

# **AUDUBON COMMISSION**

Audits of Financial Statements

December 31, 2020 and 2019



## Contents

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<b>Independent Auditor's Report</b>	1 - 3
-------------------------------------	-------

---

<b>Management's Discussion and Analysis</b>	4 - 11
---	--------

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### **Financial Statements**

Statements of Net Position	12 - 13
----------------------------	---------

Statements of Revenues, Expenses, and Changes in Net Position	14
---	----

Statements of Cash Flows	15
--------------------------	----

Notes to Financial Statements	16 - 31
-------------------------------	---------

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<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	32 - 33
--	---------

---

Schedule of Findings and Questioned Costs	34
---	----

Summary Schedule of Prior Audit Findings	35
--	----

---

### **Other Supplementary Information**

Combining Schedule of Revenues, Expenses, and Changes in Net Position	37
---	----

Schedule of Compensation, Benefits, and Other Payments to Agency Head	38
---	----

## **Independent Auditor's Report**

To the Board of Directors of  
Audubon Commission

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Audubon Commission (the Commission), which comprise the statements of net position as of December 31, 2020 and 2019, the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 4 through 11, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

#### *Other Supplementary Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's financial statements. The combining schedule of revenues, expenses, and changes in net position and 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 financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenses, and changes in net position and schedule of compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2021, 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 handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Metairie, LA  
June 21, 2021

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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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, 2020 and 2019. It should be read in conjunction with the financial statements in this report.

#### Overview of Financial Statements

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

The *Financial Statements* of the Commission presents 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* includes all of the Commission's assets and liabilities and provides 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 information on the Combining Schedule of Revenues, Expenses, and Changes in Net Position.

#### Financial Highlights

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Commission operates. While it is unknown how long these conditions will last and what the complete financial effect will be, to date, the Commission has experienced decreased revenues since March 14, 2020 due to the closure of admissions-based facilities to the public.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

The closure occurred during peak attendance season, when 44% of operating revenue for the year is earned. Over 65% of the Commission's revenue is directly linked to guest visits: admissions, attractions, concessions, and gift shop sales. An additional 9% is earned through catered events, which were cancelled through the end of the year. The Commission reduced its expenses including laying off or placing staff on unpaid leave.

New Orleans began phased reopening on May 16, 2020, and included zoos and museums among businesses eligible to reopen during Phase I. Audubon Zoo opened June 3, 2020, and the Aquarium opened back on July 16, 2020. The Commission continued to have decreased revenues throughout the year as government mandated restrictions on crowd sizes and capacity usage limit the number of guests that could be admitted, catered events, and field trips/group visits.

Net position decreased by \$17,775,185, or 14%, and \$3,009,994, or 2% in 2020 and 2019, respectively. In 2020 the decrease is due to the COVID-19 pandemic.

### Operating Facilities Net Results for the Year Ended December 31, 2020 with Prior Years and Budget Comparisons

(in Thousands)	Actual 2020	Actual 2019	Actual 2018	Budget 2020	Budget 2019
Aquarium and Riverfront Park	\$ 2,904	\$ 7,493	\$ 6,949	\$ 7,493	\$ 6,839
Zoo and Audubon Park	(5,988)	(6,726)	(6,032)	(6,344)	(5,702)
Butterfly Garden and Insectarium	(375)	523	597	368	387
Species Survival Center/Research Center	(163)	(594)	(591)	(615)	(828)
Louisiana Nature Center	(230)	(335)	(340)	(551)	(349)
<b>Total Operations *</b>	(3,852)	361	583	<u>\$ 351</u>	<u>\$ 347</u>
<b>Net Capital Income and Expense</b>	(13,923)	(3,371)	5,366		
<b>Change in Net Position</b>	<u>\$ (17,775)</u>	<u>\$ (3,010)</u>	<u>\$ 5,949</u>		

\*Excludes capital revenues and expenditures and the depreciation associated with buildings and fixed exhibitory.

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

	Year Ended December 31,			Change 2019 to 2020	Change 2018 to 2019
	2020	2019	2018		
Operating Revenues	\$ 18,204,581	\$ 45,593,860	\$ 45,156,704	\$ (27,389,279)	\$ 437,156
Operating Expenses	44,710,932	65,054,673	62,799,774	(20,343,741)	2,254,899
Operating Loss	(26,506,351)	(19,460,813)	(17,643,070)	(7,045,538)	(1,817,743)
Nonoperating Revenues, Net	8,731,166	16,450,819	23,592,562	(7,719,653)	(7,141,743)
Change in Net Position	(17,775,185)	(3,009,994)	5,949,492	(14,765,191)	(8,959,486)
Beginning Net Position	129,813,986	132,823,980	126,874,488	(3,009,994)	5,949,492
Ending Net Position	<u>\$ 112,038,801</u>	<u>\$ 129,813,986</u>	<u>\$ 126,874,488</u>	<u>\$ (17,775,185)</u>	<u>\$ (3,009,994)</u>

# AUDUBON COMMISSION

## Management's Discussion and Analysis

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

#### Operating Revenues

Operating revenues decreased by \$27,389,279, or 60%, in 2020 compared to 2019 due to the pandemic.

#### Operating Expenses

Salaries and benefits decreased by \$10,152,878, or 35%, due to staff layoffs, staff placed on unpaid leave and 25% salaries reductions for remaining employees during mandated facility closures (except for those regularly working on-site). Contractual services, materials, and supplies decreased by \$10,221,085, or 41%, due to strict management and reduction of expenditures in all areas.

#### Nonoperating Revenues

Nonoperating revenues decreased overall mainly due to the loss on disposal and retirement of assets at the Audubon Butterfly Garden and Insectarium and the Entergy Giant Screen Theater.

Contributions increased due to the additional support from Audubon Nature Institute and Audubon Nature Institute Foundation because of the pandemic.

Dedicated tax revenues were \$8,223,791 in 2020 compared to \$11,673,656 in 2019, the reduction of \$3,449,865 was due to the City of New Orleans' decision to reduce property tax rates in 2020 because of a significant increase in assessed property values. Audubon Commission's millage rate was reduced from 3.11 mills to the 1.95 mill rate that was scheduled to go into effect in 2021.

Intergovernmental grants increase of \$2,832,418 were mainly due to state reimbursements for capital expenditures and FEMA reimbursements related to Hurricanes Sally, Laura, and Zeta property damage. Also included in the intergovernmental grants was \$305,821 of reimbursements received as part of the Louisiana Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding.

#### Net Capital Assets

	Aquarium and Riverfront Park	Butterfly Garden and Insectarium	Zoo and Audubon Park	Species Survival Center/ Research Center	Louisiana Nature Center	Total
<b>Balance December 31, 2018</b>	\$ 36,458,491	\$ 11,872,411	\$ 74,950,406	\$ 16,159,053	\$ 11,767,992	\$ 151,208,353
Additions	6,775,322	-	2,491,543	573,550	9,627	9,850,042
Depreciation/Disposals	(3,416,763)	(1,270,577)	(4,554,639)	(1,069,326)	(595,722)	(10,907,027)
<b>Balance December 31, 2019</b>	39,817,050	10,601,834	72,887,310	15,663,277	11,181,897	150,151,368
Additions	1,725,007	-	2,475,423	273,674	-	4,474,104
Depreciation/Disposals/Retirement	(4,027,811)	(10,121,811)	(4,603,320)	(1,102,162)	(608,358)	(20,463,462)
Internal Transfers, Net of Accumulated Depreciation	480,023	(480,023)	-	-	-	-
<b>Balance December 31, 2020</b>	\$ 37,994,269	\$ -	\$ 70,759,413	\$ 14,834,789	\$ 10,573,539	\$ 134,162,010



# AUDUBON COMMISSION

## Management's Discussion and Analysis

### Condensed Statements of Net Position

	2020	2019	2018	2017	2019 to 2020	2018 to 2019
<b>Assets</b>						
Cash and Cash Equivalents	\$ 2,030,589	\$ 1,912,359	\$ 2,490,709	\$ 459,391	\$ 118,230	\$ (578,350)
Accounts Receivable, Net	343,126	465,424	399,778	444,110	(122,298)	65,646
Inventory	1,203,750	1,386,806	1,315,654	1,319,527	(183,056)	71,152
Prepaid Expenses	415,392	491,481	613,141	724,942	(76,089)	(121,660)
Restricted Assets	27,718,723	16,130,263	18,022,113	4,194,011	11,588,460	(1,891,850)
Nondepreciable Capital Assets	9,815,268	16,046,199	16,363,492	18,958,095	(6,230,931)	(317,293)
Depreciable Capital Assets, Net	124,346,742	134,105,169	134,844,861	132,316,034	(9,758,427)	(739,692)
Other Assets, Nonrestricted	7,642,090	7,757,879	7,873,669	7,989,458	(115,789)	(115,790)
Agency Fund	-	-	7,152,854	-	-	(7,152,854)
<b>Total Assets</b>	<b>173,515,680</b>	<b>178,295,580</b>	<b>189,076,271</b>	<b>166,405,568</b>	<b>(4,779,900)</b>	<b>(10,780,691)</b>
<b>Deferred Outflows of Resources</b>						
	-	-	-	75,833	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 173,515,680</b>	<b>\$ 178,295,580</b>	<b>\$ 189,076,271</b>	<b>\$ 166,481,401</b>	<b>\$ (4,779,900)</b>	<b>\$ (10,780,691)</b>
<b>Liabilities</b>						
Unrestricted Current Liabilities	\$ 5,963,574	\$ 8,365,061	\$ 7,883,458	\$ 6,775,458	\$ (2,401,487)	\$ 481,603
Payables from Restricted Assets	7,713,416	4,692,806	14,276,967	6,569,233	3,020,610	(9,584,161)
Noncurrent Liabilities	47,799,889	35,423,727	34,091,866	26,262,222	12,376,162	1,331,861
<b>Total Liabilities</b>	<b>61,476,879</b>	<b>48,481,594</b>	<b>56,252,291</b>	<b>39,606,913</b>	<b>12,995,285</b>	<b>(7,770,697)</b>
<b>Net Position</b>						
Net Investment in Capital Assets	89,161,823	114,923,159	112,715,122	121,617,847	(25,761,336)	2,208,037
Restricted	27,039,691	15,610,254	17,473,989	3,606,397	11,429,437	(1,863,735)
Unrestricted	(4,162,713)	(719,427)	2,634,869	1,650,244	(3,443,286)	(3,354,296)
<b>Total Net Position</b>	<b>112,038,801</b>	<b>129,813,986</b>	<b>132,823,980</b>	<b>126,874,488</b>	<b>(17,775,185)</b>	<b>(3,009,994)</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 173,515,680</b>	<b>\$ 178,295,580</b>	<b>\$ 189,076,271</b>	<b>\$ 166,481,401</b>	<b>\$ (4,779,900)</b>	<b>\$ (10,780,691)</b>

### Comments on Condensed Statements of Net Position

Restricted assets increased mainly due to the issuance of bonds in the amount of \$9,500,000 in 2020. The Bonds were issued for the purpose of constructing and improving the parks, recreational, and wildlife conservation facilities of the Commission. The net capital assets decrease of \$15,989,358 in 2020 was due to capital asset additions of \$4,474,104 offset by depreciation, disposals, and retirements of \$20,463,462. The disposal and retirement of assets is largely due to the move of Audubon Butterfly Garden and Insectarium from the U.S. Custom House building to the Aquarium. Many of these exhibits have been fully depreciated or close to the end of their useful lives. A number of these exhibit galleries will be recommissioned in the revitalized Aquarium facility. This relocation of the Insectarium will provide a combined experience that re-envision the guest experience and educational programming. The move will also present a multitude of cost-savings and revenue-generating opportunities. The facility renovation also includes the removal and decommissioning of the Entergy Giant Screen Theater, these assets were retired as of in 2020.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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Non-current liabilities increased by \$12,376,162 due to an increase in the amount due to the Audubon Nature Institute from the Commission and the increase in bonds payable. These Limited Tax Bonds 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.

### Condensed Statements of Cash Flows

	2020	2019	2018	Change 2019 to 2020	Change 2018 to 2019
Net Cash Used in Operating Activities	\$(11,890,467)	\$ (5,660,236)	\$ (5,858,784)	\$ (6,230,231)	\$ 198,548
Net Cash Provided by (Used in) Capital and Related Financing Activities	21,577,459	(4,087,739)	29,277,009	25,665,198	(33,364,748)
Net Increase (Decrease) in Cash and Cash Equivalents	9,686,992	(9,747,975)	23,418,225	19,434,967	(33,166,200)
Cash and Cash Equivalents Beginning of Year	17,823,971	27,571,946	4,153,721	(9,747,975)	23,418,225
End of Year	\$ 27,510,963	\$ 17,823,971	\$ 27,571,946	\$ 9,686,992	\$ (9,747,975)

### Comments on Condensed Statements of Cash Flows

There was an increase in cash used in operating activities in 2020 compared to 2019 due to the COVID-19 pandemic. An increase in cash provided from capital and related financing activities was due to the issuance of new bonds, the loss on disposal/retirement of capital assets and additional contributions due to the pandemic.

### General Overview

2020 was a year that will stand as unique in Audubon history. The global catastrophe of the COVID-19 pandemic forever changed the way we all live, work, and move through the world. Public safety measures to slow the spread of the virus forced Audubon to close all public facilities for several months during spring and early summer-usually the peak of our busy season-when we make the majority of the revenue that sustains our operations through the year. The devastating financial impact and the absence of governmental financial aid for larger zoos and aquariums left Audubon no choice but to drastically scale down operations, including laying off close to 75% of our staff. Through it all, we continued providing exceptional care for the animals and parks in our charge.

By summer, Audubon was already beginning to make incredible strides toward recovery as the Zoo and Aquarium were able to reopen to the public under new safety protocols and the arrival of a COVID vaccine at the end of the year brought new hope for a return to normalcy. This historic year of seemingly insurmountable challenges highlighted the remarkable strength and resilience of the Audubon team and their dedication to our mission as employees went above and beyond the call of duty, serving in front-line roles in addition to regular responsibilities to stabilize operations.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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Despite 2020 being a year characterized by losses, the Audubon Team consistently provided the community we serve with opportunities to celebrate and reasons to hope. Below are some highlights of Audubon's perseverance and hope in the face of disaster. We look to the future with optimism, ready to embark on new adventures and new ways to educate and inspire our community.

#### Major Achievements

- Audubon Aquarium of the Americas and Audubon Zoo were once again among the top winners of the USA TODAY **10 Best Readers' Choice travel award contest**. The **Aquarium ranked 3<sup>rd</sup>** and the **Zoo secured 9th place** among 20 nominees, all accredited by the AZA, that were "hand-picked by a panel of zoo and family travel experts".
- Audubon Aquarium of the Americas celebrated its **30<sup>th</sup> "Aquaversary" over Labor Day weekend**. Since opening its doors to the public September 1, 1990, the Aquarium has welcomed nearly 30 million visitors. Over the last three decades, the Aquarium has offered new experiences by adding a second phase with changing exhibits space and transforming original galleries into unique environments such as the Great Maya Reef, Gulf of Mexico, and shark/ray touch pool.
- Critical conservation work continued at **Freeport-McMoRan Audubon Species Survival Center's Whooping Crane Recovery Program** was awarded a large grant by U.S. Fish and Wildlife Service to make improvements to the existing breeding and rearing facility and to hire a new keeper. This grant has the potential to be renewed every year for four more years--a big win for the program and for Audubon.
- Staff from **Audubon's Coastal Wildlife Network**, which serves as Louisiana Department of Wildlife and Fisheries' primary response partner, worked with partners to rescue six bottlenose dolphins from strandings resulting from the coast's historic hurricane season. CWN assisted with satellite tagging three of the rescued dolphins with tags provided by the Chicago Zoological Society's Sarasota Dolphin Research Program. The tags collected valuable data on dolphin movements in an area where little information has been previously collected and confirmed all of the animals continued to remain in their environment beyond six weeks—the benchmark for a successful release.
- On June 4, 2020, representatives from Audubon Zoo, Memphis Zoo, and the U.S. Forestry Service released 41 zoo-hatched **Louisiana pine snakes** into the Kisatchie National Forest, marking the **largest wild release to date** of the United States' rarest snake species.
- In 2020, Audubon Zoo transferred **four tomistomas, or Sunda gharials (a freshwater crocodilian species native to Indonesia), hatched at the Zoo since 2014 to Tierpark Berlin in Berlin, Germany**. These individuals, which are genetically unrelated to other tomistoma specimens in European zoos, will increase the genetic diversity of the European population for future conservation breeding efforts. After nearly two years of planning and preparations and rigorous physical health examinations by Audubon Zoo's veterinarians, the tomistomas arrived safely at their new home in Berlin, where they will serve as ambassadors for their species to more than a million visitors each year.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- For the second year in a row, Audubon Nature Institute's Marketing team took home an **Association of Zoos and Aquariums' Excellence in Marketing Award**, which recognizes excellence in marketing campaigns developed and executed by AZA-accredited facilities. This year's award honored the "Audubon Zoo Lions: The Roar Returns" campaign, which promoted the opening of the Zoo's new lion habitat in 2019. Powerful, engaging messaging is critical to advancing public understanding of the role AZA-accredited zoos and aquariums play in animal welfare and conservation. The award celebrated the creativity and expertise of Audubon's Marketing team in developing engaging, imaginative ways to share its mission and stories.
- **Audubon continued its Community Connect access initiative in 2020.** The program involves three components: Orleans Parish Appreciation Days, which offer free admission to an Audubon attraction for Orleans Parish residents on Wednesdays (attractions available on a rotating schedule); the Audubon SNAP Program, which provides free admission to Audubon attractions every day for SNAP benefit recipients and their families; and the Audubon Museum Culture Pass, which allows Orleans Parish Public Library cardholders to check out passes that can be used at any Audubon attraction any day the attractions are open to the public. **Despite months-long closures of the Zoo and Aquarium, Community Connect made it possible for more than 30,000 community members to visit Audubon facilities (as compared to just under 40,000 in 2019).**
- In addition, thanks to the **Taylor/Audubon Students and Scholars Program**, more than 196,000 high-achieving students in grades 7 through 12 statewide received free Audubon Memberships as part of the ongoing initiative established by the Patrick F. Taylor Foundation to reward Louisiana students' hard work.
- Audubon has continued to strengthen its **social media initiatives**, adding fans, friends, and followers daily. At year end, our social media network included more than **379,000 Facebook** followers, **25,000 Twitter** followers; **48,500 Instagram** followers; **15,500 YouTube** subscribers, and **173,000 email** subscribers. Audubon also attracted **9,000** followers to its newly launched **TikTok** account in 2020.

#### New Arrivals and Programs

- Audubon Zoo kicked off 2020 with the birth of **two male endangered African lion cubs** in January to mom Kali and dad Arnold in the new habitat opened in 2019 through a generous \$5 million donation from philanthropists Joy and Boysie Bollinger. The cubs were later named "Haji" and "Asani" by an online vote.
- New births continued to arrive throughout the year as a reminder of the perseverance of life in the face of tragedy, and the first baby born after quarantine—a female reticulated giraffe calf born at Alliance for Sustainable Wildlife—was **named Hope** in a fitting tribute to the inherent optimism of the wildlife conservation field. Throughout the year, Hope was followed by Batata the ocelot kitten, Kofola the mandrill, Leo and Perseus the Mississippi sandhill cranes, and more. At the Aquarium, the **endangered African penguin chick hatched in March was named Zion** in honor of New Orleans Pelicans rookie Zion Williamson, who made headlines with a truly remarkable act of generosity when he committed to covering the salaries of the Smoothie King Center workers for 30 days after the NBA season halted due to the pandemic.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- Across Audubon, teams found new ways to stay with connected with our community during lockdown and adapt guest-favorite events to new COVID safety protocols. The Education team offered **virtual outreach programs** for children across the state. These virtual programs allow students to discover amazing animals with Audubon educators as they explore nature and science together. Each 45-minute program combines science topics aligned with Louisiana State science standards and live animal presentations. Students can interact in real time with educators and live animals through streaming video conferencing as they discover new things about the world around them. Thanks to the support of Shell, Chevron, and the New Orleans Pelicans, **Audubon was able to offer virtual programming to Title 1 schools in Louisiana free of charge.**
- Audubon celebrated Mother's Day and ***Party for the Planet presented by Entergy*** with curated web pages filled with educational resources and activity ideas for families to enjoy the wonders of nature together safely from home and fun social media programming. Audubon and partner Children's Hospital New Orleans transformed its annual nighttime Halloween fundraiser, *Boo at the Zoo*, into a COVID-safe feature of the daytime Zoo experience dubbed ***Peek-a-Boo at the Zoo benefiting Children's Hospital New Orleans and Audubon Zoo.*** The wildly popular program was enjoyed by nearly 30,000 Zoo visitors over two weekends in October and raised funds to directly support patients at Children's Hospital New Orleans through the sale of "Boo in a Bag" treat bags.
- Throughout the year, Audubon facilities remained sources of **community support**, providing public parks as places for much-needed outdoor recreation and relaxation during the months when many indoor activities were unsafe and serving as sites for community aid events like a City of New Orleans Flu Vaccine drive, a Second Harvest Food Bank food distribution day, and Temple Sinai's drive-thru Hanukkah candle-lighting ceremony.

#### **Economic Factors and Next Year's Budget**

The 2021 operating budget is very conservative due to the ongoing and still unknown impacts of the COVID-19 Pandemic. Based on current operating trends in the first part of 2021 and the availability of vaccines, management is optimistic that the Audubon facilities will exceed expectations in 2021.

#### **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, 2020 and 2019**

	<b>2020</b>	2019
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 2,030,589	\$ 1,912,359
Accounts Receivable, Net of Allowance for Uncollectible		
Accounts of \$14,034 in 2020 and \$29,724 in 2019	343,126	465,424
Inventory	1,203,750	1,386,806
Prepaid Expenses	415,392	491,481
	<hr/>	<hr/>
<b>Total Current Assets</b>	<b>3,992,857</b>	4,256,070
<b>Noncurrent Assets</b>		
<b>Capital Assets</b>		
Land	800,000	800,000
Buildings and Fixed Exhibitory	271,753,050	289,934,302
Equipment	27,837,159	24,588,073
Construction in Progress	9,015,268	15,246,199
Less: Accumulated Depreciation	(175,243,467)	(180,417,206)
	<hr/>	<hr/>
<b>Net Capital Assets</b>	<b>134,162,010</b>	150,151,368
<b>Other Assets</b>		
Prepaid Rent - Dock Board	7,642,090	7,757,879
Cash with Fiscal Agent Restricted for Capital Projects	25,480,374	15,211,630
Cash Restricted for Capital Projects	-	699,982
Receivables Restricted for Capital Improvements	2,238,349	218,651
	<hr/>	<hr/>
<b>Total Other Assets</b>	<b>35,360,813</b>	23,888,142
	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 173,515,680</b>	\$ 178,295,580

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

**AUDUBON COMMISSION**  
**Statements of Net Position (Continued)**  
**December 31, 2020 and 2019**

	2020	2019
<b>Current Liabilities Payable from Unrestricted Assets</b>		
Accounts Payable and Other Accrued Liabilities	\$ 5,720,712	\$ 7,972,533
Capital Lease Obligations	242,862	392,528
<b>Total Current Liabilities Payable from Unrestricted Assets</b>	<b>5,963,574</b>	8,365,061
<b>Current Liabilities Payable from Restricted Assets</b>		
Accrued Interest	679,032	520,009
Limited Tax Bonds, Current Portion	3,630,000	3,470,000
Gulf Opportunity Zone Loan, Current Portion	750,000	225,000
Construction Payables	2,654,384	477,797
<b>Total Current Liabilities Payable from Restricted Assets</b>	<b>7,713,416</b>	4,692,806
<b>Total Current Liabilities</b>	<b>13,676,990</b>	13,057,867
<b>Noncurrent Liabilities</b>		
Limited Tax Bonds	11,634,489	4,032,246
Gulf Opportunity Zone Loan	11,366,326	11,891,326
Due to Audubon Nature Institute, Inc.	10,076,947	4,760,843
Unearned Revenue	10,689,371	10,707,744
Capital Lease Obligations	4,032,756	4,031,568
<b>Total Noncurrent Liabilities</b>	<b>47,799,889</b>	35,423,727
<b>Total Liabilities</b>	<b>61,476,879</b>	48,481,594
<b>Net Position</b>		
Net Investment in Capital Assets	89,161,823	114,923,159
Restricted	27,039,691	15,610,254
Unrestricted	(4,162,713)	(719,427)
<b>Total Net Position</b>	<b>112,038,801</b>	129,813,986
<b>Total Liabilities and Net Position</b>	<b>\$ 173,515,680</b>	\$ 178,295,580

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, 2020 and 2019**

	2020	2019
<b>Operating Revenues</b>		
Charges for Services	\$ 17,132,474	\$ 43,819,192
Other Revenues	1,072,107	1,774,668
<b>Total Operating Revenues</b>	<b>18,204,581</b>	45,593,860
<b>Operating Expenses</b>		
Salaries and Benefits	19,014,421	29,167,299
Contractual Services, Materials, Supplies, and Other	14,642,143	24,863,228
Depreciation and Amortization	11,054,368	11,024,146
<b>Total Operating Expenses</b>	<b>44,710,932</b>	65,054,673
<b>Operating Loss</b>	<b>(26,506,351)</b>	(19,460,813)
<b>Nonoperating Revenues (Expenses)</b>		
Support for Capital Projects, Education, and Operating		
Support from Audubon Nature Institute, Inc.	3,889,201	3,442,931
Dedicated Tax Revenues	8,223,791	11,673,656
Intergovernmental Grants	3,525,306	692,888
Contributions to Facilities Managed by		
Audubon Nature Institute, Inc.	3,516,574	1,503,346
Loss on Disposal of Assets	(9,482,516)	-
Other Revenue/Expense	66,586	(519,355)
Interest Expense	(669,770)	(342,647)
Bond Issuance Costs	(338,006)	-
<b>Total Nonoperating Revenues, Net</b>	<b>8,731,166</b>	16,450,819
<b>Change in Net Position</b>	<b>(17,775,185)</b>	(3,009,994)
<b>Net Position, Beginning of Year</b>	<b>129,813,986</b>	132,823,980
<b>Net Position, End of Year</b>	<b>\$ 112,038,801</b>	\$ 129,813,986

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



**AUDUBON COMMISSION**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2020 and 2019**

	2020	2019
<b>Cash Flows from Operating Activities</b>		
Cash Received from Customers	\$ 18,326,880	\$ 45,528,214
Cash Paid to or on Behalf of Employees	(19,274,803)	(29,098,718)
Cash Paid for Supplies and Services	(10,942,544)	(22,089,732)
<b>Net Cash Used in Operating Activities</b>	<b>(11,890,467)</b>	<b>(5,660,236)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Support for Capital Projects, Education, and Operating		
Support from Audubon Nature Institute, Inc.	3,889,201	3,442,931
Payments for Design, Construction, and Equipment Purchases	(2,370,940)	(11,222,723)
Proceeds Received under Terms of Cooperative Endeavor Agreement	(18,373)	1,881,703
Return of Funds Received under Terms of Cooperative Endeavor Agreement	-	(7,152,854)
Dedicated Tax Revenues	8,223,791	11,673,656
Interest Paid	(757,090)	(601,102)
Bond Premium	1,978,586	-
New Bond Issuance	9,500,000	-
Payment of Bond Principal and GO Zone Loan	(3,470,000)	(4,305,000)
Payment of Capital Lease Obligations	(148,478)	(93,488)
Bond Issuance Costs	(338,006)	-
Contributions to Facilities Managed by Audubon Nature Institute, Inc.	3,516,574	1,503,346
Intergovernmental and Other Grants	1,505,608	686,264
Interest Income	66,586	89,977
Cash Received from Insurance Proceeds	-	9,551
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>21,577,459</b>	<b>(4,087,739)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>9,686,992</b>	<b>(9,747,975)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>17,823,971</b>	<b>27,571,946</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 27,510,963</b>	<b>\$ 17,823,971</b>
<b>Reconciliation to Statement of Net Position</b>		
Cash and Cash Equivalents	\$ 2,030,589	\$ 1,912,359
Cash with Fiscal Agent Restricted for Capital Projects	25,480,374	15,211,630
Cash Restricted for Capital Projects	-	699,982
<b>Total Cash and Cash Equivalents</b>	<b>\$ 27,510,963</b>	<b>\$ 17,823,971</b>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>		
Operating Loss	\$ (26,506,351)	\$ (19,460,813)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities		
Depreciation and Amortization	11,054,368	11,024,146
Decrease in Accounts Receivable and Other Current Assets	497,232	100,652
Increase in Accounts Payable and Other Current Liabilities	3,064,284	2,675,779
<b>Net Cash Used in Operating Activities</b>	<b>\$ (11,890,467)</b>	<b>\$ (5,660,236)</b>
<b>Non-Cash Items</b>		
Purchases for Design, Construction, and Equipment in Accounts Payable and Other Current Liabilities	\$ 2,654,384	\$ 477,979

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

# AUDUBON COMMISSION

## Notes to Financial Statements

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### 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. This site houses the Alliance for Sustainable Wildlife, a partnership with the San Diego Zoo, to devise strategies to ensure sustainable populations of unique and endangered zoo animals. 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

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### 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, with plans to move certain exhibits to the Aquarium of the Americas.

In May 2019, the voters of New Orleans approved a new 20-year 1.95 property tax millage to begin when the current millages expire in 2021.

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 a Management and Cooperative Endeavor Agreement (Agreement) 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, the Audubon Zoo, the Aquarium of the Americas, Woldenberg Riverfront Park, the Entergy Giant Screen Theater (retired in 2020), the Freeport-McMoRan Audubon Species Survival Center, the Alliance for Sustainable Wildlife, the Audubon Center for Research of Endangered Species, the Audubon Louisiana Nature Center, Audubon Wilderness Park, and the Audubon Butterfly Garden and Insectarium, collectively the Audubon Facilities as referred to above.

Per the Agreement, the Commission shall pay for the cost and operation of the Audubon Facilities, with the Commission reimbursing the Institute for all expenses that it incurs on behalf of the Commission in furtherance of the Agreement.

The Institute employs individuals to operate and maintain the Commission's facilities; however, all operating revenues and expenses, including salary and employee benefits expenses, related to these facilities are recorded in the records of the related facility within the Commission's financial statements.

For its services, the Institute shall earn a management fee of \$50,000 annually, adjusted in accordance with the Consumer Price Index (CPI) as compared to the CPI for January 1<sup>st</sup> of the prior year. The Agreement currently has a term of fifteen years which terminates in 2028 unless extended by both parties. Management fee expenses totaling \$54,661 in 2020 and \$53,458 in 2019 are included in the statements of revenues, expenses, and changes in net position.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 1. Organization (Continued)

#### General Information (Continued)

The Institute obtains donations, gifts, and grants, and conducts fundraising activities in furtherance of its exempt purpose. The revenues and net assets reflected in the Institute's financial statements are the result of these activities. Specific grants to the Commission consist of donations received and grants obtained by the Institute for operating support and capital improvements of the Audubon Facilities discussed above.

#### Environmental Risks

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

### 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 statements 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.

#### 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 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.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 2. Summary of Significant Accounting Policies (Continued)

#### **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 reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets 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".

#### **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.

#### **Inventory**

Inventory is stated at the lower of cost, determined by the average cost method, or market.

#### **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.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 2. Summary of Significant Accounting Policies (Continued)

#### **Capital Assets (Continued)**

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.

#### **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.

#### **Revenue Recognition**

Charges for services are recognized as revenue in the period in which the services are provided. 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 8) and memberships are recorded as unearned revenue until earned.

#### **Budgeting**

Operating and capital expenditure budgets are presented to the Commission by the Institute and are prepared on a basis consistent with accounting principles generally accepted in the United States. Budget information is utilized for analytical purposes, and the budget process is a key component of the Commission's management control environment.

#### **Recently Issued Accounting and Reporting Standards - Adopted**

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of GASB 84 is to enhance the consistency and comparability of fiduciary activity reporting in state and local governments. The statement establishes standards of accounting and financial reporting for fiduciary activities. The Commission implemented GASB 84, effective January 1, 2020, with no impact on the financial statements.

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of GASB 88 is to improve consistency in information that is disclosed in notes to government financial statements related to debt and to provide financial statement users with additional essential information about debt. The Commission implemented GASB 88, effective January 1, 2020 and has adjusted the presentation of these financial statements accordingly.

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

##### **Recent Accounting and Reporting Standards - Not Yet Adopted**

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to better meet the information needs of the financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 87 to reporting periods beginning after June 15, 2021.

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 89 to reporting periods beginning after December 15, 2020.

#### Note 3. Cash and Cash Equivalents

##### **Cash on Deposit**

The Commission's deposits at financial institutions at December 31, 2020 and 2019 were \$1,852,645 and \$1,763,439, respectively, (excluding \$123,920 and \$148,920 of cash on hand at December 31, 2020 and 2019, 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, 2020, the Commission had \$1,321,112 of deposits in excess of the FDIC insured limit which were secured from risk by \$7,194,255 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, 2020 and 2019, no funds were exposed to custodial credit risk.

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### **Note 3. Cash and Cash Equivalents (Continued)**

##### **Restricted Cash**

As of December 31, 2020 and 2019, restricted cash included cash held with several fiscal agents totaling \$25,480,374 and \$15,211,630, respectively, for various capital projects (see Note 8). In addition, cash restricted funds from a dedicated tax millage held by the Commission for capital expenses totaled \$699,982 in 2019, there were no restricted funds held at the end of 2020. At December 31, 2019, the total was comprised of cash. 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. Other Assets**

##### **Prepaid Rent - 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, 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 rent - dock board on the statements of financial position and is being amortized on a straight-line basis over the term of the Riverfront Agreement.



# AUDUBON COMMISSION

## Notes to Financial Statements

### Note 5. Capital Assets

Capital assets are summarized as follows by major classification at December 31, 2020:

	Balance 1/1/2020	Additions/ Increases	Transfers	Disposals/ Retirements	Balance 12/31/2020
<b>Capital Assets Not Depreciated</b>					
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	15,246,199	4,287,914	(10,518,845)	-	9,015,268
<b>Total Capital Assets Not Depreciated</b>	<b>16,046,199</b>	<b>4,287,914</b>	<b>(10,518,845)</b>	<b>-</b>	<b>9,815,268</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and Fixed Exhibitory	289,934,302	-	6,110,855	(24,292,107)	271,753,050
Equipment	24,588,073	186,190	4,407,990	(1,345,094)	27,837,159
<b>Total Capital Assets Being Depreciated</b>	<b>314,522,375</b>	<b>186,190</b>	<b>10,518,845</b>	<b>(25,637,201)</b>	<b>299,590,209</b>
<b>Less: Accumulated Depreciation</b>	<b>(180,417,206)</b>	<b>(10,937,911)</b>	<b>-</b>	<b>16,111,650</b>	<b>(175,243,467)</b>
<b>Total Capital Assets, Net</b>	<b>\$ 150,151,368</b>	<b>\$ (6,463,807)</b>	<b>\$ -</b>	<b>\$ (9,525,551)</b>	<b>\$ 134,162,010</b>

Capital assets are summarized as follows by major classification at December 31, 2019:

	Balance 1/1/2019	Additions/ Increases	Transfers	Disposals/ Retirements	Balance 12/31/2019
<b>Capital Assets Not Depreciated</b>					
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	15,563,492	9,144,723	(9,462,016)	-	15,246,199
<b>Total Capital Assets Not Depreciated</b>	<b>16,363,492</b>	<b>9,144,723</b>	<b>(9,462,016)</b>	<b>-</b>	<b>16,046,199</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and Fixed Exhibitory	280,841,035	33,499	9,059,768	-	289,934,302
Equipment	23,544,932	671,820	402,248	(30,927)	24,588,073
<b>Total Capital Assets Being Depreciated</b>	<b>304,385,967</b>	<b>705,319</b>	<b>9,462,016</b>	<b>(30,927)</b>	<b>314,522,375</b>
<b>Less: Accumulated Depreciation</b>	<b>(169,541,106)</b>	<b>(10,907,027)</b>	<b>-</b>	<b>30,927</b>	<b>(180,417,206)</b>
<b>Total Capital Assets, Net</b>	<b>\$ 151,208,353</b>	<b>\$ (1,056,985)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,151,368</b>

Depreciation expense for the years ended December 31, 2020 and 2019, related to these assets amounted to approximately \$10,938,000 and \$10,907,000, respectively.

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### Note 6. Long-Term Debt

Bonds and other debt payable at December 31, 2020 and 2019 were comprised of the following:

	2020	2019
<b>Limited Tax Bonds</b>		
Audubon Commission Aquarium Bonds Series 2011 A-1, due in annual installments of \$3,505,000 to \$3,630,000 from October 2017 through October 2021; 3.276%.	\$ 3,630,000	\$ 7,100,000
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%.	9,500,000	-
<b>Other Debt</b>		
State of Louisiana, Office of Community Development Gulf Opportunity Zone Act Loan	12,116,326	12,116,326
Total Bonds Payable and Other Debt	25,246,326	19,216,326
<b>Unamortized Premium, Net</b>	2,134,489	402,246
Total	27,380,815	19,618,572
Less: Current Maturities	(4,380,000)	(3,695,000)
<b>Bonds Payable and Other Debt, Noncurrent</b>	<u>\$ 23,000,815</u>	<u>\$ 15,923,572</u>

Details of the bonds and loan payable are as follows:

#### 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).

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### Note 6. Long-Term Debt (Continued)

##### Limited Tax Bonds - Series 2011 A-1 and 2011 A-2

On September 22, 2011, the Commission issued \$24,370,000 Aquarium Refunding Bonds Series 2011 A-1 with a net interest cost of 3.276%. The bonds were issued for the purpose of defeasing the Aquarium Refunding Bonds, Series 2001 A and Series 2001 B Bonds and providing amounts for capital improvements to the Aquarium and related facilities and paying costs of issuance of the bonds. On the same date the Commission issued \$630,000 Aquarium Refunding Bonds, Taxable Series 2011 A-2 with a net interest rate of 1.867%. The final payment principal payment will be made in October 2021.

##### 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 which matures November 1, 2025, \$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 that 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.

# AUDUBON COMMISSION

## Notes to Financial Statements

### Note 6. Long-Term Debt (Continued)

A summary of changes in bonds payable and other debt during 2020 is as follows:

	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
Balance January 1, 2020	\$ 7,100,000	\$ 12,116,326	\$ 19,216,326
Additions	9,500,000	-	9,500,000
Reductions	(3,470,000)	-	(3,470,000)
Balance December 31, 2020	\$ 13,130,000	\$ 12,116,326	\$ 25,246,326
Due within One Year	\$ 3,630,000	\$ 750,000	\$ 4,380,000

A summary of changes in bonds payable and other debt during 2019 is as follows:

	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
Balance January 1, 2019	\$ 10,405,000	\$ 12,379,146	\$ 22,784,146
Additions	-	737,180	737,180
Reductions	(3,305,000)	(1,000,000)	(4,305,000)
Balance December 31, 2019	\$ 7,100,000	\$ 12,116,326	\$ 19,216,326
Due within One Year	\$ 3,470,000	\$ 225,000	\$ 3,695,000

Expected debt service requirements on all debt outstanding as of December 31, 2020 are as follows:

Year Ending December 31,	Limited Tax Bonds		Gulf Opportunity Zone Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 3,630,000	\$ 554,350	\$ 750,000	\$ 434,307	\$ 4,380,000	\$ 988,657
2022	345,000	418,150	550,000	273,373	895,000	691,523
2023	365,000	400,900	575,000	259,648	940,000	660,548
2024	380,000	382,650	600,000	245,313	980,000	627,963
2025	400,000	362,650	1,100,000	230,368	1,500,000	593,018
2026 - 2040	8,010,000	2,921,050	8,541,326	790,816	16,551,326	3,711,866
<b>Total</b>	<b>\$ 13,130,000</b>	<b>\$ 5,039,750</b>	<b>\$ 12,116,326</b>	<b>\$ 2,233,825</b>	<b>\$ 25,246,326</b>	<b>\$ 7,273,575</b>

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### **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 an Agreement. The Agreement provides that all monies from the operation of the Audubon Facilities, and all tax revenues, shall be collected by the Institute on behalf of the Commission and deposited in an account maintained and administered by the Commission; however, the Commission shall pay for the cost and operation of the Audubon Facilities as detailed annually in a budget submitted to the Commission. The Commission is to also reimburse the Institute for all expenses that it incurs on behalf of the Commission in furtherance of the Agreement, as well as pay the Institute an annual management fee.

At December 31, 2020 and 2019, 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, 2020 and 2019, the amount due to the Institute from the Commission totaled \$10,076,947 and \$4,760,843, respectively.

The Institute has committed that it has the intent and ability to continue funding the operations of the Commission through operating advances, donations, and grants, if necessary, in order to provide the required level of financial support to enable the Commission to discharge its liabilities in the normal course of business as they become due.

The Institute has provided support to the Commission to fund certain capital projects, education programs and operational support. For the years ended December 31, 2020 and 2019, those amounts totaled \$3,889,201 and \$3,442,931, respectively.

Audubon Nature Institute Foundation (the Foundation) is a nonprofit organization that raises funds in support of the facilities, programs, and other activities managed by the Institute. During the years ended December 31, 2020 and 2019, the Foundation donated funds of \$3,516,574 and \$1,503,346, respectively.

#### **Note 8. Commitments and Contingencies**

##### **Long-Term Leases**

The Commission leases its Audubon Butterfly Garden and Insectarium premises under an operating lease, this lease will be cancelled on April 30, 2021 due to the transition of the exhibits to Audubon Aquarium of the Americas as part of a renovation to that facility. This will provide a combined experience that re-envision the guest experience and educational programming. The move also presents a multitude of cost-savings and revenue-generating opportunities. The Commission also leases two additional properties in Jefferson and Orleans Parishes. Rent expense for the years ending December 31, 2020 and 2019 totaled \$641,709 and \$843,870, respectively.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 8. Commitments and Contingencies (Continued)

Future lease payments required under the operating leases are as follows:

Year Ending December 31,	Lease Payments
2021	\$ 341,601
2022	<u>132,086</u>
<b>Total</b>	<u><u>\$ 473,687</u></u>

As of December 31, 2020, the Commission was obligated under capital leases for equipment, each with non-cancelable terms in excess of one year. The assets under capital lease as of December 31, 2020 had a cost of \$4,509,345 and accumulated amortization of \$185,727. One of these leases is associated with 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. The term of the initial lease agreement expires in September 2038. The lease is payable in quarterly installments and has a base rate of 3.251% adjusted by the 10 Year Swap Rate yield.

Future minimum lease payments under the capital leases are as follows:

Year Ending December 31,	Lease Payments
2021	\$ 405,941
2022	398,829
2023	311,700
2024	312,300
2025	313,400
2026 - 2030	1,580,000
2031 - 2035	1,604,900
2036 - 2039	<u>976,057</u>
Total Minimum Lease Payments	5,903,127
Less: Amounts Representing Interest	<u>1,627,509</u>
Present Value of Future Minimum Lease Payments	4,275,618
Less: Current Portion of Capital Leases Obligation	<u>(242,862)</u>
<b>Capital Lease Obligations, Excluding Current Portion</b>	<u><u>\$ 4,032,756</u></u>

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### Note 8. Commitments and Contingencies (Continued)

##### **Construction in Progress**

As of December 31, 2020, the Commission has approximately \$229,000 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.

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 statement of net position. The unearned portion is included in unearned revenue in the statements of net position.

Pursuant to the Wharves Agreement, public input continues to be collected through the project website [www.RiverfrontforAll.org](http://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 City has agreed not to enforce the deadlines during the crisis and immediate recovery.

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### **Note 8. Commitments and Contingencies (Continued)**

##### **Ferry Terminal Pedestrian Bridge Cooperative Endeavor Agreement**

On February 22, 2018, the Commission entered into an agreement with the City of New Orleans (City) and the Regional Transit Authority (RTA) to construct a pedestrian access bridge on Audubon property adjacent to Audubon Aquarium of the Americas. Approximately \$7 million was held in escrow to fund the bridge. It was recorded on the statement of net position as both an asset and a liability under agency fund payable. In August 2018, all bids for the construction of the new ferry terminal came in much higher than estimated, prompting RTA to reconsider its design and the need for a separate pedestrian access bridge. Negotiations among the City, RTA, and the Commission to terminate the above-noted agreement began in late fall 2018 and continued through March 2019. At its January 24, 2019 meeting, the Commission voted to approve the termination agreement. The termination document was executed by the Commission, the RTA Board, and the Mayor on April 18, 2019. The funds held in escrow were returned to the party that contributed to the project.

#### **Note 9. 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.

#### **Note 10. 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, 2020, there were twelve tax abatements under the Restoration Tax Abatement Program with exemptions. During the fiscal year ended December 31, 2020, ad valorem taxes abated applicable to the Commission totaled \$14,614.



## AUDUBON COMMISSION

### Notes to Financial Statements

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#### **Note 11. Risk and Uncertainty**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses.

The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Commission operates. It is unknown how long these conditions will last. The adverse impact of the pandemic continues to affect the ongoing operations of the Commission resulting in the possibility of permanent changes in the near future.

#### **Note 12. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued June 21, 2021, and determined that the following event occurred that requires disclosure:

In February 2021, the lease agreement with General Services Administration Public Buildings Service was amended to adjust the rent payable balance and to revise the expiration date to be on April 30, 2021.

No further subsequent events occurring after June 21, 2021 have been evaluated for inclusion in these financial statements.

**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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Audubon Commission (the Commission) which comprise the statement of net position as of and for the year ended December 31, 2020, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 21, 2021.

**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 controls) 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 the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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 that reads "LaPorte".

A Professional Accounting Corporation

Metairie, LA  
June 21, 2021

**AUDUBON COMMISSION  
Schedule of Findings and Responses  
For the Year Ended December 31, 2020**

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**Part I - Summary of Auditor's Results**

**Financial Statements**

Type of Auditor's Report Issued on Whether the Financial Statements Audited were Prepared in Accordance with GAAP:	Unmodified
Internal Control Over Financial Reporting:	
• Material Weakness(es) Identified?	No
• Significant Deficiency(ies) Identified?	None Reported
Noncompliance Material to Financial Statements Noted?	No

**Part II - Financial Statement Findings**

No matters were reported.

**Part III - Findings and Questioned Costs for Federal Awards**

Not applicable.

**AUDUBON COMMISSION**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2020**

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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.

## **OTHER SUPPLEMENTARY INFORMATION**

**AUDUBON COMMISSION**  
**Other Supplementary Information**  
**Combining Schedule of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended December 31, 2020**

	Aquarium and Riverfront Park	Butterfly Garden and Insectarium	Zoo and Audubon Park	Species Survival Center/ Research Center	Louisiana Nature Center	Total
<b>Operating Revenues</b>						
Charges for Services	\$ 7,331,825	\$ 818,396	\$ 8,971,135	\$ -	\$ 11,118	\$ 17,132,474
Other Revenues	567,504	181,368	280,483	42,752	-	1,072,107
<b>Total Operating Revenues</b>	<b>7,899,329</b>	<b>999,764</b>	<b>9,251,618</b>	<b>42,752</b>	<b>11,118</b>	<b>18,204,581</b>
<b>Operating Expenses</b>						
Salaries and Benefits	6,196,617	536,990	10,951,369	1,137,045	192,400	19,014,421
Contractual Services, Materials, Supplies, and Other	4,663,842	881,366	7,538,356	1,310,257	248,322	14,642,143
Depreciation and Amortization	3,473,214	1,270,489	4,596,147	1,106,162	608,356	11,054,368
<b>Total Operating Expenses</b>	<b>14,333,673</b>	<b>2,688,845</b>	<b>23,085,872</b>	<b>3,553,464</b>	<b>1,049,078</b>	<b>44,710,932</b>
<b>Operating Loss</b>	<b>(6,434,344)</b>	<b>(1,689,081)</b>	<b>(13,834,254)</b>	<b>(3,510,712)</b>	<b>(1,037,960)</b>	<b>(26,506,351)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Support from Audubon Nature Institute, Inc.	911,660	50,000	1,624,479	1,298,062	5,000	3,889,201
Dedicated Tax Revenues	7,578,855	-	644,936	-	-	8,223,791
Intergovernmental Grants	962,811	-	1,993,768	558,339	10,388	3,525,306
Contributions to Facilities Managed by Audubon Nature Institute, Inc.	1,173,342	-	1,542,232	738,384	62,616	3,516,574
Loss on Disposal of Assets	(644,886)	(8,851,370)	13,740	-	-	(9,482,516)
Other Revenue/Expenses	66,586	-	-	-	-	66,586
Interest Expense	(659,549)	-	(10,221)	-	-	(669,770)
Bond Issuance Costs	(338,006)	-	-	-	-	(338,006)
<b>Total Nonoperating Revenues, Net</b>	<b>9,050,813</b>	<b>(8,801,370)</b>	<b>5,808,934</b>	<b>2,594,785</b>	<b>78,004</b>	<b>8,731,166</b>
<b>Change in Net Position</b>	<b>2,616,469</b>	<b>(10,490,451)</b>	<b>(8,025,320)</b>	<b>(915,927)</b>	<b>(959,956)</b>	<b>(17,775,185)</b>
<b>Net Position, Beginning of Year</b>	<b>85,090,400</b>	<b>12,781,454</b>	<b>15,690,758</b>	<b>8,307,014</b>	<b>7,944,360</b>	<b>129,813,986</b>
<b>Net Position, End of Year</b>	<b>\$ 87,706,869</b>	<b>\$ 2,291,003</b>	<b>\$ 7,665,438</b>	<b>\$ 7,391,087</b>	<b>\$ 6,984,404</b>	<b>\$ 112,038,801</b>

**AUDUBON COMMISSION**  
**Other Supplementary Information**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head**  
**For the Year Ended December 31, 2020**

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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

<b>Purpose</b>	<b>Amount</b>
Salary	\$0
Benefits	\$0
Other Payments	\$0