

Consultation With Other Accountants

To the best of our knowledge, management has not consulted with or obtained an opinion, written or oral, from other independent accountants during the past year which were subject to the requirements of Statement on Auditing Standards No. 50, "Reporting on the Application of Accounting Principles."

Major Issues Discussed With Management Prior to Retention

There have been no major issues discussed with management prior to our retention as your auditors.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing our audit.

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

SEPTEMBER 30, 1996

Our Responsibility Under Generally Accepted Auditing Standards

Our responsibility under generally accepted auditing standards is to express an opinion on the financial statements of New Orleans City Park Improvement Association (the Park) as of and for the year ended September 30, 1996, based on our audit. In carrying out this responsibility, we assessed the risk that the financial statements may contain a material misstatement, either intentional or unintentional, and designed and conducted our audit to provide reasonable, not absolute, assurance of detecting misstatements that are material to the financial statements. In addition, we considered the internal control structure of the Park to gain a basic understanding of the accounting system in order to design an effective and efficient audit approach, although not for the purpose of providing specific assurance on the internal control structure.

Significant Accounting Policies

The significant accounting policies used by the Park are described in the "Summary of Significant Accounting Policies" note to the financial statements.

We noted no transactions entered into by the Park during the period that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of the significance of the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. There are no significant areas which require management's judgments or estimates.

Significant Audit Adjustments

We proposed no significant audit adjustments to the financial statements that could, in our judgment, either individually or in the aggregate, have a significant effect on the Park's financial reporting process.

Disagreements With Management

There were no disagreements with management on financial accounting and reporting matters which, if not satisfactorily resolved, would have caused a modification of our report on the Park's 1996 financial statements.

**STATUS OF PRIOR YEAR COMMENT AND
PERFORMANCE BUDGETING**

As an enhancement to the Park's budget process, management should consider developing a performance-based budget, expanding the current budget document to include the product/services that will be generated as a result of the expenditures provided to a department. The expanded process can be used to set performance standards that can be used by management to monitor their staff and their progress toward the Park's goals as well as assist in determining efficiency and effectiveness of departments.

The Park agreed with the comment and is in the initial stages of implementing the recommendation.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies or procedures that may exist. We do, however, use our knowledge of the organization gained during our work to make comments and suggestions that we hope will be useful to you.

Attachment I reflects the status of the prior year management letter comments.

This report is intended solely for the information and use of the Board of Directors, management, and the federal audit agencies. However, this restriction is not intended to limit the distribution of this report.

Very truly yours,



June 2000 One Main Square
New Orleans, LA 70112-2000

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FEB 27 1997

LEON HARRIS, JR./TCR

November 23, 1996

CONFIDENTIAL

Board of Commissioners
New Orleans City Park Improvement Association
One Palm Drive
New Orleans, Louisiana 70124

Dear Commissioners:

We have audited the financial statements of the New Orleans City Park Improvement Association (the Park) for the nine months ended September 30, 1995, and have issued our report thereon dated December 21, 1995.

In planning and performing our audit of the financial statements of the Park, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

During our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. These recommendations, which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies and are summarized as follows:

STATE REGULATIONS

As a state agency, the Park is subject to various laws and regulations. However, because certain state acts and state agency policies do not apply to all state created entities, and in order to better understand which regulations the Park should comply with, we recommend that the Park receive legal opinions as necessary, particularly in the areas of procurement and pensions.

YEAR 2000

The year 2000 is a significant concern that most entities must address. Entities with state contract software have less of a concern. As the Park approaches the year 2000, it should undertake a documented assessment of its systems to determine if any issues exist and then develop a plan of action to address those issues.

Schedule of Findings

Finding: According to a report dated January 9, 1997, by the State of Louisiana Office of Inspector General, the New Orleans City Park Improvement Association's contract with its golf professional did not comply with state law regarding certain matters pertaining to the contract.

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REGISTRATION SECTION

**Independent Auditor's Report on Compliance
at the Financial Statement Level**

The Board of Directors
New Orleans City Park Improvement Association
New Orleans, Louisiana

We have audited the general purpose financial statements of the New Orleans City Park Improvement Association, as of and for the year ended September 30, 1996, and have issued our report thereon dated November 27, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards. We noted an immaterial instance of noncompliance that we have reported in the attached Schedule.

This report is intended for the information of management and the Federal Emergency Management Agency. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

November 27, 1996

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 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.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the Park in a separate letter dated November 23, 1996.

This report is intended for the information of the Board of Commissioners, management and the State of Louisiana Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

November 27, 1996

Suite 2600 One Canal Square
New Orleans, LA 70112-3000

**Independent Auditor's Report on the Internal Control Structure
at the Financial Statement Level**

**The Board of Commissioners
New Orleans City Park Improvement Association**

We have audited the financial statements of the New Orleans City Park Improvement Association (the Park), as of and for the year ended September 30, 1996, and have issued our report thereon dated November 27, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

The management of the Park 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 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, properties of any evaluation of the structure in 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 financial statements of the Park for the year ended September 30, 1996, we obtained an understanding of the 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 our 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 condition in which

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

ROADS TO FINANCIAL STABILITY

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 1995:

Financial year ending	
September 30	
1997	\$ 44,400
1998	44,400
1999	<u>41,400</u>
Total minimum lease payments	130,200
Less amount representing interest	<u>23,260</u>
Present value of future minimum lease payments	106,940
Less current portion	<u>27,300</u>
Noncurrent portion of leases payable	\$ <u>79,640</u>

(B) Employee Benefit Plans - Deferred Compensation Plan

The Park offers the employees a deferred compensation plan entitled in accordance with Internal Revenue Section 457. The plan, available to all regular full and part-time Park employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employee or their beneficiary until termination, retirement, death, or an unforeseeable emergency.

The plan is administered by the State of Louisiana (the State). All amounts of compensation deferred under the plan and all income attributable to those amounts are solely the property of the State until payment is made to the employee or beneficiary, subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of the general creditors of the State in an event equal to the fair market value of the deferred account for each participant. The Park contributed \$50,000 and \$38,000 to the deferred compensation plan in 1994 and 1995, respectively.

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

(6) Operating Leases

The Park leases certain facilities to various lessees under renewable operating lease agreements. Minimum future lease payments receivable as of September 30, 1986, are as follows:

1987	\$ 78,325
1988	78,880
1989	84,325
2090	45,000
2091	45,000
Thereafter	348,550

In addition, the Park leases Pan American Stadium to the Orleans Parish School Board under an operating lease expiring in 2002 for 16800 payments of \$1 per year.

The Park leases golf equipment under a renewable operating lease. The rental expense for this equipment for the years ended September 30, 1986 and 1985 was \$128,248 and \$123,893, respectively. Minimum future payments due under this agreement as of September 30, 1986 are as follows:

Fiscal year	
1987	\$ 127,428
1988	1,828

(7) Capital Leases

The Park has capital lease agreements for financing the acquisition of golf, maintenance, and other equipment. These leases accounted qualify as capital leases due to the following payments being made at the end of the lease term and, therefore, have been recorded at the present value of future minimum lease payments as of the date of their inception. The cost of the equipment leased under Capital Leases as of September 30, 1986 and 1985 is \$285,288 and \$295,850, respectively. Accumulated depreciation on this equipment as of September 30, 1986 and 1985 is \$128,248 and \$78,124, respectively.

(Continued)

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

As of September 30, 1996, Ted Gormley, Inc. owed approximately \$50,000 in obligations for final payments related to the Ted Gormley Stadium's renovation in 1992. Although the Park is not directly liable for this amount, the potential for indirect liability does exist. These obligations have not been capitalized by the Park as the costs are not recoverable.

4) Notes Payable

Notes payable as September 30, 1996 consists of the following:

\$250 note payable in regular monthly payments of \$7,000, including interest, beginning September 7, 1995, with final payment on August 9, 1996. Underwritten by revenues from Devine's contract and revenues from the operations of the City Park Softball Complex.	\$ 250,000
Less current portion	<u>72,887</u>
Long-term portion	\$ 177,113

As of September 30, 1995, the Park had similar notes outstanding which totaled \$208,888. Maturities of the notes payable as of September 30, 1996 are as follows:

	Principal	Interest	Total
1997	\$ 72,887	22,230	95,117
1998	37,642	5,476	43,118
1999	74,882	8,313	83,195

5) Contributed Capital

The following is a summary of the changes in contributed capital by source:

Period ended	Beginning of period	Fixed asset additions	Expenditures	End of period
1995	\$ 1,427,828	224,675	(282,599)	1,369,904
1996	1,369,904	1,224,258	(288,534)	2,305,628

Included in the fixed asset additions are \$87,627 and \$228,028 contributed to the Park by the Friends of City Park in 1995 and 1996, respectively. Friends of City Park is a not-for-profit organization that assists the Park in fund raising and community activities.

During 1996, the Park received a donation of land and mineral rights valued at \$1,816,000. Collectively referred to as Grand Island, this transaction was recognized as contributed capital.

(Continued)

NEW DELHI CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

1996	Cost	Accumulated Gains	Accumulated Loss	Market Value	Dividend
U.S. Treasury bills and notes	\$ 828,888	1,800	—	833,328	1
1995					
U.S. Treasury bills and notes	\$ 558,121	1,877	—	564,028	1

(b) Fixed Assets

The fixed assets of the Park as of September 30, 1996 and 1995 are as follows:

	1996	1995	Estimated useful life (years)
Amusement equipment	\$ 2,827,768	\$ 2,794,128	5 - 10
Gardens	2,120,000	2,020,298	5 - 10
Trucks and other equipment	1,248,088	1,213,033	5 - 10
Ballistic quadrangles	1,488,173	989,783	5 - 10
Administration building	128,144	127,938	3 - 10
Coche Island	1,816,808	—	5
Swimming Center/Boatice	689,887	689,468	5 - 10
Golf equipment	881,263	475,280	3 - 10
Marina center	458,508	458,870	5 - 10
Fladium	189,758	129,488	5 - 10
Construction in progress	129,544	429,488	—
Boat equipment	42,775	42,771	5 - 10
General park	17,822	27,822	5 - 10
	11,482,812	8,891,787	
Less accumulated depreciation	3,322,488	2,327,588	
Fixed assets, net	\$ 8,160,324	6,564,200	

Construction in progress of \$129,544 as of September 1996 consist of \$14,189 expended for lagoon dredging, \$83,576 expended for the administrative building, \$91,738 expended for the dining building, \$21,814 expended for the soccer field, \$28,974 expended for electrical work in the Botanical Gardens, and \$14,023 for other small projects.

Construction in progress as of September 30, 1995, consisted of \$29,798 expended for the collaboration in the Oaks Fountain and \$996,714 expended for the Quadrangle Concessions Building.

(Continued)

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

(4) Cash, Flows

The purposes of the statement of cash flows, only cash certificates on hand and on deposit and U.S. Treasury securities having an initial term of three months or less are included in cash and cash equivalents.

(5) Cash and Cash Equivalents and Investments

The following are the components of the Park's cash, cash equivalents and investments at September 30:

	1996	1995
Cash in Banks and certificates of deposit	\$ 382,421	442,848
Investments - U.S. Treasury securities	___522,826	___522,122
Total cash, cash equivalents and investments	\$ 1,320,877	1,312,122

Cash - The bank balances of cash and certificates of deposit as reflected by the Park's records totaled \$382,826 and \$412,587 at September 30, 1996 and 1995, respectively. The Park's cash and certificates of deposits at year-end were covered by Federal depository insurance or by collateral held by the Park's custodial bank in the Park's name.

Restricted cash and investments as of September 30, 1996 are as follows:

	Restricted Cash	Restricted Investments	Total
Franchise	\$ 21,181	-	\$1,181
Debt/Equity Raising Costs	-	48,281	48,281
Gift Fund	-	24,277	24,277
Quadrangle Commerce Building	-	53,461	53,461
Casino Building	-	242,790	242,790
People Mover	-	17,888	17,888
Reynolds Garden	-	24,288	24,288
Racine Fields	-	49,400	49,400
Old Gaming Miscellaneous	-	26,822	26,822
	\$ 21,181	582,827	\$61,827

INVESTMENTS - The Park's investments are categorized below to give an indication of the level of risk assumed by the Park at year-end. Category 1 includes investments that are insured or registered in the name of the association and held by the Park or its agent in the Park's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department in the Park's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Park's name.

(Continued)

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

determination of net income measurement issues. With this measurement focus, all assets and liabilities associated with the operations of the Park are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components. Proprietary Fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The Park applies all applicable GASB pronouncements in accounting and reporting for its proprietary fund operations issued on or before November 30, 1998, unless those pronouncements conflict with or contradict GASB pronouncements.

The accrual basis of accounting is utilized by proprietary Fund-types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Collections received in advance of events, such as celebrations in the Park, are recorded as deferred revenues.

14) Investments

Investments are stated at cost. Louisiana Revised Statutes authorize the Park to invest in bonds, treasury notes, certificates or other obligations of the United States, on the condition of deposit in state banks organized under Louisiana laws and national banks having principal offices in the State.

15) Inventories

Inventories, consisting primarily of concessions and catering supplies, are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

16) Fixed Assets

Fixed assets are stated at cost. Contributed assets are recorded at fair market value at the time received. Depreciation is provided using the straight-line method over the estimated useful lives. Depreciation on assets acquired through contributions is charged to contributed capital.

17) Pension Liabilities

The Park permits employees a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from Park service.

18) Fund Balances

Designations of fund balances represent those portions which are not available for operations but have been designated by the Board. Designations include renovations related to the Casino Building, Quadrangle Commission Building, Soccer Fields, Quadrangle Meeting Center and other similar Park projects.

Distributions whose use is limited to capital improvements and contributed capital improvements are recorded as contributed capital in Fund equity.

(Continued)

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Notes to Financial Statements

September 30, 1996 and 1995

(1) Summary of Significant Accounting Policies

The State of Louisiana Legislature passed Act 84 of 1970 which established a public park in the City of New Orleans (the City) and created the New Orleans Park Board of Commissioners. By Act 87 of 1973, the Board was abolished and the powers and duties were transferred to the City Council of New Orleans.

In 1980, Act 84 of 1970 was repealed and Act 138 gave recognition to an organization called the "New Orleans City Park Improvement Association" (the Park), an agency of the State, which was to manage and supervise the City's park.

Act 605 of 1982 transferred the Park to the State Department of Culture, Recreation and Tourism. The Park shall be used only for park, educational or cultural purposes.

(a) Functional Entity

For financial reporting purposes and in accordance with Governmental Accounting Standards Board's definition of a reporting entity, the Park has only one fund, an enterprise fund, which accounts for all assets, liabilities and operations of the Park, and, as such, is considered a primary government.

Of the 32 authorized board members, 13 are appointed by various governmental units and nonprofit organizations. The remaining board members serve limited staggered terms and are appointed by the current board members of the Park. The Park's Board members have decision-making authority over the activities of the Park including: the power to designate management; the ability to significantly influence operations and primary accountability for fiscal matters. The Park has no special financial relationships with any other governmental unit and is responsible for its own debt and surpluses and deficits.

(b) Basis of Fundation - Fund Accounting

The operations of the Park are accounted for in a proprietary fund. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary to the financial administration. The Park maintains one proprietary fund - an enterprise fund.

(c) Basis of Accounting

Basis of accounting refers to the timing of when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting and financial reporting of a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources

(Continued)

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

STATEMENT OF CASH FLOWS, CONTINUED

	1996	1995
Reconciliation of net operating loss to net cash provided by operating activities are as follows:		
Net operating loss	\$ (281,891)	(282,814)
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	615,715	483,344
Increase in receivables	52,874	132,128
Decrease (increase) in inventories	529	18,869
Increase (decrease) in prepaid expenses	430,813	(475,188)
Increase (decrease) in trade payables	(451,147)	847,887
Increase (decrease) in accrued liabilities	189,897	320,155
Increase in deferred income	<u>160,802</u>	<u>32,338</u>
Net cash provided by operating activities	\$ <u>471,848</u>	<u>350,109</u>

See accompanying notes to financial statements.

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Statements of Cash Flows

September 30, 1998 and 1999

	1998	1999
Cash flows from operating activities:		
Cash received from user fees	\$ 3,104,808	3,384,800
Cash received from donations	225	215
Cash payments to suppliers for goods and services and to employees for services	(2,892,388)	(3,234,312)
Net cash provided by operating activities	___312,645	___320,703
Cash flows from capital and related financing activities:		
Contributed by citizens for capital improvements	348,558	424,475
Acquisition and construction of capital assets	(180,738)	(218,432)
Proceeds of notes payable, net	(18,942)	117,740
Interest paid on notes payable and capital leases	___(28,211)	___(28,342)
Net cash used in capital and related financing activities	___(189,333)	___(14,599)
Cash flows from investing activities - interest on investments	___(12,822)	___(12,871)
Net increase in cash and cash equivalents	280,490	293,233
Cash and cash equivalents at beginning of the period	2,623,311	___792,250
Cash and cash equivalents at end of the period	\$ 2,903,801	2,623,311
Reconciliation:		
Cash	392,421	480,740
Investments	___820,856	___552,151
	\$ 2,903,801	2,623,311

Noncash capital and financing activities transactions:

During 1998 and 1999, the Park entered into various capital lease transactions totaling \$118,345 and \$7,371, respectively. During fiscal year 1999, the Park received title to donated land and mineral rights totaling \$1,000,000.

Continued

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Statements of Revenues, Expenses
and Changes in Retained Earnings, Continued

	1998	1999
Nonoperating income (expense):		
Interest income	\$ 28,008	12,872
Interest expense	<u>(34,211)</u>	<u>(11,100)</u>
Total nonoperating income (expense)	<u>3,797</u>	<u>1,772</u>
Net loss	(80,153)	(80,801)
Add depreciation on contributed fixed assets	<u>216,528</u>	<u>222,500</u>
Increase (decrease) in retained earnings	136,375	(79,029)
Retained earnings at beginning of period	1,502,482	1,581,511
Retained earnings at end of period	\$ <u>1,638,857</u>	\$ <u>1,502,482</u>

See accompanying notes to financial statements.

THE OMAHA CITY PARK IMPROVEMENT ASSOCIATION

Statements of Revenues, Expenses
and Changes in Related Balances

For the year ended September 30, 1995 and the
nine months ended September 30, 1995

	1995	1995
Operating revenues:		
Amusements and other events	\$ 2,300,100	1,200,840
Boating and fishing	38,280	53,306
Casino, catering, and restaurant revenues	2,463,419	1,580,875
Donations	325	278
Driving range	628,117	389,838
Golf cart rentals	838,485	651,124
Golf course fees	1,748,714	1,350,542
Horticulture and grounds	133,880	84,804
Quadrangles, stands and concessions	278,340	161,800
Stands, stands and concessions	377,858	463,580
Tennis fees and shop sales	200,130	286,321
Total operating revenues	\$ 6,888,323	\$ 5,358,883
Operating expenses:		
Amusements and other events	1,216,778	661,880
Boating and fishing	80,810	59,681
Casino, catering, and restaurant expenses	1,918,671	2,275,288
Depreciation	615,715	443,844
Driving range	209,518	185,334
General park	1,801,318	2,441,820
Golf cart operations	364,184	273,349
Golf course	1,587,200	2,122,884
Horticulture and grounds	260,224	243,780
Quadrangles	169,856	148,348
Stands	383,110	500,128
Tennis	250,800	128,225
Total operating expenses	\$ 8,322,354	\$ 6,358,878
Net operating loss	\$(434,031)	\$(999,995)

FOOTNOTES

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Balance Sheets

September 30, 1996 and 1995

Assets	1996	1995
Current assets:		
Cash		
Unrestricted	\$ 375,340	456,487
Restricted	35,181	14,520
Certificates of deposits	-----	48,820
Total cash and cash equivalents (note 2)	410,521	480,827
Investments (note 2)	818,884	813,151
Receivables:		
Friends of City Park	3,790	47,857
Other	166,459	180,819
Insurance	134,029	134,750
Prepaid expenses	213,847	288,350
Total current assets	1,336,791	1,508,797
Fixed assets, net (notes 3, 4, 5 and 7)	8,116,332	7,128,221
	\$ 9,453,123	8,637,018
Liabilities and Fund Equity		
Current liabilities:		
Notes payable - current (note 4)	70,887	82,140
Current portion of capital leases payable (note 7)	87,980	86,810
Accounts payable - trade	467,645	509,820
Accrued salaries	231,213	204,249
Deferred income	375,820	213,858
Accrued vacation leave	223,298	134,553
Total current liabilities	1,456,814	1,234,229
Notes payable (note 4)	152,320	228,148
Capital leases payable (note 7)	83,260	58,420
	1,692,394	1,520,807
Fund equity:		
Contributed capital (notes 2 and 3)	3,117,628	3,643,658
Retained earnings:		
Designated (note 2)	441,266	54,934
Unreserved, undesignated	854,883	1,302,948
Total retained earnings	1,496,149	1,357,882
Total fund equity	4,613,777	4,975,698
Commitments (notes 3, 4 and 7)	-----	-----
	\$ 9,845,920	9,088,095

See accompanying notes to financial statements.

KPMG Peat Marwick LLP

Suite 2800 One Shell Square
New Orleans, LA 70112-2000

Independent Auditor's Report

The Board of Commissioners
New Orleans City Park Improvement Association:

We have audited the Balance Sheet of New Orleans City Park Improvement Association (the Park) as of September 30, 1996 and 1995, and the related statements of revenues, expenses and changes in retained earnings and cash flows for the year ended September 30, 1996 and the nine months ended September 30, 1995. These financial statements are the responsibility of the Park's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Orleans City Park Improvement Association as of September 30, 1996 and 1995, and the results of its operations and its cash flows for the year ended September 30, 1996 and the nine months ended September 30, 1995 in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

November 27, 1996

NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

FINANCIAL STATEMENTS

December 31, 1996 and 1995

Table of Contents

	Page
Independent Auditor's Report	1
BALANCE SHEET	2
Statements of Revenues, Expenses and Changes in Related Bridge	3 - 4
Statements of Cash Flows	5 - 6
Notes to Financial Statements	7 - 13

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NEW ORLEANS CITY PARK IMPROVEMENT ASSOCIATION

Financial Statements

September 30, 1994 and 1995

With Independent Auditors' Report Thereon

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

Release Date 3-26-97