

AUDUBON COMMISSION

Audits of Financial Statements

December 31, 2024 and 2023



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Independent Auditor's Report

To the Board of Directors of
Audubon Commission

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Audubon Commission (the Commission), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Commission as of December 31, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of compensation, benefits, and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2025, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Metairie, LA
June 15, 2025

AUDUBON COMMISSION

Management's Discussion and Analysis

The discussion and analysis of the Audubon Commission's (the Commission) financial performance provides an overall review of the Commission's financial activities for the years ended December 31, 2024 and 2023. It should be read in conjunction with the financial statements in this report.

Overview of Financial Statements

This annual report consists of the following components - Management's Discussion and Analysis (this section), Independent Auditor's Report, Financial Statements, and Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.

The *Financial Statements* of the Commission present the financial position of the Commission, the results of its operations and its cash flows. The *Financial Statements* are prepared on the accrual basis of accounting.

The *Statements of Net Position* include all of the Commission's assets and liabilities and provide information about the Commission's investments in resources (assets) and its obligations to creditors (liabilities). It also provides information on the capital structure, liquidity, and financial flexibility of the Commission.

The *Statements of Revenues, Expenses, and Changes in Net Position* reports on the current year's performance of the Commission's operations.

The *Statements of Cash Flows* provides information on the Commission's cash from operations and capital and related financing activities.

The *Notes to Financial Statements* provides information that is essential in order to gain a full understanding of the data in the basic financial statements.

The *Other Supplementary Information* section provides additional information that is not a required part of the financial statements, but is presented for the purposes of additional analysis.

Financial Highlights

Audubon Commission (the Commission) owns, controls, and manages the Audubon Facilities. The Audubon Nature Institute, Inc. (the Institute), a nonprofit organization incorporated exclusively for educational purposes, operates, and manages the Audubon Facilities pursuant to a Management and Cooperative Endeavor Agreement (Agreement) between the Institute and Commission. On December 31, 2024, the Agreement was amended and restated as further described in Note 1 of these statements.

AUDUBON COMMISSION

Management's Discussion and Analysis

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31,			Change	Change
	2024	2023	2022	2023 to 2024	2022 to 2023
Operating Revenues	\$ 714,728	\$ 816,178	\$ 1,010,665	\$ (101,450)	\$ (194,487)
Operating Expenses	12,480,273	13,818,469	13,206,803	(1,338,196)	611,666
Operating Loss	(11,765,545)	(13,002,291)	(12,196,138)	1,236,746	(806,153)
Nonoperating Revenues, Net	28,009,158	18,646,578	14,843,734	9,362,580	3,802,844
Change in Net Position	16,243,613	5,644,287	2,647,596	10,599,326	2,996,691
Beginning Net Position	119,713,610	114,069,323	111,421,727	5,644,287	2,647,596
Ending Net Position	\$ 135,957,223	\$ 119,713,610	\$ 114,069,323	\$ 16,243,613	\$ 5,644,287

Comments on Condensed Statements of Revenues, Expenses, and Changes in Net Position

Operating Revenues

Operating revenues decreased by \$101,450 in 2024 compared to 2023 and by \$194,487, in 2023 compared to 2022 due to a reduction in lease revenue. The Commission revenues mainly consisted of real estate lease income.

Operating Expenses

Contractual services, materials, and supplies decreased by \$2,053,571 in 2024 compared to 2023 due to storm related repairs at the zoo that took place in 2023 that were not capitalized. In 2023, contractual services, materials, and supplies decreased by \$139,139 compared to 2022 due to the timing of capital project expenditures. The Commission's operating expenses mainly consisted of depreciation and amortization and contractual services, materials, supplies, and other.

Nonoperating Revenues

Nonoperating revenues increased overall by \$9,362,580, in 2024 compared to 2023 mainly due to an increase in intergovernmental grants. Nonoperating revenues increased overall by \$3,802,844, in 2023 compared to 2022 mainly due to an increase in intergovernmental grants that was offset with a reduction in the net transfer of certain assets and liabilities to the Institute related to the Agreement.

AUDUBON COMMISSION

Management's Discussion and Analysis

Net Capital Assets

	Aquarium and Riverfront Park	Zoo and Audubon Park	Species Survival Center/ Research Center	Louisiana Nature Center	Total
Balance December 31, 2022	\$ 55,521,227	\$ 66,086,955	\$ 13,092,073	\$ 9,406,213	\$ 144,106,468
Additions	20,245,950	5,212,195	319,401	246,818	26,024,364
Depreciation/Disposals/Retirement	(4,480,275)	(4,624,313)	(1,090,956)	(610,284)	(10,805,828)
Balance December 31, 2023	71,286,902	66,674,837	12,320,518	9,042,747	159,325,004
Additions	6,628,233	11,104,849	80,846	49,077	17,863,005
Depreciation/Disposals/Retirement	(5,018,553)	(4,636,074)	(1,042,125)	(626,218)	(11,322,970)
Balance December 31, 2024	<u>\$ 72,896,582</u>	<u>\$ 73,143,612</u>	<u>\$ 11,359,239</u>	<u>\$ 8,465,606</u>	<u>\$ 165,865,039</u>

Condensed Statements of Net Position

	2024	2023	2022	Change 2023 to 2024	Change 2022 to 2023
Assets					
Cash and Cash Equivalents	\$ 53,751	\$ 1,013,524	\$ 861,121	\$ (959,773)	\$ 152,403
Accounts Receivable, Net	91,736	38,906	29,742	52,830	9,164
Prepaid Expenses	4,500	4,500	4,500	-	-
Lease Receivable	2,162,233	2,330,720	2,968,586	(168,487)	(637,866)
Interest Receivable	10,985	5,747	7,320	5,238	(1,573)
Restricted Assets	36,077,598	32,944,099	44,178,786	3,133,499	(11,234,687)
Non-Depreciable Capital Assets	20,864,555	5,982,766	33,376,659	14,881,789	(27,393,893)
Depreciable Capital Assets, Net	145,000,484	153,342,238	110,729,809	(8,341,754)	42,612,429
Other Assets, Nonrestricted	7,178,933	7,294,723	7,410,512	(115,790)	(115,789)
Total Assets	<u>\$ 211,444,775</u>	<u>\$ 202,957,223</u>	<u>\$ 199,567,035</u>	<u>\$ 8,487,552</u>	<u>\$ 3,390,188</u>
Liabilities					
Unrestricted Current Liabilities	\$ 3,115,430	\$ 4,100,923	\$ 3,792,315	\$ (985,493)	\$ 308,608
Current Payables from Restricted Assets	3,485,112	5,600,988	5,224,378	(2,115,876)	376,610
Noncurrent Liabilities	66,991,135	71,475,162	73,736,927	(4,484,027)	(2,261,765)
Total Liabilities	<u>73,591,677</u>	<u>81,177,073</u>	<u>82,753,620</u>	<u>(7,585,396)</u>	<u>(1,576,547)</u>
Deferred Inflows of Resources	<u>1,895,875</u>	<u>2,066,540</u>	<u>2,744,092</u>	<u>(170,665)</u>	<u>(677,552)</u>
Net Position					
Net Investment in Capital Assets	105,224,488	91,559,343	73,670,011	13,665,145	17,889,332
Restricted	23,821,669	22,395,077	33,489,415	1,426,592	(11,094,338)
Unrestricted	6,911,066	5,759,190	6,909,897	1,151,876	(1,150,707)
Total Net Position	<u>135,957,223</u>	<u>119,713,610</u>	<u>114,069,323</u>	<u>16,243,613</u>	<u>5,644,287</u>
Total Liabilities and Net Position	<u>\$ 211,444,775</u>	<u>\$ 202,957,223</u>	<u>\$ 199,567,035</u>	<u>\$ 8,487,552</u>	<u>\$ 3,390,188</u>

AUDUBON COMMISSION

Management's Discussion and Analysis

Comments on Condensed Statements of Net Position

Restricted assets increased in 2024 compared to 2023 due to an increase in governmental grants offset by a reduction in capital grant receivables. The net increase between non-depreciable and depreciable capital assets of \$6,540,035 in 2024 compared to 2023 was mainly due to construction in progress at the Zoo, the Woldenberg Park, and Governor Nicholls and Esplanade Wharves. Restricted assets decreased in 2023 compared to 2022 due to the drawdown of bond funds to cover the costs for constructing and improving the parks, recreational, and wildlife conservation facilities of the Commission. The net increase between non-depreciable and depreciable capital assets of \$15,218,536 in 2023 compared to 2022 was mainly due to the completion of capital projects at the Aquarium, Insectarium, and the Zoo Tropical Bird House Exhibit.

Liabilities payable from restricted assets decreased \$2,115,876 in 2024 compared to 2023 due to a reduction in construction payables. Non-current liabilities decreased by \$4,484,027 in 2024 compared to 2023 mainly due to debt service payments on bonds and other debt.

Liabilities payable from restricted assets had an increase of \$376,610 in 2023 compared to 2022 due to an increase in construction payables. Non-current liabilities decreased by \$2,261,765 in 2023 to 2022 due to debt service payments on bonds and other debt.

Condensed Statements of Cash Flows

	2024	2023	2022	Change 2023 to 2024	Change 2022 to 2023
Net Cash Used in Operating Activities	\$ (1,297,103)	\$ (2,040,574)	\$ (1,100,019)	\$ 743,471	\$ (940,555)
Net Cash Provided by (Used in) Capital and Related Financing Activities	8,531,227	(14,061,555)	(19,587,090)	22,592,782	5,525,535
Net Increase (Decrease) in Cash and Cash Equivalents	7,234,124	(16,102,129)	(20,687,109)	23,336,253	4,584,980
Cash and Cash Equivalents Beginning of Year	26,934,673	43,036,802	63,723,911	(16,102,129)	(20,687,109)
End of Year	<u>\$ 34,168,797</u>	<u>\$ 26,934,673</u>	<u>\$ 43,036,802</u>	<u>\$ 7,234,124</u>	<u>\$ (16,102,129)</u>

Comments on Condensed Statements of Cash Flows

There was a decrease of \$743,471 in cash used in operating activities in 2024 compared to 2023 due to a decrease in the amount spent for supplies and services in addition to a reduction in lease payments received. The increase in cash provided from capital and related financing activities in 2024 compared to 2023 was due to higher payments for construction purchases in 2023 compared to 2024, as well as an increase in intergovernmental grants in 2024.

AUDUBON COMMISSION

Management's Discussion and Analysis

General Overview and Major Achievements in 2024

The highlights below include activities that took place on Commission facilities, but were recorded on the financial statements of the Institute due to the amended and restated Agreement between the organizations.

Below are some highlights of Audubon's work in 2024 to continue rebuilding better than ever before.

- **Audubon Aquarium** welcomed two endangered African penguin chicks. Chicks Calypso and Gouda joined the rest of the Aquarium's colony and added to the population of these critically endangered birds. Native to the southern coast of Africa, they are the most endangered penguin species, threatened by oil spills, overfishing, and habitat loss.
- Audubon was busy in 2024 preparing for initial construction on **Riverfront for All**, a visionary project that will forever change the Mississippi Riverfront in downtown New Orleans, creating uninterrupted pedestrian and bicycle access across 2.25 miles of contiguous riverfront.
- **Audubon Zoo** (the Zoo) received a Certificate of Accreditation from the Association of Zoos and Aquariums. The Zoo was examined by the nation's leading experts and determined to meet the world's most exacting standards for animal welfare, husbandry, veterinary care, safety, staffing, conservation, education, and more. The Zoo has been accredited by AZA for 48 consecutive years.
- **Audubon Louisiana Nature Center** was the kickoff location for the annual *Party for the Planet presented by Entergy* series of events designed to connect people with nature. Guests took advantage of the spring weather to stroll boardwalks and experience the newly reopened Planetarium with its variety of programming.
- The newly formed **Conservation Committee** is coordinating conservation grants and encouraging participation across Audubon. In 2024, Audubon funded 16 new staff conservation projects across four continents, including work with native prairie seeds, Jamaican iguana, and coral surveying. Audubon also participates in a variety of AZA SAFE (Saving Animals from Extinction) programs for species in our collection, including African penguin, Asian elephant, ocelot, orangutan, North American songbird, Perdido Key beach mouse, sea turtle, and whooping crane.
- USA Today readers voted for their favorite North American AZA-accredited zoos and aquariums – facilities that excel in the fields of animal care and enrichment, while also facilitating meaningful interactions between animals and human visitors. The **Aquarium ranked #2 and the Zoo ranked #7** among 20 nominees.
- **Woldenberg Riverfront Park** was nominated in the USA Today Readers' Choice voting for the first time and came in #2 most popular riverwalk in the country.

AUDUBON COMMISSION

Management's Discussion and Analysis

- **Audubon Aquarium Rescue** (AAR, formerly Audubon Coastal Wildlife Network) serves as Louisiana's primary marine mammal and sea turtle stranding responder and the only permitted marine mammal and sea turtle rehabilitation facility in the state. AAR responded to 54 strandings and took in 16 cold-stunned sea turtles flown to New Orleans for extended rehabilitation after they were found off the coast of Massachusetts. AAR also released 1 Kemp's ridley sea turtle. AAR also conducted stranding surveys in the stranding hotspots of Grand Isle and southwest Louisiana. Coupled with public reporting, these surveys are important in gathering data to determine the most accurate picture of strandings in Louisiana.
- **Audubon's Gulf United for Lasting Fisheries** continued to support the Gulf fishing industry in demonstrating and improving their sustainability. Gulf assisted the U.S. Gulf shrimp fishery for all five Gulf states and federal waters in achieving Responsible Fisheries Management (RFM) Certification. This is the first shrimp fishery certified to the RFM Standard which includes criteria including fisheries management, stock assessment activities, and serious impacts of the fishery on the ecosystem.
- **Freeport-McMoRan Audubon Species Survival Center** continued successful recovery efforts, including working with partners to add five whooping cranes to White Lake Wetlands Conservation Area as part of an ongoing effort to protect this endangered species from extinction. Six Mississippi Sandhill Crane chicks hatched at the westbank facility were successfully relocated to the Mississippi Sandhill Crane National Wildlife Refuge in Gauthier, Mississippi.
- Audubon Learning & Engagement held **Audubon Aquarium's first summer camp** since its 1990 opening for campers ages 7-10. Each week, campers learned about undersea and native Louisiana ecosystems and animals and participated in STEM activities and crafts.
- Audubon's **Youth Volunteer Program** had more than 75 volunteers through two programs: Counselor-in-Training (CIT) and Conservation Krewe. CITs assisted with camps and the Nature at Night series. Conservation Krewe assisted with guest interpretation across Audubon Zoo, Audubon Aquarium, and Audubon Insectarium. Several Krewe volunteers also participated in advanced placement roles, working directly with Zoo animal staff.
- This was the second year of **Audubon's Wild Encounters**, behind-the-scenes experiences at Audubon Zoo, Audubon Aquarium, and Audubon Insectarium. Nearly 2,300 guests enjoyed Wild Encounters at Audubon including Penguin Party, Maya Snorkel, Butterfly First Flight, Orangutan Family Fun, Sea Lion Splash, Jammin' with Jaguar, Aldabra Tortoise, and Black Bear Bonanza. Guests were able to meet animal staff, learn about animals and participate in animal feedings or enrichment activities.
- Audubon continued its **Community Connect access initiative in 2024**, which involves three components. Orleans Parish Appreciation Days offer free admission for Orleans Parish residents on a rotating schedule; the Audubon SNAP Program provides free admission for SNAP benefit recipients and their families; and the Audubon Museum Culture Pass allows Orleans Parish Public Library cardholders to check out admission passes. **In 2024, Community Connect made it possible for more than 97,000 community members to visit Audubon attractions.**

AUDUBON COMMISSION

Management's Discussion and Analysis

- Through the **Taylor Scholars Awards Program**, more than 240,000 high-achieving students in grades 6 through 12 statewide received free Audubon admission passes as part of the ongoing initiative established by the Patrick F. Taylor Foundation to reward Louisiana students' hard work.
- **Scales & Ales**, the evening fundraising event for Audubon Aquarium and Audubon Insectarium premiered an exciting and unique Aquarium exhibit called *Deep Dive into the Gulf*, an immersive exploration of life in the twilight and midnight zones of the Gulf and the mesophotic and deep benthic coral communities that live there. The exhibit was made possible through a grant from the National Marine Sanctuary Foundation with funding to restore natural resources injured by the 2010 Deepwater Horizon (DWH) oil spill from the DWH Open Ocean Trustees.
- Audubon's social media initiatives continue to grow, adding fans, friends, and followers daily. At year end, Audubon's social media network included 780,460 followers and more than 100 million impressions on Facebook, Twitter (X), Instagram, LinkedIn, and TikTok.

Economic Factors and Next Year's Budget

Economic factors impacting the Commission's economic condition include continued recovery from the effects of COVID-19 pandemic, inflationary impact on costs, and local economic factors such as tourism levels and property tax collections. The actual 2024 Commission revenues and expenditures are forecast to be in line with the Operating and Capital Projects 2025 budget for the year.

Contacting the Commission

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Commission's finances. If you have any questions about this report or need additional financial information, please contact the President of the Commission, 6500 Magazine Street, New Orleans, LA 70118.

AUDUBON COMMISSION
Statements of Net Position
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 53,751	\$ 1,013,524
Accounts Receivable, Net	91,736	38,906
Lease Receivable	740,738	689,460
Interest Receivable	10,985	5,747
Prepaid Expenses	4,500	4,500
Total Current Assets	901,710	1,752,137
Noncurrent Assets		
Capital Assets		
Land	800,000	800,000
Buildings and Fixed Exhibitory	332,123,603	329,131,752
Equipment	19,039,578	19,050,214
Construction in Progress	20,064,555	5,182,766
Less: Accumulated Depreciation and Amortization	(206,162,697)	(194,839,728)
Net Capital Assets	165,865,039	159,325,004
Other Assets		
Lease Receivable	1,421,495	1,641,260
Prepaid Lease - Dock Board	7,178,933	7,294,723
Cash with Fiscal Agent Restricted for Capital Projects	34,115,046	25,921,149
Receivables Restricted for Capital Improvements	1,962,552	7,022,950
Total Other Assets	44,678,026	41,880,082
Total Assets	\$ 211,444,775	\$ 202,957,223

The accompanying notes are an integral part of these financial statements.

AUDUBON COMMISSION
Statements of Net Position (Continued)
December 31, 2024 and 2023

	2024	2023
Current Liabilities Payable from Unrestricted Assets		
Accounts Payable and Other Accrued Liabilities	\$ 282,182	\$ 426,789
Due to Audubon Nature Institute, Inc.	56,597	1,038,309
Accrued Interest	515,233	535,740
Limited Tax Bonds	805,000	1,155,000
Gulf Opportunity Zone Loan	1,100,000	600,000
Lease Liability	356,418	345,085
Total Current Liabilities Payable from Unrestricted Assets	3,115,430	4,100,923
Current Liabilities Payable from Restricted Assets		
Construction Payables	3,485,112	5,600,988
Total Current Liabilities Payable from Restricted Assets	3,485,112	5,600,988
Total Current Liabilities	6,600,542	9,701,911
Noncurrent Liabilities		
Limited Tax Bonds	46,231,471	47,480,367
Gulf Opportunity Zone Loan	8,541,326	9,641,326
Unearned Revenue	8,770,817	10,549,022
Lease Liability	3,447,521	3,804,447
Total Noncurrent Liabilities	66,991,135	71,475,162
Total Liabilities	73,591,677	81,177,073
Deferred Inflows of Resources		
Deferred Amounts Related to Leases	1,895,875	2,066,540
Total Deferred Inflows of Resources	1,895,875	2,066,540
Net Position		
Net Investment in Capital Assets	105,224,488	91,559,343
Restricted	23,821,669	22,395,077
Unrestricted	6,911,066	5,759,190
Total Net Position	135,957,223	119,713,610
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 211,444,775	\$ 202,957,223

The accompanying notes are an integral part of these financial statements.

AUDUBON COMMISSION
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Lease Income	\$ 714,728	\$ 816,178
Total Operating Revenues	714,728	816,178
Operating Expenses		
Contractual Services, Materials, Supplies, and Other	883,335	2,936,906
Depreciation and Amortization	11,596,938	10,881,563
Total Operating Expenses	12,480,273	13,818,469
Operating Loss	(11,765,545)	(13,002,291)
Nonoperating Revenues (Expenses)		
Support for Capital Projects, Education, and Operating		
Support from Audubon Nature Institute, Inc.	2,549,210	1,201,626
Dedicated Tax Revenues	8,715,823	8,917,858
Intergovernmental Grants	20,570,194	13,281,107
Other Revenue	2,637,959	3,146,573
Interest Expense	(1,656,583)	(1,726,078)
Transfer to Audubon Nature Institute, Inc. for Operations	(4,807,445)	(6,174,508)
Total Nonoperating Revenues (Expenses), Net	28,009,158	18,646,578
Change in Net Position	16,243,613	5,644,287
Net Position, Beginning of Year	119,713,610	114,069,323
Net Position, End of Year	\$ 135,957,223	\$ 119,713,610

The accompanying notes are an integral part of these financial statements.

AUDUBON COMMISSION
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Cash Received from Lessees	\$ 712,551	\$ 816,549
Cash Paid for Supplies and Services	<u>(2,009,654)</u>	<u>(2,857,123)</u>
Net Cash Used in Operating Activities	<u>(1,297,103)</u>	<u>(2,040,574)</u>
Cash Flows from Capital and Related Financing Activities		
Support for Capital Projects, Education, and Operating		
Support from Audubon Nature Institute, Inc.	2,549,210	1,201,626
Payments for Design, Construction, and Equipment Purchases	(21,915,265)	(25,301,679)
Cash Received from Dedicated Tax Revenues	8,715,823	8,917,858
Interest Paid	(1,677,090)	(1,744,861)
Payment of Bond Principal and GO Zone Loan	(2,198,896)	(2,053,896)
Payment of Lease Liabilities	(345,593)	(306,339)
Contributions to Facilities Managed by Audubon Nature Institute, Inc.	(4,807,445)	(6,174,508)
Cash Received from Intergovernmental and Other Grants	27,355,967	8,252,098
Cash Received from Interest Income	854,516	1,406,541
Cash Received from Insurance Proceeds and Other	<u>-</u>	<u>1,741,605</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>8,531,227</u>	<u>(14,061,555)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	7,234,124	(16,102,129)
Cash and Cash Equivalents, Beginning of Year	<u>26,934,673</u>	<u>43,036,802</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 34,168,797</u></u>	<u><u>\$ 26,934,673</u></u>
Reconciliation to Statement of Net Position		
Cash and Cash Equivalents	\$ 53,751	\$ 1,013,524
Cash with Fiscal Agent Restricted for Capital Projects	<u>34,115,046</u>	<u>25,921,149</u>
Total Cash and Cash Equivalents	<u><u>\$ 34,168,797</u></u>	<u><u>\$ 26,934,673</u></u>

The accompanying notes are an integral part of these financial statements.

AUDUBON COMMISSION
Statements of Cash Flows (Continued)
For the Years Ended December 31, 2024 and 2023

	2024	2023
Reconciliation of Operating Loss to Net Cash		
Used in Operating Activities		
Operating Loss	\$ (11,765,545)	\$ (13,002,291)
Adjustments to Reconcile Operating Loss to		
Net Cash Used in Operating Activities		
Depreciation and Amortization	11,596,938	10,881,563
Decrease in Receivables and Other Current Assets	689,461	677,923
(Decrease) Increase in Accounts Payable and Other		
Current Liabilities	(1,126,319)	79,783
Decrease in Deferred Inflows of Resources	(691,638)	(677,552)
Net Cash Used in Operating Activities	\$ (1,297,103)	\$ (2,040,574)
Non-Cash Items		
Purchased for Design, Construction, and Equipment through Accounts		
Payable and Other Current Liabilities	<u>\$ 3,463,812</u>	<u>\$ 5,600,988</u>
Lease Receivable and Deferred Inflows of Resources from		
New Lease Agreement	<u>\$ 520,973</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

AUDUBON COMMISSION

Notes to Financial Statements

Note 1. Organization

General Information

Audubon Park is located on a 400-acre tract within the City of New Orleans (the City) that includes the Audubon Zoo, trails for jogging, biking, and horseback riding, an 18-hole golf course and numerous athletic fields. Act 83 passed by the Louisiana Legislature (the Legislature) in 1871 authorized the Board of Park Commissioners to acquire the land which is now known as Audubon Park. In 1914, the Legislature passed Act 191 which created a Commission to be entrusted with the management and control of Audubon Park. Act 191, as amended, is the current authority for the present Audubon Park Commission which is composed of 24 members who are appointed by the Mayor of the City with the approval of the City Council. Each member serves a six-year term, with four members' terms expiring each year. On January 1, 1996, the Commission's name was changed from Audubon Park Commission to Audubon Commission (the Commission) effective with the City's adoption of amendments to its Home Rule Charter.

On November 4, 1986, City voters approved the levy of a three and four-fifths (3-4/5) mills property tax to finance the construction and certain operating expenses of the Audubon Aquarium of the Americas (the Aquarium). The vote was taken pursuant to Act 309, passed by the Legislature earlier in 1986, which provided that the Commission would develop, construct and operate the Aquarium, and authorized the City to levy and collect the aforementioned ad valorem tax, subject to voter approval, on behalf of the Commission. The City acts through the Commission in the issuance of bonds authorized by Act 309, and through the Board of Liquidation, City Debt, in the sale of its bonds. Construction of the Aquarium of the Americas and Woldenberg Riverfront Park was begun in 1987 and the bonds (Audubon Park Commission Aquarium Bonds, Series 1988 - \$25,000,000) were issued in 1988. Construction was completed and the Aquarium was opened to the public in September 1990. Phase II of the Aquarium was completed in 1995.

On June 1, 1990, the Commission and the City entered into an agreement to lease approximately 128 acres of City-owned property as part of construction and operation of a Wilderness Park, Species Survival Center, and Research Center. The agreement, which terminates on February 28, 2040, requires an annual payment to the City's General Fund of one dollar (\$1.00) per year for a period of fifty (50) years, payable in a lump sum on June 1, 1990. Adjacent to the City property is 986 acres of United States Coast Guard (Coast Guard) property for which the Coast Guard granted the Commission a 25-year land use license on June 1, 1990. A 25-year renewal option was executed on July 1, 2010 and started on June 1, 2015; the renewal ends on May 31, 2040 with an option for renewal for 25 years thereafter. Together, these sites comprise Freeport-McMoRan Audubon Species Survival Center and Wilderness Park. Improvements completed by the Commission include Audubon Center for Research of Endangered Species (a 36,000 square foot scientific research facility); Audubon Aquatics Center (houses aquatic wildlife rehabilitation and aquarium husbandry operations); Freeport-McMoRan Audubon Species Survival Center (large-scale animal enclosures and barns in forested settings); and Audubon Wilderness Park (education space, restrooms, trails, and picnic shelters).

AUDUBON COMMISSION

Notes to Financial Statements

Note 1. Organization (Continued)

General Information (Continued)

Effective October 1, 1994, the Commission received assignment of a facility lease by the Society for Environmental Education (as lessee) with the City (as lessor). The Society for Environmental Education operates as the Audubon Louisiana Nature Center.

The Audubon Butterfly Garden and Insectarium opened in the summer of 2008. During 2020, the Audubon Butterfly Garden and Insectarium suspended operations due to COVID-19 and eventually closed its location. The Insectarium was incorporated into Phase II of the Aquarium as part of a major transformation of Audubon's downtown campus that was completed in June 2023.

In May 2019, the voters of New Orleans approved a new 20-year 1.95 property tax millage. It began in 2021 when the old millages expired.

Audubon Nature Institute, Inc. (the Institute) is a nonprofit organization incorporated October 31, 1975, exclusively for educational purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code. Pursuant to the Revised and Restated Management and Cooperative Endeavor Agreement (the Agreement) discussed below between the Institute and the Commission, the Institute operates and manages the Audubon Facilities, as defined below, for the benefit of the Commission, an independent agency of the City of New Orleans.

As described above, the Commission owns, controls, and manages various facilities in the State of Louisiana in fulfillment of its goals, purposes, and objectives, including, but not limited to Audubon Park, Audubon Zoo, Audubon Aquarium, Audubon Insectarium, Woldenberg Riverfront Park, Freeport-McMoRan Audubon Species Survival Center, Audubon Center for Research of Endangered Species, Audubon Louisiana Nature Center, and Audubon Wilderness Park, collectively the Audubon Facilities as referred to above.

Per the Agreement in place in 2021 and previous years, the Commission paid for the cost and operation of the Audubon Facilities, with the Commission reimbursing the Institute for all expenses that it incurred on behalf of the Commission in furtherance of the Agreement. On December 31, 2021, and again on December 31, 2024, the Agreement was amended and restated. The Institute shall continue to undertake complete operation, management, and control, subject to the reserved rights and responsibilities of the Commission. As part of the implementation of the Agreement, on January 1, 2022, the Commission transferred certain assets and liabilities related to operations and management of the Audubon Facilities. The Agreement terminates on December 31, 2036, unless extended by the parties. The following are the main terms to the Agreement with financial reporting impacts.

AUDUBON COMMISSION

Notes to Financial Statements

Note 1. Organization (Continued)

General Information (Continued)

The Institute, in order to achieve and continue the public purpose of the Agreement and its management obligations set forth within the Agreement, shall retain in its own account Earned Revenue and Other Revenue for the operation, maintenance, and development of Audubon Facilities. Such Earned and Other Revenue shall be administered by the Institute and deposited in an account to be used for the operation of the Audubon Facilities (hereinafter referred to as the Institute Operating Account). For the avoidance of doubt, it is the understanding of the parties that in no event shall Earned Revenue or Other Revenue be considered public funds.

It is the intent of both parties that Earned Revenue (defined as admission fees, special event fees, special event rental fees, contractual income, food and merchandise revenue, and other fees collected attributable to the Audubon Facilities), Other Revenue (defined as qualifying philanthropic sponsorships, grants specific to the Institute), and Commission Revenue (defined as tax revenue, bond proceeds, intergovernmental grants, or Commission real estate lease revenue) will be used for the benefit of all Audubon Facilities, in furtherance of the missions of both the Commission and the Institute and will cover all necessary expenses related to operation, maintenance, upgrade and development of the Audubon Facilities. Reserves and/or total positive net Earned Revenue shall also be used for the benefit of and for operation, maintenance, and development of the Audubon Facilities.

Specific grants received by the Commission from the Institute consist of donations received and grants obtained by the Institute for capital improvements of the Audubon Facilities discussed above.

Necessary expenses of the Institute relating to the operation, maintenance, upgrade and development of the Audubon Facilities shall be paid by the Commission through transfer to the Institute of Commission Revenue, including tax revenue, bond proceeds, intergovernmental grants, and Commission real estate lease revenue and any other Commission revenue due to the Commission.

All tax revenues, bond proceeds, intergovernmental grants, Commission real estate lease revenue and any other Commission Revenue due to the Commission for the operation, maintenance, upgrade and development of the Audubon Facilities shall be administered by the Institute on behalf of and in the name of the Commission and deposited in an account administered by the Institute on behalf of and in the name of the Commission (hereinafter referred to as the "Commission Account"). For the avoidance of doubt, it is the understanding of the parties that funds maintained in the Commission Account are considered public funds.

Environmental Risks

The Commission is insured for natural disasters and has property damage insurance and business interruption insurance limits of up to \$75,000,000 for all Audubon Facilities.

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of Presentation - Fund Accounting

The proprietary fund is used to account for the Commission's ongoing operations and activities which are similar to those in the private sector. Proprietary funds are accounted for using a flow of economic resource measurement focus under which assets and liabilities associated with the operation of these funds are included in the statement of net position. The statements of revenues, expenses, and changes in net position present increases (revenues) and decreases (expenses) in net position. The Commission maintains one proprietary fund type - the enterprise fund. Certain amounts presented in the prior year have been reclassified to be consistent with the current year's presentation.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. The proprietary fund is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Use of Estimates

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

Basis of Reporting

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

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

Restricted - This component of net position consists of constraints placed on net position 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 - This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets".

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The enterprise fund considers all short-term and highly liquid investments with an original maturity of ninety days or less to be cash equivalents.

Capital Assets

Capital assets greater than \$10,000 and a useful life of over one year are recorded at historical cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives (ranging from 20 to 40 years for buildings and fixed exhibitory, and 3 to 20 years for equipment) of the assets. Equipment under capital leases is amortized using the straight-line method over the shorter of the lease term or its useful life. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in revenue or expense for the period. The cost of maintenance and repairs is charged to operations as incurred and significant renewals and betterments are capitalized.

The Commission reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset might not be recoverable through future utilization. An impairment change is recognized when the fair value of an asset is less than its carrying value.

Restricted Assets

Restricted assets consist primarily of cash maintained in the applicable enterprise fund in accordance with bond indentures and amounts held in trust for capital expenditures. This category is also used to report amounts receivable from public agencies in connection with the funding of capital projects.

Revenue Recognition

Revenues related to dedicated taxes, as well as grants and other support not deemed an exchange transaction are recognized when received. Unearned receipts of funds from cooperative endeavor agreements (see Note 9) are recorded as unearned revenue until earned.

Leases

Lessor

The Commission is a lessor for multiple noncancellable leases of land and property. The Commission's leases receivable are measured at the present value of lease payments expected to be received during the lease terms adjusted for the Consumer Price Index at the beginning to the lease, if applicable. Under the lease agreements, the Commission may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

Lessor (Continued)

The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue on a straight-line basis over the term of the lease and are included in rental income on the statement of revenues, expenses and changes in net position. The Commission uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. See Note 8 for more information on lessor leases.

Lessee

Under GASB 87, leases are categorized into three categories: short-term leases, leases that transfer ownership, and all other leases. For short-term leases, payments will be recorded as expenses as incurred by the lessee and revenue as received by the lessor. For leases that transfer ownership at the end of the lease, the Commission classifies these leases as finance leases. The Commission has one finance lease agreement as lessee. For all other leases, a lessee is required to recognize a lease liability and an intangible right to use lease asset, included in capital assets. The Commission uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. See Note 8 for more information on lessee leases.

The Commission also leases property through an agreement wherein the lease was prepaid. See Note 4 for more information on this lease.

Budgeting

Operating and capital expenditure budgets are presented to the Commission by the Institute and are prepared on a basis consistent with U.S. GAAP. Budget information is utilized for analytical purposes, and the budget process is a key component of the Commission's management control environment.

Recent Accounting and Reporting Standards

The following standards have been issued but are not yet effective for the Commission:

GASB Statement No. 102, *Certain Risk Disclosures*

The objective of the Statement is to provide users of government financial statements with essential information about risks related to government's vulnerabilities due to certain concentrations or constraints. The Statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*

The objective of the Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement is effective for fiscal years beginning after June 15, 2025.

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Recent Accounting and Reporting Standards (Continued)

GASB Statement No. 104, *Disclosure of Certain Capital Assets*

The objective of the Statement is to provide users of government financial statements with essential information about certain types of capital assets. The Statement is effective for fiscal years beginning after June 15, 2025.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for the fiscal year ending December 31, 2025.

Note 3. Cash and Cash Equivalents

Cash on Deposit

The Commission's deposits at financial institutions at December 31, 2024 and 2023 were \$5,409,514 and \$9,290,948, respectively.

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned. The Commission periodically maintains cash in bank accounts in excess of insured limits. The Federal Deposit Insurance Corporation (FDIC) secures accounts in insured institutions up to \$250,000 per depositor. As of December 31, 2024, the Commission had approximately \$5,151,000 of deposits in excess of the FDIC insured limit at one institution. Also at this institution, as of December 31, 2024 the Commission had \$15,000,000 invested in the Goldman Sachs Financial Square Government Fund, which is a money market fund rated AA+ by the Standard & Poor's Investor Services. The holdings at this institution were secured from risk by \$21,841,647 of pledged securities held by the custodial bank in the name of the Commission and fiscal agent bank which serves to mitigate the custodial credit risk of the Commission's deposits. As of December 31, 2024 and 2023, the Commission held \$14,086,404 and \$15,292,374, respectively, at a separate institution, which was invested in the Fidelity Investments Money Market Government Portfolio – Class I, a money market fund rated AA+ by the Standard & Poor's Investor Services.

Credit risk is defined as the risk that an issuer or other counterparty to an investment transaction will not fulfill its obligations. The Commission does not have a formal credit risk policy. However, in practice, the credit risk is minimized by investing in money market funds containing underlying securities which are issued or guaranteed as to principal and interest by the U.S. government or its agencies and instrumentalities.

As of December 31, 2024, and 2023, no funds were exposed to custodial credit risk.

AUDUBON COMMISSION

Notes to Financial Statements

Note 3. Cash and Cash Equivalents (Continued)

Restricted Cash

As of December 31, 2024 and 2023, restricted cash included cash held with several fiscal agents totaling \$34,115,046 and \$25,921,149, respectively, for various capital projects (see Note 9). These assets are presented as other assets in the statements of net position.

Per GASB authoritative guidance, unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Interest Rate Risk

It is not the Commission's policy to limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Note 4. Prepaid Lease - Dock Board

On April 30, 1992, the Commission, the City, and the Board of Commissioners of the Port of New Orleans (the Port) entered into an agreement titled "Riverfront Economic Development Agreement" (the Riverfront Agreement). The Riverfront Agreement included a provision for paying the Port \$11,000,000 for the use of property under the control of the Port, which the Commission funded through its Aquarium Revenue Bonds, Series 1992 A.

The \$11,000,000 payment relieves the Commission of all rents and fees associated with the development and occupancy of the Aquarium and its related facilities for the 99-year term of the Riverfront Agreement. This payment is presented as prepaid lease - dock board on the statements of net position and is being amortized on a straight-line basis over the term of the Riverfront Agreement. Amortization expense for the years ended December 31, 2024 and 2023 was \$115,789, respectively.

AUDUBON COMMISSION

Notes to Financial Statements

Note 5. Capital Assets

Capital assets are summarized as follows by major classification at December 31, 2024:

	Balance 1/1/2024	Additions/ Increases	Transfers	Disposals/ Retirements	Transfer to the Institute	Balance 12/31/2024
Capital Assets Not Depreciated						
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	5,182,766	17,873,640	(2,991,851)	-	-	20,064,555
Total Capital Assets Not Depreciated	5,982,766	17,873,640	(2,991,851)	-	-	20,864,555
Capital Assets Being Depreciated						
Buildings and Fixed Exhibitory Equipment	329,131,752	-	2,991,851	-	-	332,123,603
	18,203,542	147,543	-	(158,178)	-	18,192,907
Total Capital Assets Being Depreciated	347,335,294	147,543	2,991,851	(158,178)	-	350,316,510
Capital Assets Being Amortized						
Leased Equipment	846,672	-	-	-	-	846,672
Total Capital Assets Being Amortized	846,672	-	-	-	-	846,672
Less: Accumulated Depreciation and Amortization	(194,839,728)	(11,481,148)	-	158,178	-	(206,162,698)
Total Capital Assets, Net	\$ 159,325,004	\$ 6,540,035	\$ -	\$ -	\$ -	\$ 165,865,039

Capital assets are summarized as follows by major classification at December 31, 2023:

	Balance 1/1/2023	Additions/ Increases	Transfers	Disposals/ Retirements	Transfer to the Institute	Balance 12/31/2023
Capital Assets Not Depreciated						
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	32,576,659	25,055,320	(52,449,213)	-	-	5,182,766
Total Capital Assets Not Depreciated	33,376,659	25,055,320	(52,449,213)	-	-	5,982,766
Capital Assets Being Depreciated						
Buildings and Fixed Exhibitory Equipment	277,449,984	-	51,681,768	-	-	329,131,752
	17,022,225	482,617	767,445	(68,745)	-	18,203,542
Total Capital Assets Being Depreciated	294,472,209	482,617	52,449,213	(68,745)	-	347,335,294
Capital Assets Being Amortized						
Leased Equipment	360,245	486,427	-	-	-	846,672
Total Capital Assets Being Amortized	360,245	486,427	-	-	-	846,672
Less: Accumulated Depreciation and Amortization	(184,102,645)	(10,805,828)	-	68,745	-	(194,839,728)
Total Capital Assets, Net	\$ 144,106,468	\$ 15,218,536	\$ -	\$ -	\$ -	\$ 159,325,004

Depreciation and amortization expense for the years ended December 31, 2024 and 2023, related to these assets amounted to approximately \$11,481,000 and \$10,806,000, respectively.

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt

Bonds and other debt payable at December 31, 2024 and 2023 were comprised of the following:

	2024	2023
Limited Tax Bonds		
Audubon Commission Limited Tax Bonds Series 2020, due in annual installments of \$345,000 to \$735,000 from October 2022 through October 2040; 4.205%.	\$ 8,410,000	\$ 8,790,000
Audubon Commission Limited Tax Bonds Series 2021, due in annual installments of \$860,000 to \$3,525,000 from October 2022 through October 2040; 4.076%.	31,555,000	32,330,000
Other Debt		
State of Louisiana, Office of Community Development Gulf Opportunity Zone Act Loan	9,641,326	10,241,326
Total Bonds Payable and Other Debt	49,606,326	51,361,326
Plus: Unamortized Premium, Net	7,071,471	7,515,367
Total	56,677,797	58,876,693
Less: Current Maturities	(1,905,000)	(1,755,000)
Bonds Payable and Other Debt, Noncurrent	<u>\$ 54,772,797</u>	<u>\$ 57,121,693</u>

Details of the bonds and loan payable are as follows:

Limited Tax Bonds - Series 2021

On December 15, 2021, the Commission issued \$33,860,000 Limited Tax Bonds Series 2021 with a net interest cost of 4.076%. The Bonds were issued for the purpose of constructing and improving the parks, recreational, and wildlife conservation facilities of the Commission. The Bonds are valid and binding special and limited obligations of the City of New Orleans (the City) and are payable from and secured solely by Commission's portion of the revenues of the separate ad valorem tax of 6.31 mills (the Tax), which is authorized to be levied in the City each of the years 2021 through 2040 pursuant to a special election held in the City on May 4, 2019 (subject to adjustment from time to time due to reassessment).

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

Limited Tax Bonds - Series 2020

On November 10, 2020, the Commission issued \$9,500,000 Limited Tax Bonds Series 2020 with a net interest cost of 4.205%. The Bonds were issued for the purpose of constructing and improving the parks, recreational, and wildlife conservation facilities of the Commission. The Bonds are valid and binding special and limited obligations of the City and are payable from and secured solely by Commission's portion of the revenues of the separate ad valorem tax of 6.31 mills (the Tax), which is authorized to be levied in the City each of the years 2021 through 2040 pursuant to a special election held in the City on May 4, 2019 (subject to adjustment from time to time due to reassessment).

Gulf Opportunity Zone Act Loan

In July 2006, pursuant to the Public Law 109-135 of the United States Congress, the Gulf Opportunity Zone Act of 2005 was enacted to provide tax relief and tax credit bond authority designed to aid the State of Louisiana (the State) with recovery efforts from Hurricane Katrina and Hurricane Rita. Accordingly, the State, Office of Community Development loaned the Commission \$4,907,500 to make the scheduled debt payments for the Aquarium Revenue Refunding Bonds, Series 1997 and \$11,851,006 to make scheduled debt payments for the Improvement and Refunding Zoo Bonds, Series 1997, Aquarium Refunding Bonds, Series 2001 A, Aquarium Bonds, Series 2001 B, and Aquarium Refunding Bonds, Series 2003 A through 2009.

Per the agreement the funds were maintained at the State identified trustee and disbursed according to the debt schedule. Once funds were disbursed by the State, the debt service payments were made with the proceeds and amounts recorded as loans payable by the Commission. No principal or interest was payable during the initial five-year period of the loan. An extension was requested in 2011 to defer the payment of principal and interest for an additional five years but was denied. In 2015, the loan was re-amortized as part of a cooperative endeavor agreement explained below. As part of the re-amortization of the loan, \$1,223,438 of accrued interest on the loan was reclassified as principal for a total of \$16,593,565 which bears interest at 4.64%.

On October 1, 2015, the Commission and the State entered into a cooperative endeavor agreement (CEA) whereby the Commission agreed to invest in the Woldenberg Riverside Park (the Park) an amount of not less than \$1 million per year for 10 years for the purpose of capital improvements, advertising, marketing, maintenance, and food and beverage service to increase the use of the park for annual festivals and other events based on multi-year contracts for such events.

On October 21, 2019, the Commission and the State cancelled and terminated the October 1, 2015 CEA. On the same date, the payment terms of the 2006 loan were amended. Amendment No. 1 extends the repayment period for the loan in order to ensure full repayment of the amounts due under the 2006 agreement. All other provisions of the 2006 Agreement remain in full force and effect. As a result of the amendment, the loan was increased by \$737,180 to agree to the amended loan balance. The loan matures July 31, 2031.

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

A summary of changes in bonds payable and other debt during 2024 and 2023 are as follows:

	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
Balance January 1, 2024	\$ 41,120,000	\$ 10,241,326	\$ 51,361,326
Additions	-	-	-
Reductions	(1,155,000)	(600,000)	(1,755,000)
Balance December 31, 2024	\$ 39,965,000	\$ 9,641,326	\$ 49,606,326
Due within One Year	\$ 805,000	\$ 1,100,000	\$ 1,905,000
	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
Balance January 1, 2023	\$ 42,155,000	\$ 10,816,326	\$ 52,971,326
Additions	-	-	-
Reductions	(1,035,000)	(575,000)	(1,610,000)
Balance December 31, 2023	\$ 41,120,000	\$ 10,241,326	\$ 51,361,326
Due within One Year	\$ 1,155,000	\$ 600,000	\$ 1,755,000

Expected debt service requirements on all debt outstanding as of December 31, 2024 are as follows:

Year Ending December 31,	Limited Tax Bonds		Gulf Opportunity Zone Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 805,000	\$ 1,668,850	\$ 1,100,000	\$ 230,368	\$ 1,905,000	\$ 1,899,218
2026	925,000	1,628,600	1,125,000	203,223	2,050,000	1,831,823
2027	1,055,000	1,582,350	1,150,000	175,468	2,205,000	1,757,818
2028	1,190,000	1,529,600	1,175,000	147,103	2,365,000	1,676,703
2029	1,335,000	1,470,100	1,200,000	118,128	2,535,000	1,588,228
2030 - 2034	11,435,000	6,306,450	3,891,326	146,892	15,326,326	6,453,342
2035 - 2039	18,960,000	3,186,800	-	-	18,960,000	3,186,800
2040	4,260,000	170,400	-	-	4,260,000	170,400
Total	\$ 39,965,000	\$ 17,543,150	\$ 9,641,326	\$ 1,021,182	\$ 49,606,326	\$ 18,564,332

AUDUBON COMMISSION

Notes to Financial Statements

Note 7. Transactions with Audubon Nature Institute and Audubon Nature Institute Foundation

As mentioned in Note 1, the Institute operates and manages the Audubon Facilities for the benefit of the Commission as evidenced by the revised and restated Agreement. The Agreement provides that all Earned Revenue and Other Revenue for the operation, maintenance and development of the Audubon Facilities shall be deposited and administered in an account maintained and administered by the Institute. All revenues of the Commission that are for the operation, maintenance, upgrade and development of the Audubon Facilities shall be deposited in an account on behalf of and in the name of the Commission and administered and maintained by the Institute on behalf of and in the name of the Commission. Specific grants or donations received by the Institute related to capital improvements will be transferred to the Commission.

At December 31, 2024 and 2023, the Institute has incurred expenses on behalf of the Commission in amounts exceeding the reimbursements received from the Commission for those expenses. At December 31, 2024 and 2023, the amount due to the Institute from the Commission totaled \$56,597 and \$1,038,309, respectively.

The Institute has provided support to the Commission to fund certain capital projects and operational support. For the years ended December 31, 2024 and 2023, those amounts totaled \$2,549,210 and \$1,201,626, respectively.

Note 8. Leases

Lessor Leases

The Commission participates in numerous leases where it serves as the lessor.

The Commission leases land for a parking area which has a term of 10 years which began June 1, 2017 and ends May 31, 2027. The lease calls for an annual payment of \$480,000 paid monthly with an annual CPI adjustment. The interest rate for this lease is 3%. As of December 31, 2024 and 2023, this lease resulted in a lease receivable of \$1,567,487 and \$2,124,011, respectively, and deferred inflows of resources of \$1,324,864 and \$1,873,084, respectively.

The Commission leased land for a stable facility which had a term of 10 years which began October 1, 2014 and ended September 30, 2024. The lease called for a monthly base rent with a CPI adjustment annually. In addition, there was a percentage rate rent of 3% of gross sales, with allowance for base rent paid which is to be made in arrears quarterly. Any overpayments would be credited against the base rent for the next month. The 2024 monthly base rent was \$1,650. The interest rate for this lease is 3%. As of December 31, 2024 and 2023 this lease resulted in a lease receivable of \$-0- and \$16,136, respectively, and deferred inflows of resources of \$-0- and \$13,624, respectively.

AUDUBON COMMISSION

Notes to Financial Statements

Note 8. Leases (Continued)

Lessor Leases (Continued)

The Commission leases a baseball complex, soccer field, and Avenger Field located in Audubon Park for a term of 5 years which began December 1, 2020 and ends November 30, 2025. The lease calls for monthly payments of \$4,000. The interest rate for this lease is 3%. As of December 31, 2024 and 2023, this lease resulted in a lease receivable of \$43,349 and \$89,292, respectively, and deferred inflows of resources of \$40,965 and \$85,654, respectively.

The Commission leases wharves and certain adjacent land for a term of 5 years with automatic renewals for five consecutive 5-year periods which began June 1, 2000, and with extensions, ends May 31, 2025. The lease calls for a monthly base rent with a CPI adjustment annually. The 2024 monthly base rent was approximately \$6,100. The interest rate for this lease is 3%. As of December 31, 2024 and 2023, this lease resulted in a lease receivable of \$30,424 and \$101,281, respectively, and deferred inflows of resources of \$27,699 and \$94,178, respectively.

In August 2024, an agreement was signed to lease certain designated spaces within Woldenberg Park to install, operate and maintain cell communications equipment for a term of 10 years. The lease calls for an annual license fee of \$57,600 to be paid annually in equal monthly installments of \$4,800. The interest rate for this lease is 3.81%. As of December 31, 2024, this lease resulted in a lease receivable of \$520,973 and deferred inflows of resources of \$502,347.

For the years ended December 31, 2024 and 2023, lease revenue and interest income relating to these leases totaled \$780,704 and \$743,879, respectively.

Annual principal receipts on the receivable and related interest on these leases are as follows:

Year Ending December 31,	Principal	Interest
2025	\$ 740,738	\$ 63,420
2026	709,146	35,015
2027	335,715	16,721
2028	47,962	13,529
2029	51,084	11,605
2030 - 2034	277,588	25,559
Total	\$ 2,162,233	\$ 165,849

AUDUBON COMMISSION

Notes to Financial Statements

Note 8. Leases (Continued)

Lessee Lease - Finance

The Commission entered into a finance purchase agreement to finance an energy savings performance contract whereby the Commission will lease the necessary equipment for energy conservation measures applied to existing buildings that improve energy efficiency and are life cycle cost effective. Under the terms of the contract, title of the equipment transfers at the end of the lease term. The term of the initial lease agreement expires in August 2038. The equipment under capital lease as of December 31, 2024 had a cost of \$4,166,465 and accumulated amortization of \$624,970 and is included in capital assets.

Future payments for the finance lease agreement as of December 31, 2024 are as follows:

Year Ending December 31,	Principal	Interest
2025	\$ 186,111	\$ 127,289
2026	194,177	120,023
2027	202,558	112,442
2028	211,366	104,534
2029	220,722	96,278
2030 - 2034	1,255,271	344,429
2035 - 2039	1,111,784	86,275
Total	\$ 3,381,989	\$ 991,270

Lessee Leases - Other

The Commission leases various equipment for terms of 60 months ending between April 2026 and October 2028. The minimum monthly payments on the leases range from \$575 to \$6,303 with an interest rate of 2%. As of December 31, 2024 and 2023, the balance of the right of use asset, net of amortization was \$418,536 and \$585,058, respectively, and the lease liability was \$421,950 and \$588,982, respectively.

Future lease payments required under this lease is as follows:

Year Ending December 31,	Principal	Interest
2025	\$ 170,306	\$ 6,501
2026	116,518	3,559
2027	99,567	1,600
2028	35,559	188
Total	\$ 421,950	\$ 11,848

AUDUBON COMMISSION

Notes to Financial Statements

Note 8. Leases (Continued)

Lessee Leases - Other (Continued)

A summary of the lease liabilities during 2024 and 2023 is as follows:

	Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024	Amounts Due Within One Year
Finance Lease Liability	\$ 3,560,550	\$ -	\$ (178,561)	\$ 3,381,989	\$ 186,111
Other Lease Liabilities	588,982	-	(167,032)	421,950	170,307
	<u>\$ 4,149,532</u>	<u>\$ -</u>	<u>\$ (345,593)</u>	<u>\$ 3,803,939</u>	<u>\$ 356,418</u>

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Amounts Due Within One Year
Finance Lease Liability	\$ 3,731,340	\$ -	\$ (170,790)	\$ 3,560,550	\$ 178,053
Other Lease Liabilities	238,104	486,427	(135,549)	588,982	167,032
	<u>\$ 3,969,444</u>	<u>\$ 486,427</u>	<u>\$ (306,339)</u>	<u>\$ 4,149,532</u>	<u>\$ 345,085</u>

Note 9. Commitments and Contingencies

Construction in Progress

As of December 31, 2024, the Commission has approximately \$5,400,000 remaining on construction projects still ongoing.

Governor Nicholls and Esplanade Wharves Development

Audubon Commission has entered into two cooperative endeavor agreements related to the development of public green space on the Governor Nicholls and Esplanade wharves. The projects will offer over three miles of continuous public access to the Mississippi River, revitalizing New Orleans' downtown riverfront, and are as follows:

On February 6, 2018, the City of New Orleans and the Commission entered into a cooperative endeavor agreement (Wharves Agreement) allowing the Commission to redevelop the Governor Nicholls and Esplanade Wharves into a public park and recreational facilities. Upon completing construction, the Commission will operate and assume responsibility for the property. The Wharves Agreement's term runs from February 6, 2018 to October 23, 2086.

AUDUBON COMMISSION

Notes to Financial Statements

Note 9. Commitments and Contingencies (Continued)

Governor Nicholls and Esplanade Wharves Development (Continued)

On November 22, 2017, the Commission entered into a separate cooperative endeavor agreement (the Wharves Funding Agreement) with the Ernest M. Morial New Orleans Exhibition Hall Authority (the Authority) and the New Orleans Convention and Visitors Bureau (CVB) to raise the initial funding to support the Wharves Agreement. Under the Wharves Funding Agreement, the Authority will provide \$9 million, the CVB will provide \$2 million, and the Commission will provide or raise \$4 million. The parties also entered into an escrow agreement with Iberia Bank to serve as escrow agent. The first payment to the escrow account of \$10 million from all parties was completed April 17, 2018. Pursuant to the Funding Agreement, the parties made the remaining escrow payment of \$5 million on February 4, 2019. The balance is included in cash with fiscal agent restricted for capital projects (see Note 3) in the statements of net position. The unearned portion is included in unearned revenue in the statements of net position.

Pursuant to the Wharves Agreement, public input has been collected through the project website www.RiverfrontforAll.org while results from a visitor intercept survey were received in January 2019. In February 2019, the City of New Orleans' Mayor's office approached the Commission about extending certain deadlines noted in the Wharves Agreement for 12 to 21 months due to the Mayor's desire for additional public engagement and the transition needs of the wharves' tenant, TCI Packaging, LLC. The agreement was amended in 2019 to extend deadlines due to the status of the current tenant's new location. The pandemic has also affected the cooperative endeavor agreement between The City of New Orleans and Audubon Commission to develop the Governor Nicholls and Esplanade Wharves into public park space. The agreement was amended again in 2021 to extend deadlines by four calendar years from the original agreement to allow for delays due to the COVID-19 pandemic. Design and public outreach efforts were renewed in 2023, and the project broke ground in 2024.

Note 10. Litigation

Certain claims and suits have been filed against the Commission. The majority of these claims are covered by insurance and, based on all available information and consultation with the Commission's legal counsel; management does not believe the ultimate resolution of these matters will have a significant effect on the Commission's financial position, results of operations, or cash flows.

AUDUBON COMMISSION

Notes to Financial Statements

Note 11. Tax Abatements

The City of New Orleans maintains a Restoration Tax Abatement Program that provides commercial property owners and homeowners who expand, restore, or develop an existing structure in a downtown development district, economic development district, or historic district the right to pay ad valorem taxes based on the assessed valuation of the property for the year prior to the commencement of the project for five years after completion of the work. During the fiscal year ended December 31, 2024, there were two tax abatements under the Restoration Tax Abatement Program with exemptions. During the fiscal year ended December 31, 2024, ad valorem taxes abated applicable to the Commission totaled \$925.

**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**

Independent Auditor's Report

To the Board of Directors of
Audubon Commission

We have audited, 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 (*Government Auditing Standards*), the financial statements of the business-type activities of Audubon Commission (the Commission) for the year ended December 31, 2024, and the related notes to the financial statements, and have issued our report thereon dated June 15, 2025.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of an entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaForte".

A Professional Accounting Corporation

Metairie, LA
June 15, 2025

AUDUBON COMMISSION
Schedule of Findings and Responses
For the Year Ended December 31, 2024

Part I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None Reported

Noncompliance Material to Financial Statements Noted? No

Federal Awards

Not applicable

Part II - Financial Statement Audit Findings

No matters were reported.

Part III - Findings and Questioned Costs for Major Federal Award Programs Audit

Not applicable

AUDUBON COMMISSION
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

The prior year single (or organization-wide) audit disclosed no significant findings, and no significant uncorrected or unresolved findings exist from prior single (or organization-wide) audits.

AUDUBON COMMISSION
Other Supplementary Information
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2024

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

Agency Head Name:

J. Kelly Duncan, President of the Audubon Commission

Purpose	Amount
Salary	\$0
Benefits	\$0
Other Payments	\$0

See independent auditor's report.

AGREED-UPON PROCEDURES REPORT

Audubon Commission

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2024 - December 31, 2024

To the Board of Commissioners
Audubon Commission and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. Audubon Commission's (the Commission) management is responsible for those C/C areas identified in the SAUPs.

The Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were noted as a result of these procedures.

2) Ethics

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

Results: Out of the 5 randomly selected commissioners, only 2 had documentation about completion of ethics training.

3) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

Results: Out of 5 randomly selected commissioners, only 3 had documentation about completion of sexual harassment training.

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

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

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



A Professional Accounting Corporation

Metairie, LA
June 12, 2025



Audubon Commission

6500 Magazine St., New Orleans, LA 70118

June 22, 2025

LaPorte CPAs & Business Advisors
111 Veterans Blvd, Suite 600
Metairie, LA 70005

The following are the responses to the exceptions noted in your report on the Louisiana Legislative Auditor's Statewide Agreed Upon Procedures performed for fiscal year ended December 31, 2024.

Ethics:

Response:

Audubon Administration sends email communications regarding Ethics Training to the Commissioners at least three times each year. All certificates received from the Commissioners are retained by Audubon Administration.

Sexual Harassment:

Response:

Audubon Administration sends email communications regarding Sexual Harassment Training to the Commissioners at least three times each year. All certificates received from the Commissioners are retained by Audubon Administration.

The external auditors discussed the above exceptions and Audubon's responses with the Commissioners at the Joint Executive/Finance/Audit Committee meeting on June 4, 2025.

Sincerely,

Caroline Tierney

Vice President of Finance

Audubon Nature Institute, Inc.