

ARTHUR ANDERSEN LLP

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ALBUQUERQUE COMMISSION  
FINANCIAL STATEMENTS AND AUDITORS' REPORT  
YEAR ENDED DECEMBER 31, 1995

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

Release Date: 8-21-96

ALLEGHENY PARK COMMISSION

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INDEPENDENT AUDITORS' REPORT

To the Audubon Park Commission  
New Orleans, Louisiana

We have audited the accompanying general purpose financial statements of Audubon Park Commission (the Commission), a component unit of the City of New Orleans, as of and for the year ended December 31, 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We have previously audited and reported on the financial statements for the preceding year (see Note D).

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards (1994 Revision) issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 1995, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report on our consideration of the Commission's internal control structure and a report on its compliance with laws and regulations, both dated April 8, 1996.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining individual fund statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Commission, a component unit of the City of New Orleans. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

New Orleans, Louisiana,  
April 8, 1996

*Arthur Anderson LLP*

AUTUMN PARK COMMISSION

COMBINED BALANCE SHEET

AS OF DECEMBER 31, 1995 AND 1994

	<u>Measurement Only</u>	
	<u>1995</u>	<u>1994</u>
	(Note 3)	
<b>CURRENT ASSETS</b>		
Cash and temporary investments (Notes 1 and 3)	\$ 495,503	\$ 803,049
Accounts receivable, net of allowance for uncollectible accounts of \$87,088 and \$125,000 in 1995 and 1994, respectively	1,059,000	281,053
Accrued interest receivable	86,299	94,882
Due from other funds (Note 6)	1,679,985	1,930,523
Inventory (Note 1)	345,874	375,800
Prepaid expenses	369,891	309,691
Total current assets	<u>4,455,652</u>	<u>3,795,298</u>
<b>RESTRICTED ASSETS (Notes 1 and 7)</b>		
Due from Archibon Institute for capital improvements (Note 7)	1,605,077	1,472,507
Debt service accounts	4,496,287	4,417,627
Capital improvements accounts	17,919	10,300,367
Operation and maintenance reserve accounts	1,185,380	1,053,900
Accounts receivable	594,362	-
Total restricted assets	<u>9,959,015</u>	<u>19,254,401</u>
<b>PROPERTY AND EQUIPMENT (Note 3):</b>		
Land	990,000	990,000
Buildings and fixed exhibits	300,262,644	79,885,269
Construction in progress	18,115,223	17,862,780
Equipment	7,330,233	4,432,583
Less: accumulated depreciation	<u>(18,443,678)</u>	<u>(13,860,297)</u>
Net property and equipment	<u>308,254,622</u>	<u>88,440,335</u>
<b>OTHER ASSETS (Note 3):</b>		
Prepaid bond - Debt Bond	18,356,830	18,650,420
Investment - Riverfront Economic Development Agreement	1,826,325	1,878,899
Unamortized bond issue cost	626,230	699,643
Other	-	300,000
Total other assets	<u>20,809,385</u>	<u>21,529,962</u>
Total assets	<u>\$ 131,168,474</u>	<u>\$ 122,168,236</u>

The accompanying notes are an integral part of this financial statement.

## AUBURN PARK COMMISSION

## COMBINED BALANCE SHEET

AS OF DECEMBER 31, 1995 AND 1994

	Memorandum Only	
	1995	1994
	(Note T)	
<b>CURRENT LIABILITIES:</b>		
Due to The Audubon Institute (Note T)	\$ 200,000	\$ 39,944
Accounts payable and other accrued liabilities	4,520,599	2,998,994
Due to other funds (Note E)	1,180,458	1,293,538
Total	<u>5,901,057</u>	<u>4,290,580</u>
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):</b>		
Accrued interest	299,958	386,937
Due to other funds (Note E)	979,533	627,983
Bonds payable (Note E)	1,799,080	1,649,080
Construction payables	2,210,870	1,941,992
Total (payable from restricted assets)	<u>4,809,441</u>	<u>4,605,992</u>
Total current liabilities	<u>10,710,498</u>	<u>8,896,572</u>
<b>LONG-TERM LIABILITIES:</b>		
Bonds payable (Note E)	60,713,384	60,369,987
Lease commitments (disclosed Other (Note E))	(2,884,324)	(2,763,332)
	<u>57,829,060</u>	<u>57,606,655</u>
Total long-term liabilities	<u>57,829,060</u>	<u>57,606,655</u>
Total liabilities	<u>16,539,558</u>	<u>14,503,227</u>
<b>RETAINED EARNINGS:</b>		
Reserves required by bond resolution	2,105,965	2,653,965
Unreserved	58,779,180	58,763,330
Total retained earnings	<u>60,885,145</u>	<u>61,417,295</u>
Total liabilities and retained earnings	<u>\$ 127,444,703</u>	<u>\$ 125,920,522</u>

The accompanying notes are an integral part of this financial statement.

ATLANTIC PINE COMMISSION

COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	Miscellaneous Only	
	1999	1998
	(Page 2)	
<b>OPERATING REVENUES:</b>		
Charges for services	\$18,797,548	\$18,773,473
Miscellaneous	388,998	388,885
Total operating revenues	<u>20,686,546</u>	<u>19,172,358</u>
<b>OPERATING EXPENSES:</b>		
Salaries and benefits	11,085,138	10,482,448
Contractual services	5,727,458	5,118,553
Materials and supplies	3,488,563	3,328,000
Depreciation and amortization	3,088,090	2,747,048
Other	287,668	241,287
Total operating expenses	<u>23,687,317</u>	<u>21,917,336</u>
<b>OPERATING LOSS:</b>	<u>(3,000,771)</u>	<u>(2,744,978)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Dedicated tax revenues	3,423,730	3,448,376
Interest expense	(4,279,730)	(4,394,350)
Academy Institute grants for capital projects and education (Note 7)	8,773,178	3,195,076
Transfer to Acadia Institute	-	(750,000)
Intergovernmental grants for capital projects	554,567	821,594
Grant expenses	(179,070)	(263,428)
Interest income	1,276,738	1,084,797
Amortization - debt costs	(42,483)	(14,487)
Settlement with Dock Board (Note 3)	-	6,486,713
Miscellaneous of projects (Note 8)	-	(1,782,486)
Total non-operating revenues	<u>11,685,250</u>	<u>10,381,215</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<u>(1,315,521)</u>	<u>7,636,377</u>
<b>OPERATING TRANSFERS IN (OUT):</b>		
Operating transfers in	1,980,000	4,000,000
Operating transfers out	(1,980,000)	(4,000,000)
Total operating transfers	<u>-</u>	<u>-</u>
<b>NET INCOME</b>	<u>(130,521)</u>	<u>7,636,377</u>
<b>RETAINED EARNINGS, beginning of year</b>	12,824,098	43,797,473
<b>MERGER OF LOUISIANA NATURE CENTER (Note 1)</b>	-	3,718,914
<b>RETAINED EARNINGS, end of year</b>	<u>12,693,577</u>	<u>47,516,387</u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC PARK COMMISSION**

**COMBINED STATEMENT OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 1993 AND 1992**

	Measurement Only	
	1993	1992
	(Dollars)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net (loss) from operations	\$ (2,044,819)	\$ (2,666,842)
Adjustments to reconcile to cash provided (used) by operations:		
Depreciation and amortization	3,068,094	2,787,849
Accounts receivable and other current assets	946,449	(958,917)
Advances (to) from other funds, net	627,992	75,370
Accounts payable and other current liabilities	(12,158)	140,568
Cash (used) by operations	(1,537,530)	(651,972)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Decrease in fixed capital assets	30,082,928	6,433,612
Payments for projects' design, construction and purchase of equipment	(20,176,128)	(11,898,388)
Grants from Audubon Institute for capital projects and education	6,773,177	3,193,076
Repayment of capital advances to Audubon Institute	-	(750,000)
Payment of bond principal	(1,445,000)	(1,485,000)
Interest paid	(4,221,887)	(4,283,180)
Interest income	1,281,391	1,780,429
Dedicated tax revenues	6,623,793	6,669,376
Intergovernmental and other grants	894,367	831,294
Grant expenses	(379,670)	(263,628)
Mergers of Louisiana Nature Center	-	29,340
Settlement with Dock Board	-	4,396,213
Refund of payable to Audubon Institute	-	(3,800,880)
Other	52,534	77,211
Cash provided in capital and related financing activities	(125,845)	(124,871)
Net (decrease) in cash and cash equivalents	(189,754)	(114,177)
<b>CASH AND TEMPORARY INVESTMENTS, beginning of year</b>	<b>812,663</b>	<b>1,326,882</b>
<b>CASH AND TEMPORARY INVESTMENTS, end of year</b>	<b>\$ 622,909</b>	<b>\$ 1,212,705</b>

The accompanying notes are an integral part of this financial statement.

## AUDUBON PARK COMMISSION

### NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 1995

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### General Information

Audubon Park is located on a 486-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 63 passed by the Louisiana Legislature in 1871 authorized the Board of Park Commissioners to acquire the land which is now known as Audubon Park. In 1874, the Legislature passed Act 181 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 (the Commission) which is composed of 24 members who are appointed by the Mayor with the approval of the City Council. Each member serves a six-year term, with four members' terms expiring each year. The Commission is considered a component unit of the City of New Orleans (the City) and is included in the City's annual financial statements.

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 Aquarium of the Americas. The vote was taken pursuant to Act No. 305, passed by the Louisiana 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 the bonds authorized by Act 305, and through the Board of Legislation, City Debt, in the sale of its bonds. Construction of the Aquarium of the Americas and Biocultural Park was begun in 1987. 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 late 1992.

On June 1, 1998, the Commission and the City entered into an agreement for the construction and operation of a Wilderness Park and Species Survival and Research Center on approximately 64 acres of property owned by the City. The agreement requires an annual payment to the City's General Fund of one dollar (\$1.00) per year for a period of fifty (50) years, commencing on May 1, 1992 and terminating on February 28, 2042.

Effective October 1, 1994 the Audubon Park Commission received assignment of a facility loan by the Society for Environmental Education (as issuer) with the City of New Orleans (as issuer). The Society does business as the Louisiana Nature Center and its retained earnings of \$1,779,000 and related operating assets and liabilities were transferred to the Commission as of October 1, 1994.

The Commission has contractual management agreements with the Audubon Institute, Inc. (the "Institute"), a non-profit organization, under which the Institute manages and operates the Commission facilities located at the Audubon Park and Zoo, the Aquarium, the Species Survival Center and the Louisiana Nature Center. The Institute employs individuals to operate and maintain the Commission's facilities; however, all operating



revenues and expenses, including salary expenses, related to these facilities are recorded in the records of the related facility. The fund also supports the Commission financially through specific donations received and grants obtained by the Institute for operations or capital improvements of Commission facilities.

The accounting and reporting policies of the Commission conform to generally accepted accounting principles applicable to governmental units. Significant accounting policies are summarized below.

#### **A. 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 often found in the private sector. Proprietary funds are accounted for using a flow of economic resource measurement focus under which all assets and all liabilities associated with the operation of these funds are included in the balance sheet. The operating statements present increases (revenues) and decreases (expenses) in net total assets. The Commission maintains one proprietary fund type - the enterprise fund.

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance. Five individual enterprise funds are used to account for the operations of the "Aquarium and Riverfront Park," the "Audubon Golf Course," the "Audubon Park and Zoo," the "Sports Services Center" and the "Louisiana Nature Center."

#### **B. Basis of Accounting**

The Commission prepares financial statements in accordance with generally accepted accounting principles. Such principles require management to make estimates and assumptions that affect the reported amounts of 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 these estimates.

Enterprise funds prepare financial statements on the accrual basis of accounting. Property taxes are recorded as non-operating revenue as collected by the Commission's agent.

#### **C. Restricted Assets**

Restricted assets are established in the applicable enterprise fund in accordance with bond indentures.

#### **D. Investments**

Investments are stated at cost or amortized cost.

#### **E. Inventory**

Supplies inventory is stated at the lower of cost, determined by the first-in, first-out method, or market.

## F. Property and Equipment

Property and equipment are recorded at estimated historical cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives (approximately 35 years for buildings and 5 years for equipment) of the assets. 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 for the period. The cost of maintenance and repairs is charged to operations as incurred and significant renewals and betterments are capitalized.

## G. Vacation and Sick Leave

Annual leave and sick leave liabilities are accrued when earned in the enterprise funds (\$648,000 reported in accounts payable and accrued liabilities in the combined balance sheet at December 31, 1995).

## H. Reserves

Reserves are reported in the various funds to indicate that a portion of the fund balance (retained earnings) is not appropriate for expenditures or is legally segregated for a specific future use.

### 1. Total Columns in Combined Statements

The total columns in the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This column does not present financial position, results of operations, or cash flows, in conformity with generally accepted accounting principles. Such data is not comparable in a meaningful way since interfund eliminations have not been made. Reversal figures of certain 1994 amounts have been made to conform with 1995 report captions.

### 2. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the enterprise funds consider all investments with an original maturity of ninety days or less to be cash equivalents. Cash and cash equivalents at December 31, 1995 consisted of restricted cash and investments of \$405,555.

## I. Budgeting

Operating and Capital expenditure budgets are adopted by the Commission in a form consistent with generally accepted accounting principles. This budgetary information is employed as a management control device during the year.

### 2. CASH ON DEPOSIT AND TEMPORARY INVESTMENTS

#### A. Cash On Deposit and Time Certificates of Deposit

The carrying amount of the Commission's deposits at December 31, 1995 was \$395,679 (including \$17,735 of restricted cash and including \$73,750 of cash on hand), and the bank balance was \$300,000. The Commission's bank balance is categorized below to give an indication of the level of risk assumed by the Commission at year-end. Category 1 includes insured or collateralized cash with securities held by its agent in the Commission's name. Category 2 includes collateralized cash with securities held by the pledging

financial institution's trust department or its agent in the Commissioner's name. Category 3 includes uncollateralized cash, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Commissioner's name. At December 31, 1995, all of the Commissioner's cash is category 2 level of risk.

### B. Investments

The Commissioner's investments are restricted in accordance with the revenue bond indenture. The carrying values and market values of the Commissioner's investments as of December 31, 1995 were approximately \$5,620,000 and \$6,745,000, respectively. At December 31, 1995, all the Commissioner's investments are Category 2 level of risk which includes unsecured and uncollateralized investments for which the securities are held by the financial institution's trust department or agent in the Commissioner's name.

### C. OTHER ASSETS

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 "Riverside Economic Development Agreement" (the "Agreement") under which the Commission paid \$13,000,000 (\$11,000,000 from the sale of the Commission's Apartments Revenue Bonds, Series 1992A, and \$2,000,000 from self-generated funds of the Commission) to the Port. In consideration for the \$13,000,000 payment, the Commission was relieved of all rents at firm rate for occupancy pursuant to an agreement with the Port dated October 23, 1987 that provided for the development and occupancy of an apartments and related facilities by the Commission over the 99-year term of the agreement. The \$13,000,000 payment has been set up as prepaid rent and is being amortized over the remaining term of the agreement.

In consideration for the \$1,000,000, the City, which became the sole owner of the Riverside Facility under the agreement, agreed to transfer and assign the second \$200,000 of annual net income from the parking facilities at the Riverside to the Commission for twenty years beginning with the 1992 calendar year. In the event parking operations are discontinued at the Riverside, the agreement provides for the City to make a lump sum payment to the Commission for the remaining payments discounted at seven percent, or to continue to pay the \$200,000 in monthly installments of \$16,666. As payments are received from the City, this receivable, carried in Other Assets, will be reduced for that portion of the payment representing return of principal, with the balance credited to interest income. Accrual interest has been recorded for the interest portion of the payments not received.

On August 25, 1994, the Commission entered into a Settlement Agreement with the Port and the City. Under the terms of the agreement, the Commission transferred to the Port all of its rights, title and interest acquired from the Port through the Agreement to the Julia Street, Governor Nichols Street, Esplanade Avenue and Mandeville Street Wharves in exchange for \$6,750,000 at the settlement date and an additional \$500,000 which was scheduled to be paid and was paid in February, 1996. The Commission also agreed to pay the City \$300,000 of the proceeds received from the Port. The recorded settlement amount, \$6,600,000, is net of the \$300,000 payment to the City and other out-of-pocket settlement expenses. All other provisions of the Agreement remain unchanged. The Commission used approximately \$6.8 million of the settlement proceeds to repay obligations to the Institute.

Unamortized bond issue costs represent costs incurred in the issuance of the revenue bonds and the limited tax bonds (note G). These costs are being amortized over the life of the bonds.

#### 4. BONDS AND NOTES PAYABLE

Bonds payable at December 31, 1995 are comprised of the following:

Description	
<b>Limited tax bonds</b>	
5.00% to 6.50% Audubon Park Commission Aquarium Bonds, Series 1993, due in annual installments of \$1,140,000 to \$3,640,000 through October, 2017	\$46,995,000
7.00% Audubon Park Commission Improvement Bonds, Series 1979, due in annual installments of \$90,000 to \$20,000 through December, 2004	1,175,000
7.75% to 10.75% Audubon Park Commission Improvement Bonds, Series 1986, due in annual installments of \$50,000 to \$285,000 through December, 2005	950,000
<b>Revenue bonds</b>	
7.00% to 8.00% 1992 Audubon Park Commission Aquarium Revenue Bonds, Series 1992A, due in annual installments of \$100,000 to \$1,500,000, through April, 2012	15,200,000
Delivered less on refinancing, being amortized	<u>11,721,670</u>
	61,696,670
Less: Current maturities	<u>11,775,000</u>
	\$49,921,670

On January 1, 1993, the Commission issued \$50,000,000 Audubon Park Commission for the City of New Orleans Aquarium Bonds, Series 1993 with an average interest rate of 6.25%, to (a) advance refund \$25,400,000 principal amount of outstanding Aquarium Bonds, Series 1986 maturing October 1, 1993 to October 1, 2008 with an average interest rate of 8.11%, (b) finance further construction, extension and improvement of the Aquarium and related facilities, (c) fund certain reserves, and (d) pay costs of issuance of the Bonds. The bonds are special and limited obligations of the City payable from and secured solely by the proceeds of a special ad valorem tax. The tax is being levied at the rate of four and eleven-hundredths (4.11) mills. \$26,600,000 of the proceeds from the 1993 Series bonds were used to purchase U. S. government securities which were deposited in an irrevocable trust to provide for all future debt service payments on the 1986 Series bonds. As a result, the 1986 Series bonds are considered to be delivered and the liability for these bonds has been removed from the balance sheet. The reacquisition price of the 1986 Series bonds exceeded its net carrying amount by \$2.1 million. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2005 using the straight-line method. Series 1986 bonds remaining outstanding at December 31, 1995 total \$20,760,000.

Debt service applicable to the limited tax bonds is held by the Board of Liquidation, City Debt. No bonds may be sold without approval of the Board of Liquidation. Property taxes levied by the City of New Orleans and dedicated to the payment of these limited tax bonds are collected by the City of New Orleans and, as required by law, paid to the Board of Liquidation as collected. The millages for these limited tax bonds were established at the time the bonds were issued, based upon the approval of the voters. The property taxes are recorded as non-operating revenues for the appropriate fund.

Debt service for the revenue bonds is funded by the revenues generated by the Aquarium and Riverfront Park revenue bond.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. The Commission is in compliance with all such significant limitations and restrictions at December 31, 1993.

Debt service requirements on all bonds outstanding as of December 31, 1993, including interest payments of approximately \$51,188,900, are as follows:

Year(s) Ending December 31,	Limited Tax Bonds	Revenue Bonds	Total
1994	\$ 4,076,070	\$ 1,699,750	\$ 5,775,820
1997	4,076,081	1,684,750	5,760,831
1998	4,341,293	1,679,750	6,021,043
1999	4,341,303	1,679,800	6,021,103
2000	4,341,303	1,680,800	6,022,103
2001 - 2005	21,040,715	5,316,000	26,356,715
2006 - 2010	19,329,250	5,284,000	24,613,250
2011 - 2015	19,329,800	5,280,800	24,610,600
2016 - 2018	7,728,800	—	7,728,800
	<u>\$58,223,642</u>	<u>\$28,987,200</u>	<u>\$87,210,842</u>

A certain Endowment Income Trust Fund loaned the Commission \$221,000 in 1979 and \$900,000 in 1982 for capital improvements within the Audubon Park and Zoo. The loans are structured similarly and include interest at 5%. Each loan is to be repaid annually from 50% of any operating surplus, excluding any intergovernmental revenues. Amounts not repaid after 25 years are to be forgiven by the lender. The 1982 agreement also requires a minimum annual payment of \$21,000 commencing January 1, 1983. Accordingly, the Commission has recorded a repayment liability of \$879,830 at December 31, 1993 which includes accrued interest. No repayment liability has been recorded under the 1979 loan agreement due to the contingent nature of the agreement.

### 5. RETIREMENT SYSTEM

Employees of The Audubon Institute, Inc. providing services for Audubon Park Commission in accordance with the terms of the management agreements may participate on an optional basis in a tax-deferred annuity plan established by the Institute for the benefit of all full-time employees. The plan provides for the purchase of annuities which qualify for tax deferral. Participating employees contribute between 2% and 10% of their salary, not to exceed \$9,580, and the Commission, through the management agreement with the Institute, matches employee contributions at a rate of 80%, up to 6% of base salary. The retirement expense provision for 1993 amounted to approximately \$291,000.

#### 6. INDIVIDUAL FUNDS DISCLOSURES

Individual fund interfund receivables and payables at December 31, 1995 were as follows:

	Interfund Receivables	Interfund Payables
Aquarium and Riverfront Park	\$ 547,699	\$ 677,964
Asheboro Zoo and Park	679,333	942,806
Asheboro Golf Course	30,770	-
Species Survival Center	-	519,538
Louisiana Marine Center	28,952	-
	<u>\$1,676,754</u>	<u>\$1,679,308</u>

Individual fund transfers for the year ended December 31, 1995 were as follows:

	Operating Transfers In	Operating Transfers Out
Aquarium and Riverfront Park	\$ -	\$1,980,000
Asheboro Zoo	1,620,000	-
Species Survival Center	137,000	-
	<u>\$1,980,000</u>	<u>\$1,980,000</u>

#### 7. RELATED PARTY TRANSACTIONS

The Commission and the Institute are related through the interaction of their Boards of Directors and the mutual operation of the entities by the same management teams. To assure efficiencies through economies of scale, their entities, often and in the ordinary course of business, engage in operations through one organization that lends to the other organization. One example of this is the use of common or central bank and investment accounts. At December 31, 1995, the Commission had a payable to the Institute of \$295,598 and receivable from the Institute of \$1,807,077.

The Commission also received additional financial support from the Institute in the form of specific gifts and grants totaling approximately \$9,773,000 and distribution from the Institute's Endowment Fund amounting to approximately \$679,000, included in interest income during 1995.

#### 8. COMMITMENTS AND CONTINGENCIES

##### A. Litigation

Certain claims and suits have been filed against Asheboro Park Commission. The majority of these claims are covered by insurance and, in the opinion of management and legal counsel, the ultimate resolution of these cases will not result in a significant liability to the Commission.

## B. Self Insurance Risk Management

The Commission is self-insured for worker's compensation, short-term disability and hospitalization benefits and claims. The Commission has purchased commercial insurance to cover catastrophic claims on the hospitalization benefits and claims with an aggregate maximum cap of \$50,000 per claim and a \$1,000,000 employee lifetime limit. Worker's compensation expense provision for 1995 amounted to \$179,000. The Commission's hospitalization self-insurance provision in excess of the employee contributions for 1995 amounted to approximately \$676,000 and is included in payroll related expenses. The Institute maintains a \$100,000 letter of credit with a financial institution to support its participation in the program.

## C. Proposed Inspections

Inspections project expenditures of approximately \$1,797,000 were accrued all in 1994 in connection with management's release of its initial facility site under the settlement agreement with the Dock Board (Note 5). At December 31, 1995 approximately \$648,000, related primarily to design fees for a proposed inspections, is included in construction in progress in the Aquarium financial statements. Management believes that the work represented by these fees will be usable in this project and, therefore, realizable upon completion of the project.

**COMBINING INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



**Administrative Expenses**  
**REGISTRATION-FEE-ADMINISTRATIVE**  
**CONTRACT-RENEWAL-FEE**  
**ADVERTISING-EXPENSE**

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
<b>CONTRACT-RENEWAL-FEE</b>																			
Contract renewal fee	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
<b>ADVERTISING-EXPENSE</b>																			
Advertising expense	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
<b>REGISTRATION-FEE-ADMINISTRATIVE</b>																			
Registration fee	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
<b>CONTRACT-RENEWAL-FEE</b>																			
Contract renewal fee	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
<b>ADVERTISING-EXPENSE</b>																			
Advertising expense	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00

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

ASBESTOS CLAIM COMMISSION

CONFIDENTIAL FUND OF ASBESTOS LITIGATION FUNDS

CONFIDENTIAL FUND STATEMENT

AS OF 12/31/2008 \$ MILLION

	Asbestos and Environmental Remediation Fund	Workers' Compensation Fund	Asbestos Trust Fund	Special Services Fund	Unassigned Fund	Management Fee Fund
<b>CONFIDENTIALIZATION</b>						
For the Asbestos Fund:						
Asbestos Litigation Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
For the Asbestos Trust Fund:						
Asbestos Trust Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
For the Asbestos Special Services Fund:						
Asbestos Special Services Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
For the Asbestos Unassigned Fund:						
Asbestos Unassigned Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>CONFIDENTIALIZATION TOTAL</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
<b>CONFIDENTIALIZATION PERCENTAGE</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>ASSETS</b>						
Asbestos Litigation Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Trust Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Special Services Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Unassigned Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>LIABILITIES</b>						
Asbestos Litigation Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Trust Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Special Services Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Asbestos Unassigned Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>NET ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

**AMERICAN AIR CORPORATION**  
**CONDENSED BALANCE SHEET AND STATEMENT OF OPERATIONS**  
**AS OF AND FOR THE QUARTER ENDED SEPTEMBER 30, 1988**

	September 30, 1988	September 30, 1987	September 30, 1986	September 30, 1985	September 30, 1984	September 30, 1983	September 30, 1982
<b>ASSETS</b>							
Current assets:							
Cash and equivalents	\$1,024,488	\$1,203,117	\$1,114,988	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Accounts receivable	111,820	111,820	111,820	111,820	111,820	111,820	111,820
Prepaid expenses	111,820	111,820	111,820	111,820	111,820	111,820	111,820
Other current assets	111,820	111,820	111,820	111,820	111,820	111,820	111,820
Total current assets	\$1,360,948	\$1,538,577	\$1,449,448	\$1,435,440	\$1,435,440	\$1,435,440	\$1,435,440
Property, plant and equipment:							
Aircraft	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111
Ground equipment	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Leasehold improvements	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Other property, plant and equipment	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Accumulated depreciation	(444,444)	(444,444)	(444,444)	(444,444)	(444,444)	(444,444)	(444,444)
Total property, plant and equipment	\$888,888	\$888,888	\$888,888	\$888,888	\$888,888	\$888,888	\$888,888
Other assets:							
Goodwill	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Other non-current assets	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Total other assets	\$222,222	\$222,222	\$222,222	\$222,222	\$222,222	\$222,222	\$222,222
<b>Total assets</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>
Liabilities and equity:							
Current liabilities:							
Accounts payable	\$111,111	\$111,111	\$111,111	\$111,111	\$111,111	\$111,111	\$111,111
Accrued liabilities	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Deferred income taxes	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Other current liabilities	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Total current liabilities	\$444,444	\$444,444	\$444,444	\$444,444	\$444,444	\$444,444	\$444,444
Long-term liabilities:							
Debt	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111
Other long-term liabilities	111,111	111,111	111,111	111,111	111,111	111,111	111,111
Total long-term liabilities	\$1,222,222	\$1,222,222	\$1,222,222	\$1,222,222	\$1,222,222	\$1,222,222	\$1,222,222
Equity:							
Common stock	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111
Retained earnings	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111	1,111,111
Total equity	\$2,222,222	\$2,222,222	\$2,222,222	\$2,222,222	\$2,222,222	\$2,222,222	\$2,222,222
<b>Total liabilities and equity</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>	<b>\$2,572,958</b>

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

ANALYSIS OF FINANCIAL STATEMENTS

COMPARISON OF FINANCIAL STATEMENTS FOR  
 THE YEAR ENDED DECEMBER 31, 2017

STATEMENT OF FINANCIAL POSITION

Assets and Equity	2017	2016	Assets and Equity	2017	2016	Assets and Equity	2017	2016	Assets and Equity	2017	2016
Current Assets	1,000,000	950,000	Fixed Assets	1,500,000	1,400,000	Current Liabilities	300,000	250,000	Long-Term Liabilities	400,000	350,000
Accounts Receivable	400,000	380,000	Land	500,000	450,000	Accounts Payable	150,000	120,000	Mortgage Payable	200,000	180,000
Inventory	200,000	180,000	Buildings	400,000	350,000	Notes Payable	100,000	80,000	Other Liabilities	100,000	90,000
Prepaid Expenses	100,000	90,000	Equipment	300,000	250,000	Deferred Tax Liabilities	50,000	40,000	Other Liabilities	50,000	40,000
Other Current Assets	100,000	100,000	Accumulated Depreciation	(200,000)	(150,000)	Equity	1,200,000	1,150,000	Common Stock	500,000	500,000
Total Current Assets	800,000	740,000	Total Fixed Assets	1,000,000	950,000	Total Liabilities	450,000	400,000	Retained Earnings	700,000	650,000
Total Assets	2,000,000	1,900,000	Total Assets	2,000,000	1,900,000	Total Equity	1,200,000	1,150,000	Total Equity	1,200,000	1,150,000

Comparison of financial statements for the year ended December 31, 2017 and 2016. The assets and equity section shows a decrease in current assets and an increase in fixed assets. The liabilities and equity section shows a decrease in current liabilities and an increase in equity.

COMPARISON OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

The income statement for the year ended December 31, 2017 shows a decrease in sales revenue and an increase in operating expenses. The balance sheet for the year ended December 31, 2017 shows a decrease in current assets and an increase in fixed assets. The statement of cash flows for the year ended December 31, 2017 shows a decrease in cash and cash equivalents.

The statement of financial position for the year ended December 31, 2017 shows a decrease in current assets and an increase in fixed assets. The statement of cash flows for the year ended December 31, 2017 shows a decrease in cash and cash equivalents.

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

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROLS  
OF THE AUDUBON PARK COMMISSION AS AN ENTITY**

To the Audubon Park Commission:

We have audited the general purpose financial statements of Audubon Park Commission (the Commission), a component unit of the City of New Orleans, as of and for the year ended December 31, 1995, and have issued our report thereon dated April 8, 1996.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards (1994 Revision), 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 general purpose financial statements are free of material misstatement.

Management of the Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure 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 general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projections of any evaluation of the control structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Commission for the year ended December 31, 1995, we obtained an understanding of the Commission's internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. We did, however, note certain matters involving the internal control structure and its operation that we have communicated to the management of the Commission in a separate letter dated April 4, 1996.

This report is intended for the information of the audit committee, management, and the City of New Orleans. However, this report is a matter of public record and its distribution is not limited.

*Arthur Anderson LLP*

New Orleans, Louisiana,  
April 4, 1996

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
OF THE AUDUBON PARK COMMISSION AS AN ENTITY

To the Audubon Park Commission:

We have audited the general purpose financial statements of Audubon Park Commission (the Commission), a component unit of the City of New Orleans, as of and for the year ended December 31, 1995, and have issued our report thereon dated April 4, 1996.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards (1994 Revision), 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions and, accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of non-compliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of the City of New Orleans and the Commission's management. However, this report is a matter of public record and its distribution is not limited.

*Arthur Anderson LLP*

New Orleans, Louisiana,  
April 4, 1996