish
2015

Employer	Number of Employees
Turner Industries Group LLC	9,875
LSU System	6,250
Perfomance Contractors	5,500
Our Lady of the Lake Regional Medical Center	4,500
ExxonMobil Corporation	4,214
Baton Rouge General Medical Center	4,000
AT&T	3,000
CB&I	2,500
EXCEL Group	2,500
Blue Cross and Blue Shield of Louisiana	2,203
MMR Group	2,200
Woman's Hospital	1,800
Valuzzo Companies	1,700
Cox Communications	1,600
McDonald's of Baton Rouge	1,598
Southern University	1,500
Dow Chemical Company	1,404
James Construction Group	1,227
Cajun Industries	1,200
Boh Brothers Construction	1,200
The Newton Group	1,090
ISC	1,000
BASF Chemicals Division	1,000
Community Coffee	1,000
Total	63,061

Source: Baton Rouge Area Chamber

Exhibit G-6 Continued

GREATER BATON ROUGE PORT COMMISSION

PRINCIPAL EMPLOYERS BY PARISH WITHIN THE JURISDICTION
CURRENT YEAR

Iberville Parish
2015

Employer	Number of Employees
Dow Chemical Company	2,200
LA Dept. of Public Safety and Corrections	1,200
Syngenta Crop Protection, Inc.	745
Parish of Iberville (Police Protection)	315
Axiall, LLC	300
Maintenance Enterprise II, Inc.	300
Crown Enterprises, Inc.	250
LA Dept. of Military Affairs	250
Louisiana State University System	205
National Institutes of Health	167
Cora Texas Manufacturing Company, LLC	160
Plant Performance Services	150
Total Petrochemical & Refining	125
Total	6,367

West Baton Rouge Parish
2015

Employer	Number of Employees
Turner Industries Piping	571
Scaffolding Rental & Erection Services	460
Petrin Corporation	375
Trinity Marine	370
Wal-Mart Stores	350
Westgate Electrical & Instrumentation	350
Shintech	222
Placid Refining Company LLC	210
Beard Construction Group LLC	209
The Martin-Brower Company LLC	160
BASF Catalysts LLC	157
Parish of West Baton Rouge	125
Entergy Corporation	100
Total	3,659

Exhibit G-7

GREATER BATON ROUGE PORT COMMISSION

DEMOGRAPHIC STATISTICS BY PARISH WITHIN THE JURISDICTION OF THE GREATER BATON ROUGE PORT COMMISSION LAST TEN FISCAL YEARS

(Unaudited)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Ascension Parish										
Population	119,455	117,029	114,393	112,286	109,985	107,215	104,822	102,461	99,702	95,986
Personal Income	Unavailable	$ 5,937,682	$ 5,633,925	$ 5,428,441	$ 5,001,828	$ 4,583,933	$ 4,315,912	$ 4,310,031	$ 3,760,207	$ 3,370,568
Per Capita Personal Income	Unavailable	$ 50,737	$ 49,234	$ 48,393	$ 45,454	$ 42,498	$ 41,037	$ 41,889	$ 37,553	$ 34,957
Unemployment Rate	5.0	5.4	5.6	6.2	7.1	7.5	5.9	4.4	4.0	4.1
East Baton Rouge Parish										
Population	446,753	446,042	445,279	444,296	441,518	440,171	434,633	431,024	430,700	430,886
Personal Income	Unavailable	$ 19,227,032	$ 18,600,408	$ 18,252,059	$ 17,746,189	$ 17,052,038	$ 16,609,840	$ 16,672,446	$ 15,773,457	$ 14,888,539
Per Capita Personal Income	Unavailable	$ 43,106	$ 41,772	$ 41,081	$ 40,194	$ 38,680	$ 37,955	$ 38,440	$ 36,399	$ 34,347
Unemployment Rate	5.3	5.8	6.2	6.8	7.6	7.6	6.2	4.7	4.1	4.4
Iberville Parish										
Population	33,095	33,327	33,438	33,350	33,367	33,387	32,505	32,899	32,915	32,885
Personal Income	Unavailable	$ 1,214,526	$ 1,193,245	$ 1,179,394	$ 1,153,032	$ 1,084,920	$ 1,089,713	$ 1,076,414	$ 964,010	$ 860,396
Per Capita Personal Income	Unavailable	$ 36,443	$ 35,685	$ 35,364	$ 34,556	$ 32,487	$ 32,633	$ 31,955	$ 28,688	$ 25,669
Unemployment Rate	7.1	7.8	8.4	9.5	10.4	10.0	9.5	6.9	5.9	6.3
West Baton Rouge Parish										
Population	25,490	25,085	24,555	24,068	24,079	23,788	22,638	22,629	22,636	22,181
Personal Income	Unavailable	$ 1,048,740	$ 1,001,015	$ 967,466	$ 948,675	$ 887,807	$ 851,940	$ 849,223	$ 743,196	$ 650,403
Per Capita Personal Income	Unavailable	$ 41,807	$ 40,766	$ 40,197	$ 39,398	$ 37,071	$ 36,483	$ 36,523	$ 32,056	$ 28,695
Unemployment Rate	5.6	5.8	6.2	7.0	7.8	7.9	6.7	4.9	4.1	4.4

Sources:
1 U.S. Census Bureau
2 U.S. Department of Commerce
3 U.S. Department of Labor

Exhibit G-8

GREATER BATON ROUGE PORT COMMISSION

FULL-TIME EQUIVALENT EMPLOYEES
BY DEPARTMENT
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Executive	3	3	3	3	3	3	3	3	3	2
Finance & Administrative	5	5	3	3	4	5	5	5	7	7
Operations	-	-	-	-	-	-	-	-	-	1
Engineering & Security	13	14	14	14	16	17	16	17	18	17
Business Development	1	1	2	2	1	1	1	1	1	1
Public Affairs	1	1	1	1	1	1	1	1	1	1
Total employees	23	24	23	23	25	27	26	27	30	29

Source: GBRPC Human Resources

Exhibit G-9

GREATER BATON ROUGE PORT COMMISSION

TONNAGE COMPARISON
LAST TEN FISCAL YEARS

(Unaudited)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Cargo Docks	313,214	159,371	177,469	171,839	223,039	256,978	36,366	146,563	174,445	90,280
Coke Handling Facility	794,450	797,815	588,404	531,875	823,025	772,829	422,527	1,104,710	970,552	813,198
Inland Rivers Marine Terminal	231,668	185,594	149,969	212,385	266,625	229,413	189,332	226,724	260,595	178,612
Midstream Buoys	-	-	-	46,855	-	-	-	-	-	-
Petroleum Terminal	2,517,724	2,976,558	2,071,525	1,101,552	1,289,332	1,896,890	1,737,768	2,444,888	2,510,500	1,937,477
Molasses Terminal	227,045	276,073	244,493	266,474	249,283	198,772	227,419	299,180	164,469	296,505
Grain Elevator	5,180,163	4,156,532	577,627	-	121,148	493,325	658,612	554,225	760,308	223,769
Miscellaneous Rental Facilities	341,511	729,478	453,938	452,811	315,089	324,416	399,387	499,633	687,361	570,745
Total	9,605,775	9,281,421	4,263,425	2,783,791	3,287,541	4,172,623	3,671,411	5,275,923	5,528,230	4,110,586

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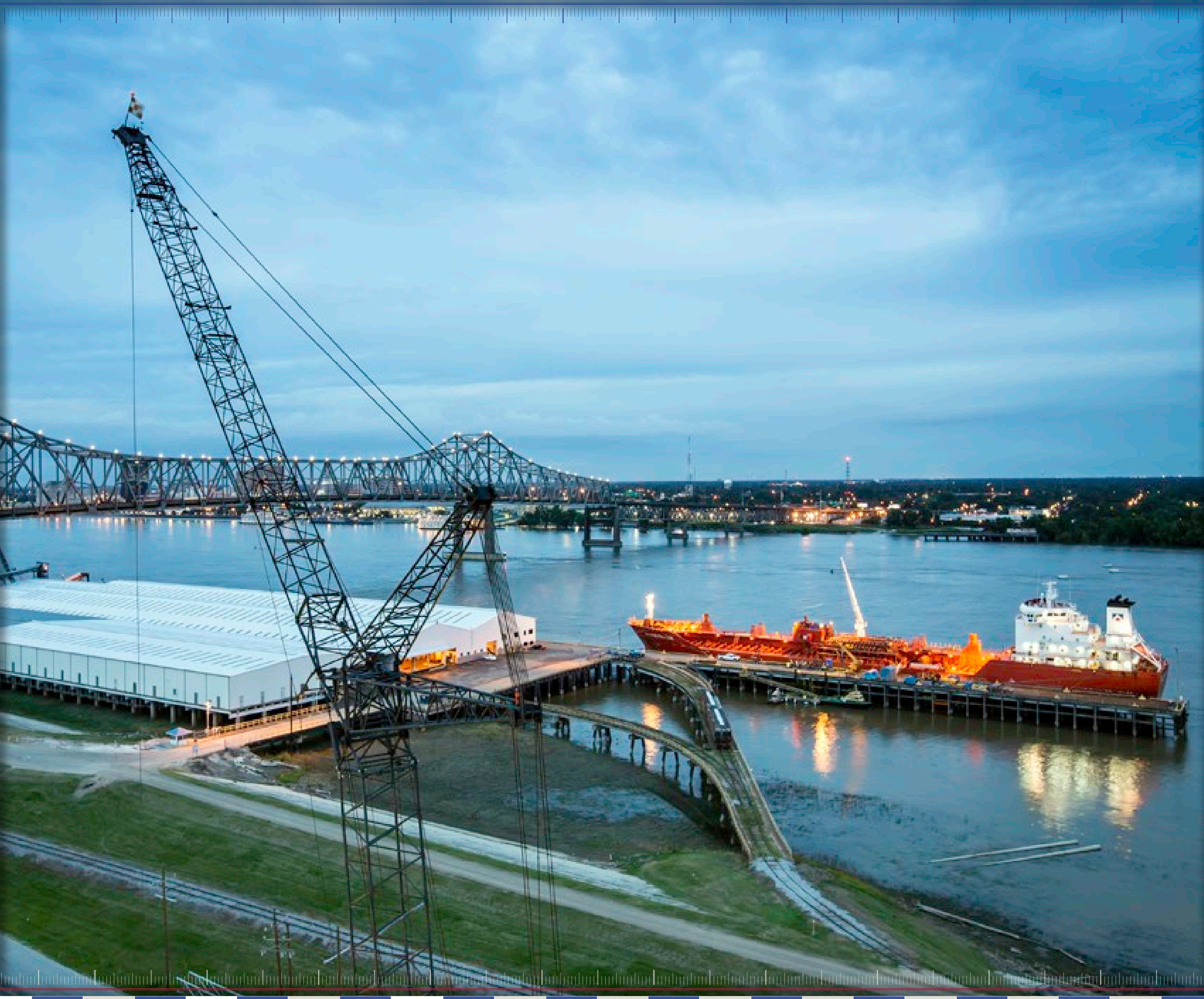
Compliance



A new $5.5 million Deep Water Dock Fender System was approved at a cost of $5,130,874.00 with $4,419,751 being funded by the Louisiana DOTD Port Construction and Development Priority Program. Construction is on-going and will be completed by 2017. The project will enhance the deep water dock capabilities and improve berthing capacity for ships at the general cargo docks. The Port and its partners are benefiting from the Port's maritime assets and anticipate another solid year for 2016.

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*

Submitted by:

Department of Finance & Administration

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Broussard & Company
Certified Public Accountants

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

To the Board of Commissioners
Greater Baton Rouge Port Commission
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Greater Baton Rouge Port Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated May 13, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Broussard and Company

Lake Charles, Louisiana
May 13, 2016

One Lakeside Plaza, 127 West Broad Street, Suite 800, Lake Charles, LA 70601

GREATER BATON ROUGE PORT COMMISSION
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

A. SUMMARY OF AUIDTOR'S RESULTS

Financial Statements:
Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness identified? ________ yes ___X___ no
- Significant deficiencies identified that are not material weaknesses ________ yes ___X___ no
- Noncompliance material to financial statements noted? ________ yes ___X___ no

Broussard & Company
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Commissioners
Greater Baton Rouge Port Commission
Port Allen, Louisiana

Report on Compliance for Each Major Program

We have audited the Greater Baton Rouge Port Commission's (the Commission) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended December 31, 2015. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Commission's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Major Federal Program

In our opinion, the Greater Baton Rouge Port Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2015.

To the Board of Commissioners
Greater Baton Rouge Port Commission
Port Allen, Louisiana

Report on Internal Control over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Broussard and Company

Lake Charles, Louisiana
May 13, 2016

GREATER BATON ROUGE PORT COMMISSION

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2015

Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
U.S. Department of Homeland Security:			
Pass-through programs from:			
Lower Mississippi River Port Wide Strategic Security Council			
Port Security Grant Program	97.056	EMW-2013-PU-328	$ 144,540
Port Security Grant Program	97.056	EMW-2014-PU-424	221,833
U.S. Department of Commerce:			
Rail Line Rehabilitation	11.300	08-79-04802	959,967
Total expenditures of federal awards			$ 1,326,340

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Greater Baton Rouge Port Commission (the Commission) under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Commission.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

GREATER BATON ROUGE PORT COMMISSION

Schedule of Findings and Questioned Cost
Year Ended December 31, 2015

SECTION I – SUMMARY OF AUDITORS' RESULTS

<u>Financial Statements</u>			
Type of auditor's report issued			Unmodified
Internal control over financial reporting:			
Material weaknesses identified?	___ Yes	x No	
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	x None reported	
Noncompliance material to financial statements noted?	___ Yes	x No	
<u>Federal Awards</u>			
Internal control over major programs:			
Material weaknesses identified?	___ Yes	x No	
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	x None reported	
Type of auditor's report issued on compliance for major programs:			Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510 (a)?	___ Yes	x No	

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
97.056	US Department of Homeland Security, Port Security Grant Program
11.300	US Department of Commerce Rail Line Rehabilitation

Dollar threshold used to distinguish between Type A and Type B programs:	<u>$300,000</u>		
Auditee qualified as low-risk auditee?	___ Yes	x No	

<u>No Separate Management Letter Issued</u>

GREATER BATON ROUGE PORT COMMISSION

Schedule of Findings and Questioned Cost
Year Ended December 31, 2015

Internal Control over Financial Reporting

Current Year Findings and Questioned Costs

There were no current year findings or questioned costs.

Prior Year Findings and Questioned Costs

There were no prior year findings or questioned costs.

Compliance

There were no findings related to compliance during the fiscal year ending December 31, 2015.

There were no findings related to compliance during the fiscal year ending December 31, 2014.

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