

# **AUDUBON COMMISSION**

Audits of Financial Statements

December 31, 2015 and 2014



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## **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), as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express 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, 2015 and 2014, and the changes in its financial position and 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 12, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The combining schedule of revenues, expenses, and changes in net position is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenses, and changes in net position is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2016, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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  
April 27, 2016

## 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, 2015 and 2014. It should be read in conjunction with the financial statements in this report.

#### Overview of Financial Statements

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

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

The *Statements of Net Position* 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* provide 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

Net position increased by \$6,425,553, or 6.5%, in 2015. In 2014, net position increased by \$11,493,537, or 13.1%.

Additions to capital assets totaled \$11,022,195 in 2015 and \$16,618,692 in 2014, respectively.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

#### Operating Facilities Net Results for the Year Ended December 31, 2015 with Prior Years and Budget Comparisons

(in thousands)	Actual 2015	Actual 2014	Actual 2013	Budget 2015	Budget 2014
Aquarium and Riverfront Park	\$ 6,250	\$ 5,533	\$ 5,485	\$ 5,396	\$ 4,762
Zoo, Park & Golf Course	(4,608)	(4,343)	(3,697)	(3,984)	(3,502)
Insectarium	39	17	(276)	(87)	(151)
Species Survival Center/Research Center	(858)	(677)	(801)	(907)	(644)
<b>Total Operations *</b>	<b>823</b>	<b>530</b>	<b>711</b>	<b>\$ 418</b>	<b>\$ 465</b>
<b>Net Capital Income and Expense</b>	<b>5,603</b>	<b>10,964</b>	<b>3,194</b>		
<b>Change in Net Position</b>	<b>\$ 6,426</b>	<b>\$ 11,494</b>	<b>\$ 3,905</b>		

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

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

	Year Ended December 31			Change 2014 to 2015	Change 2013 to 2014
	2015	2014	2013		
Operating Revenues	\$ 42,874,708	\$ 39,960,939	\$ 39,891,928	\$ 2,913,769	\$ 69,011
Operating Expenses	60,314,080	57,260,103	56,131,067	3,053,977	1,129,036
Operating Loss	(17,439,372)	(17,299,164)	(16,239,139)	(140,208)	(1,060,025)
Nonoperating Revenues, Net	23,864,925	28,792,701	20,144,040	(4,927,776)	8,648,661
Change in Net Position	6,425,553	11,493,537	3,904,901	(5,067,984)	7,588,636
Beginning Net Position	99,362,768	87,869,231	83,964,330	11,493,537	3,904,901
Ending Net Position	\$ 105,788,321	\$ 99,362,768	\$ 87,869,231	\$ 6,425,553	\$ 11,493,537

# AUDUBON COMMISSION

## Management's Discussion and Analysis

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

#### Operating Revenues

Operating revenues increased by \$2,913,769 and \$69,011 in 2015 and 2014, respectively. While operations remained relatively consistent in both years, Audubon saw an increase in business as a result of new exhibit openings and increased marketing efforts in 2015. Concessions revenue increased \$370,156 and the opening of Gator Run generated \$561,445 additional revenue. After keeping prices stable in 2014, admissions and membership prices increased in 2015 resulting in \$1,647,011 additional revenue.

#### Operating Expenses

Operating expenses in 2014 remained relatively consistent but in 2015, contractual services, materials, supplies and other expense increased by \$1,701,114 and salaries and benefits increased by \$1,096,096 related mainly to an overall increase in business. Salaries and benefits were also impacted by a cost of living increase for employees.

#### Non-Operating Revenues

Other non-operating revenues includes \$3,492,412 for the year ended December 31, 2015 from the settlement with BP regarding the Deepwater Horizon oil spill that impacted operations in 2010.

Dedicated tax revenues increased by \$486,037 and \$292,597 in 2015 and 2014, respectively.

#### Net Capital Assets

	Aquarium and Riverfront Park	Butterfly Garden and Insectarium	Zoo and Audubon Park	Golf Course	Species Survival Center/ Research Center	Louisiana Nature Center	Total
<b>Balance December 31, 2013</b>	\$ 42,626,645	\$ 18,260,858	\$ 50,341,986	\$ 8,523,741	\$ 13,141,106	\$ 415,602	\$ 133,309,938
Additions	4,706,012	54,460	10,985,348	417,221	228,571	227,080	16,618,692
Depreciation/Disposals	(3,173,484)	(1,333,416)	(2,953,257)	(456,349)	(737,467)	-	(8,653,973)
<b>Balance December 31, 2014</b>	44,159,173	16,981,902	58,374,077	8,484,613	12,632,210	642,682	141,274,657
Additions	1,228,985	28,618	6,010,586	56,011	278,358	3,419,637	11,022,195
Depreciation/Disposals	(3,421,805)	(1,300,357)	(3,283,567)	(479,573)	(740,703)	-	(9,226,005)
<b>Balance December 31, 2015</b>	\$ 41,966,353	\$ 15,710,163	\$ 61,101,096	\$ 8,061,051	\$ 12,169,865	\$ 4,062,319	\$ 143,070,847

# AUDUBON COMMISSION

## Management's Discussion and Analysis

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### Condensed Statement of Net Position

	2015	2014	2013	Change 2014 to 2015	Change 2013 to 2014
<b>Assets</b>					
Cash and Cash Equivalents	\$ 1,318,396	\$ 1,225,931	\$ 2,152,962	\$ 92,465	\$ (927,031)
Accounts Receivable, Net	343,998	239,123	342,389	104,875	(103,266)
Grants Receivable	-	-	590,542	-	(590,542)
Inventory	1,366,267	1,338,321	1,366,743	27,946	(28,422)
Prepaid Expenses	719,574	1,274,339	1,277,682	(554,765)	(3,343)
Restricted Assets	3,455,511	4,889,235	3,347,621	(1,433,724)	1,541,614
Nondepreciable Capital Assets	12,856,508	19,162,666	9,729,227	(6,306,158)	9,433,439
Depreciable Capital Assets, Net	130,214,339	122,111,991	123,580,711	8,102,348	(1,468,720)
Other Assets, Nonrestricted	8,221,036	8,336,826	8,717,443	(115,790)	(380,617)
<b>Total Assets</b>	<b>158,495,629</b>	<b>158,578,432</b>	<b>151,105,320</b>	<b>(82,803)</b>	<b>7,473,112</b>
Deferred Outflows of Resources	278,055	379,166	480,277	(101,111)	(101,111)
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 158,773,684</b>	<b>\$ 158,957,598</b>	<b>\$ 151,585,597</b>	<b>\$ (183,914)</b>	<b>\$ 7,372,001</b>
<b>Liabilities</b>					
Unrestricted Current Liabilities	\$ 6,287,641	\$ 7,122,162	\$ 6,085,037	\$ (834,521)	\$ 1,037,125
Payables from Restricted Assets	7,233,517	10,135,421	8,337,180	(2,901,904)	1,798,241
Noncurrent Liabilities	39,464,205	42,337,247	49,294,149	(2,873,042)	(6,956,902)
<b>Total Liabilities</b>	<b>52,985,363</b>	<b>59,594,830</b>	<b>63,716,366</b>	<b>(6,609,467)</b>	<b>(4,121,536)</b>
<b>Net Position</b>					
Net Investment in Capital Assets	105,781,570	100,372,787	88,632,924	5,408,783	11,739,863
Unrestricted	6,751	(1,010,019)	(763,693)	1,016,770	(246,326)
<b>Total Net Position</b>	<b>105,788,321</b>	<b>99,362,768</b>	<b>87,869,231</b>	<b>6,425,553</b>	<b>11,493,537</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 158,773,684</b>	<b>\$ 158,957,598</b>	<b>\$ 151,585,597</b>	<b>\$ (183,914)</b>	<b>\$ 7,372,001</b>

### Comments on Condensed Statement of Net Position

Net capital assets increase of \$1,796,190 in 2015 was due to capital asset additions of \$11,022,195 offset by depreciation and disposals of \$9,226,005.

Noncurrent liabilities decreased by \$2,873,042 and \$6,956,902 in 2015 and 2014, respectively. In each year, the decrease was due to debt service payments on bonds and a reduction in the amount owed to the Institute by the Commission in accordance with the terms of the Agreement between those two parties.

# AUDUBON COMMISSION

## Management's Discussion and Analysis

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### Condensed Statement of Cash Flows

	2015	2014	2013	Change 2014 to 2015	Change 2013 to 2014
Net Cash Used in Operating Activities	\$ (9,306,589)	\$ (9,444,378)	\$ (4,924,199)	\$ 137,789	\$ (4,520,179)
Net Cash Provided by Capital and Related Financing Activities	9,399,054	8,517,347	5,652,855	881,707	2,864,492
Net Increase (Decrease) in Cash and Cash Equivalents	92,465	(927,031)	728,656	1,019,496	(1,655,687)
Cash and Cash Equivalents Beginning of Year	1,225,931	2,152,962	1,424,306	(927,031)	728,656
End of Year	\$ 1,318,396	\$ 1,225,931	\$ 2,152,962	\$ 92,465	\$ (927,031)

### Comments on Condensed Statement of Cash Flows

Cash used in operating activities decreased in 2015 compared to 2014 due mainly to an increase in operating revenues.

Cash provided by capital and related financing activities of \$9,399,054 in 2015 was \$881,707 more than 2014. This increase was mainly due to an increase in payments for capital projects which was partly off-set by an increase in intergovernmental and other grants for capital projects, FEMA reimbursements and insurance proceeds.

In 2015, there was an overall increase in cash and cash equivalents of \$92,465.

### General Overview

2015 was marked by promising attendance trends and many other successes for Audubon. With an eye on the future, Audubon remained committed to providing outstanding guest experiences and educational opportunities, while also developing partnerships to protect the wonders of nature. The combined attendance at the Aquarium, Butterfly Garden and Insectarium, Entergy Giant Screen Theater, and Zoo totaled **2,008,557 visitors, up 3% from 2014**. Revenue from admissions totaled **\$16,513,765, up 8% from 2014**. Audubon looks to the future with optimism, ready to embark on new adventures and meet the challenges ahead.

### Major Achievements

- On September 1, **Audubon Aquarium of the Americas marked its 25<sup>th</sup> anniversary**. In the quarter-century that it has been open, this iconic New Orleans attraction has welcomed more than 23 million visitors. The momentous occasion was celebrated with three days of "fintastic" activities over Labor Day weekend, including extended hours, discounted admission, a giveaway for the first 500 guests each day, music performances, educational programming throughout the building, mermaid appearances, and more.
- In December, the **Association of Zoos and Aquariums presented Audubon Zoo with the AZA Quarter Century Award**, recognizing the Zoo's 25 continuous years of accreditation and its commitment to maintaining the highest standards in animal care, welfare, management, veterinary care, conservation, education, safety, and more.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- Also in December, **Audubon Park Golf Club** was awarded recertification as a **Certified Signature Sanctuary**. The certification recognizes continued sustainable management of natural resources and was awarded by Audubon International, a not-for-profit environmental education organization dedicated to responsible management of land, water, wildlife, and other natural resources. Audubon Park Golf Club, which was first certified as a sanctuary in 2004, is the only golf course certified through the Audubon International Signature Program in Louisiana.
- Restoration of **Audubon Louisiana Nature Center** reached a significant milestone in May, when the Audubon Commission voted to award a \$7 million construction contract to clear the way for the New Orleans East attraction to return as a treasured green space for family recreation and environmental education. The Phase 1 restoration will bring back many popular features, including a planetarium, interpretive center, classrooms, interactive educational exhibits, a network of trails and boardwalks, extensive landscaping, and dedicated parking. Construction on the Nature Center buildings was actively underway in the latter half of 2015.
- Audubon's **wildlife rescue, rehabilitation, and release** efforts saw many successes in 2015. Early in the year, Audubon released 26 critically endangered **Kemp's ridley sea turtles** who had received treatment at **Audubon Aquatic Center** after rescue from a massive cold-stun event in December 2014. Another Kemp's ridley sea turtle that stranded in the Gulf of Mexico's Calcasieu Pass in July was rehabilitated at Audubon Aquatic Center and released back into the Gulf in September.
- In October, a **dolphin** stranded on Grand Isle beach was rescued by Audubon in partnership with the Louisiana Department of Wildlife and Fisheries and the National Oceanic and Atmospheric Administration. Audubon is treating and rehabilitating the dolphin at Audubon Aquatic Center, and hopes to release him back into the wild soon.
- A **brown pelican** affectionately nicknamed "Snappy," was brought to **Audubon Zoo** on November 28 by the Humane Society of Louisiana after he was spotted in distress by some concerned citizens near Southwest Pass. Snappy had encountered an oily substance that coated his feathers and prevented them from insulating and protecting him as they should have. After being cleaned and nursed back to health by Audubon veterinary staff, at the end of December, Snappy was released back into the wild from the banks of the Mississippi River at the Riverview behind Audubon Zoo.
- **Audubon Membership** exceeded expectations in 2015, with revenue totaling \$5,480,686. At year end, Members accounted for 28% of visitation at Audubon Aquarium of the Americas; 38% at Audubon Zoo; 10% at Entergy Giant Screen Theater; and 29% at Audubon Butterfly Garden and Insectarium. Overall Member attendance across all Audubon facilities saw an increase of 8.5% compared to 2014.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- Audubon's **Community Outreach Program**, which engages minority and underserved families in the Greater New Orleans Area, helped more than 298,761 visitors "celebrate the wonders of nature" at Audubon attractions in 2015. These are guests who otherwise may have been unable to experience the thrill and enjoyment of an Audubon visit. In addition, thanks to the **Taylor/Audubon Students and Scholars Program**, 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 who work hard and earn good grades. Audubon continues to gratefully acknowledge those who have served our country with **Military Month** discounts.
- Audubon has continued to strengthen social media initiatives, adding fans, friends, and followers daily. At year end, our social media network included more than 193,500 **Facebook** friends; 15,500 **Twitter** followers; 6,600 **Instagram** followers; and close to 106,000 email subscribers.

### New Arrivals and Programs

- **Audubon Zoo** debuted several exciting new attractions in 2015. When **Cool Zoo** reopened in March for its fifth season, it included an exciting new attraction: **Gator Run**, a lazy river measuring about 750-feet long, 10-feet wide, and 3-feet deep. It takes approximately seven minutes to make a round-trip floating atop an inner tube in the lazy river. Gator Run features two sand beaches and four water cannons that can shower visitors as they drift by.
- In March, Audubon Zoo also opened Kamba Kourse, a four-story adventure ropes course located in the Zoo's African Savanna area across from the giraffe exhibit. Kamba Kourse stands 44 feet high and features three levels with platform heights at 12 feet, 24 feet, and 36 feet consisting of nearly three dozen elements designed to test agility, balance and strength for visitors of all ages and abilities. This family-friendly attraction also offers a scaled-down version for kids aged 2 through 7.
- In October, Audubon Zoo debuted a new orangutan habitat, converted from the former elephant exhibit. The new enclosure is 6,800-square-feet, compared to their previous 4,500-square-foot enclosure, and features a waterfall, a small stream, dozens of tall palm trees, and plenty of rope crisscrossing in multiple levels for climbing. The new habitat was sponsored by the Van der Linden family in memory of Ryan David Reaves, grandson of longtime Audubon supporters Bernard and Elaine Van der Linden.
- In June, Audubon Butterfly Garden and Insectarium debuted a new *Wild Encounter* paid premium experience: **Wild Nights Insect Adventure**. During the experience, Audubon entomology staff set up special lights after sunset in Audubon Wilderness Park on the West Bank and observe insects that are attracted to the area, educating guests about insect natural history and how the entomology staff collects many of the animals for exhibits at the Butterfly Garden and Insectarium.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- In October, Audubon Aquarium of the Americas welcomed the world-famous **Weeki Wachee Mermaids** to New Orleans for the first time. For two weekends, the mermaids danced and dove beneath the surface of the 400,000 gallon Gulf of Mexico habitat, which is home to three species of sharks, stingrays, and schools of fish. Guests could also meet a mermaid up-close and have photos taken with them. These legendary sirens are based out of Weeki Wachee Springs State Park, one of Florida's oldest roadside attractions and have been entertaining audiences worldwide since 1947.
- November saw the debut of **Entergy Giant Screen Theater**, which replaced Entergy IMAX® Theatre after \$1.2 million of upgrades to the theater attached to the Aquarium. Renovations included transitioning from a 70mm IMAX® projection system to a digital system with enhanced sound and a new giant screen, which continues to be one of the largest in the Gulf south. The theater still primarily shows institutional educational movies, but continues to have opportunities to show feature-length films as well.
- From November 27 through December 6, the MV OCEARCH Shark Research Vessel, which had just concluded a multi-species study to generate previously unattainable scientific data critical to ocean conservation (specifically for hammerhead, tiger, and mako sharks in the Gulf of Mexico), docked on the Mississippi River in front of Audubon Aquarium of the Americas. During the OCEARCH visit, the public could visit a special temporary exhibit inside the Aquarium featuring a life-size great white shark model, tracking screens to view OCEARCH tagged sharks, education stations, and more. On December 4th, Chris Fisher, founder and CEO of OCEARCH, gave a public presentation highlighting shark conservation, science, and the successful collaborative work OCEARCH has done.
- 2015 was a big year for birds at Audubon! At the Aquarium, two **endangered African black-footed penguin chicks**, Chicory and Elmyr, hatched in April and August respectively, both to new parents Puddles and Millicent. At the Zoo, keepers spent the latter half of 2015 hand-raising a **hyacinth macaw** chick that hatched at Audubon Zoo in July. Hyacinth macaws are the largest species of parrot in the world and are threatened in the wild by habitat loss and the illegal pet trade.
- The Aquarium also welcomed a **new white alligator, named Chompitoulas by public vote**. The alligator is one of a pair found by Louisiana Department of Wildlife & Fisheries agents on a Federal Preserve in West Louisiana in 2009. In September, Chompitoulas moved into the Mississippi River Gallery enclosure formerly home to Spots, the iconic white alligator that called Audubon home for 28 years before passing away in 2015. Audubon's white alligators are leucistic, having a rare genetic condition that reduces the color pigmentation in their skin.

## AUDUBON COMMISSION

### Management's Discussion and Analysis

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- Audubon continues to introduce **innovative education programming** to reach diverse audiences. Current statistics suggest that as many as one in every 15 families in the Greater New Orleans area includes a family member with special learning needs, so in 2015 Audubon launched the pilot phase of the **Every Family** program, to develop learning experiences tailored for guests with special learning needs. An advisory council with experts from Tulane School of Medicine, LSU Health Sciences Center, and Easter Seals of Louisiana is working with Audubon to evaluate the program's efforts. Audubon's goal is to one day share what we learn with other free-choice learning centers in New Orleans, like museums and recreational centers.
- **Audubon's Gulf United for Lasting Fisheries (G.U.L.F.) Program** launched a new app in March to help consumers easily locate the freshest, in-season Gulf seafood in stores and restaurants. Designed by The Food Group, Audubon's Gulf Seafood App helps consumers learn about seafood responsibly harvested from the Gulf of Mexico. App users can conveniently access information about the life history of popular Gulf finfish and shellfish species, determine the best seafood for the season, and also learn the best indicators of freshness when shopping at the grocery store.

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

The 2016 operating budget is substantially comparable to the 2015 operating budget, which reflects management's intent and expectations that operations will remain consistent. Some of the capital projects underway at the end of 2015 will be completed in 2016. The impact of these improvements on operating revenues and expenses is reflected in the 2016 budget.

#### **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, 2015 and 2014**

	2015	2014
<b>Assets and Deferred Outflows of Resources</b>		
<b>Unrestricted Current Assets</b>		
Cash and Cash Equivalents	\$ 1,318,396	\$ 1,225,931
Accounts Receivable, Net of Allowance for Uncollectible Accounts of \$43,384 in 2015 and \$45,562 in 2014	343,998	239,123
Inventory	1,366,267	1,338,321
Prepaid Expenses	719,574	1,274,339
<b>Total Unrestricted Current Assets</b>	<b>3,748,235</b>	<b>4,077,714</b>
<b>Current Restricted Assets</b>		
Restricted for Capital Projects	300,000	425,275
Debt Service and Bond Reserves	307,088	307,088
Receivables for Capital Improvements	2,848,423	4,156,872
<b>Total Restricted Current Assets</b>	<b>3,455,511</b>	<b>4,889,235</b>
<b>Total Current Assets</b>	<b>7,203,746</b>	<b>8,966,949</b>
<b>Noncurrent Assets</b>		
<b>Capital Assets</b>		
Land	800,000	800,000
Buildings and Fixed Exhibitory Equipment	249,315,477	233,078,315
Construction in Progress	21,102,275	22,745,265
Less: Accumulated Depreciation	12,056,508	18,362,666
	<b>(140,203,413)</b>	<b>(133,711,589)</b>
<b>Net Capital Assets</b>	<b>143,070,847</b>	<b>141,274,657</b>
<b>Other Assets</b>		
Prepaid Rent - Dock Board	8,221,036	8,336,826
<b>Total Other Assets</b>	<b>8,221,036</b>	<b>8,336,826</b>
<b>Total Assets</b>	<b>158,495,629</b>	<b>158,578,432</b>
<b>Deferred Outflows of Resources</b>	<b>278,055</b>	<b>379,166</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 158,773,684</b>	<b>\$ 158,957,598</b>

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

**AUDUBON COMMISSION**  
**Statements of Net Position (Continued)**  
**December 31, 2015 and 2014**

	2015	2014
<b>Current Liabilities Payable from Unrestricted Assets</b>		
Accounts Payable and Other Accrued Liabilities	\$ 5,944,138	\$ 6,928,413
Capital Lease Obligations	343,503	193,749
<b>Total Current Liabilities Payable from Unrestricted Assets</b>	<b>6,287,641</b>	<b>7,122,162</b>
<b>Current Liabilities Payable from Restricted Assets</b>		
Accrued Interest	669,647	1,745,099
Limited Tax Bonds, Current Portion	3,245,000	3,145,000
Gulf Opportunity Zone Loan, Current Portion	1,341,594	2,032,383
Construction Payables	1,977,276	3,212,939
<b>Total Current Liabilities Payable from Restricted Assets</b>	<b>7,233,517</b>	<b>10,135,421</b>
<b>Total Current Liabilities</b>	<b>13,521,158</b>	<b>17,257,583</b>
<b>Noncurrent Liabilities</b>		
Accrued Interest	-	577,815
Limited Tax Bonds	17,936,667	21,411,523
Gulf Opportunity Zone Loan	15,251,971	13,337,780
Due to Audubon Nature Institute, Inc.	6,018,382	6,496,144
Capital Lease Obligations	257,185	513,985
<b>Total Noncurrent Liabilities</b>	<b>39,464,205</b>	<b>42,337,247</b>
<b>Total Liabilities</b>	<b>52,985,363</b>	<b>59,594,830</b>
<b>Net Position</b>		
Net Investment in Capital Assets	105,781,570	100,372,787
Unrestricted	6,751	(1,010,019)
<b>Total Net Position</b>	<b>105,788,321</b>	<b>99,362,768</b>
<b>Total</b>	<b>\$ 158,773,684</b>	<b>\$ 158,957,598</b>

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, 2015 and 2014**

	2015	2014
<b>Operating Revenues</b>		
Charges for Services	\$ 41,701,494	\$ 38,802,754
Other Revenues	1,173,214	1,158,185
<b>Total Operating Revenues</b>	<b>42,874,708</b>	39,960,939
<b>Operating Expenses</b>		
Salaries and Benefits	25,823,828	24,727,732
Contractual Services, Materials, Supplies, and Other	25,201,586	23,500,472
Depreciation and Amortization	9,288,666	9,031,899
<b>Total Operating Expenses</b>	<b>60,314,080</b>	57,260,103
<b>Operating Loss</b>	<b>(17,439,372)</b>	(17,299,164)
<b>Nonoperating Revenues (Expenses)</b>		
Grants for Capital Projects, Education, and Operating Support from Audubon Nature Institute, Inc.	3,369,779	3,916,053
Dedicated Tax Revenues	10,059,947	9,573,910
Intergovernmental Grants	5,330,393	9,352,391
Contributions to Facilities managed by Audubon Nature Institute, Inc.	766,472	4,426,080
Other Revenue	5,452,526	3,122,000
Interest Expense	(1,099,685)	(1,583,226)
Amortization - Debt Costs	(14,507)	(14,507)
<b>Total Nonoperating Revenues, Net</b>	<b>23,864,925</b>	28,792,701
<b>Change in Net Position</b>	<b>6,425,553</b>	11,493,537
<b>Net Position, Beginning of Year</b>	<b>99,362,768</b>	87,869,231
<b>Net Position, End of Year</b>	<b>\$ 105,788,321</b>	\$ 99,362,768

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

**AUDUBON COMMISSION**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2015 and 2014**

	2015	2014
<b>Cash Flows from Operating Activities</b>		
Cash Received from Customers	\$ 42,769,833	\$ 40,654,747
Cash Paid to or on Behalf of Employees	(26,519,566)	(24,625,272)
Cash Paid for Supplies and Services	(25,556,856)	(25,473,853)
<b>Net Cash Used in Operating Activities</b>	<b>(9,306,589)</b>	<b>(9,444,378)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Grants for Capital Projects, Education, and Operating Support	3,369,779	3,916,053
Payments for Design, Construction, and Equipment Purchases	(12,075,577)	(15,843,446)
Non-Cash Transfer of Equipment from Audubon Nature Institute, Inc.	(25,684)	-
Decrease (Increase) in Restricted Assets	1,433,724	(1,541,614)
Decrease in Liabilities Payable from Restricted Assets	(807,707)	(229,855)
Dedicated Tax Revenues	10,059,947	9,573,910
Interest Paid	(850,587)	(1,170,625)
Payment of Bond Principal	(3,145,000)	(3,030,000)
Payment of Capital Lease Obligations	(210,515)	(158,842)
Contributions to Support Facilities Managed by Audubon Nature Institute, Inc.	766,472	4,426,080
Intergovernmental and Other Grants	5,330,393	9,352,391
Cash Received from FEMA Reimbursements	1,371,494	2,100,900
Cash Received from Legal Settlement	3,492,412	-
Cash Received from Insurance Proceeds	10,767	1,021,100
Other	679,136	101,295
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>9,399,054</b>	<b>8,517,347</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>92,465</b>	<b>(927,031)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>1,225,931</b>	<b>2,152,962</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 1,318,396</b>	<b>\$ 1,225,931</b>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>		
Operating Loss	\$ (17,439,372)	\$ (17,299,164)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities		
Depreciation and Amortization	9,288,666	9,031,899
Increase in Accounts Receivable and Other Current Assets	306,155	609,784
Decrease in Accounts Payable and Other Current Liabilities	(1,462,038)	(1,786,897)
<b>Net Cash Used in Operating Activities</b>	<b>\$ (9,306,589)</b>	<b>\$ (9,444,378)</b>
<b>Non-Cash Items</b>		
Purchase of Equipment through Capital Lease	\$ 103,469	\$ 480,770
Purchases for Design, Construction, and Equipment in Accounts Payable and Other Current Liabilities	\$ 1,977,276	\$ 3,212,939
Changes in Relation to Debt Reamortization:		
Reduction in Accrued Interest Removed from Debt Restructure	\$ 577,815	\$ -
Accrued Interest Reclassified as Principal	\$ 1,223,438	\$ -

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. 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 and is located in the Custom House building in New Orleans.

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 Audubon Commission (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, the Freeport McMoRan Audubon Species Survival Center, 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 annually in accordance with the Consumer Price Index. The Agreement currently has a term of fifteen years which terminates in 2028 unless extended by both parties. Management fee expenses totaling \$50,576 and \$50,000 are included in the statements of revenues, expenses, and changes in net position.

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.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 1. Organization (Continued)

#### Impact of Hurricanes

The Commission is insured for an event of this nature 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.

#### Use of Estimates

The Commission prepares financial statements in accordance with accounting principles generally accepted in the United States of America. Such principles require 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 these estimates.

#### Basis of Reporting

In accordance with 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".

# AUDUBON COMMISSION

## Notes to Financial Statements

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

#### **Restricted Assets**

Restricted assets consist primarily of investments maintained in the applicable enterprise fund in accordance with bond indentures. 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.

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. Cash and cash equivalents at December 31, 2015 and 2014, consisted of unrestricted cash and money market accounts of \$1,318,396 and \$1,225,931, respectively.

#### **Budgeting**

Operating and capital expenditure budgets are submitted 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.

#### **Reclassification**

Certain amounts in the prior year financial statements have been reclassified in order to be comparable with current year presentation.

## AUDUBON COMMISSION

### Notes to Financial Statements

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

##### Impact of Recently Issued Accounting Principles

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The provisions of the Statement are effective for periods beginning after June 15, 2014. This Statement did not have a significant impact on the financial statements of the Commission.

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement Application*. The objective of this Statement is to provide guidance for determining a fair value measurement for financial reporting purposes as well as providing guidance for applying fair value to certain investments and disclosure related to all fair value measurements. The provisions of this Statement are effective for reporting periods beginning after June 15, 2015. Management does not anticipate that the adoption of this Statement will have a significant impact on the financial statements of the Commission.

#### Note 3. Cash and Cash Equivalents

##### Cash on Deposit

The Commission's deposits at financial institutions at December 31, 2015 and 2014, were \$1,169,526 and \$1,062,611, respectively, (excluding \$148,870 and \$163,320 of cash on hand at December 31, 2015 and 2014, 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 does not have a deposit policy for custodial credit risk. As of December 31, 2015 and 2014, no funds were exposed to custodial credit risk.

##### Restricted Cash and Cash Equivalents

The carrying and market values of the Commission's cash and cash equivalents as of December 31, 2015 and 2014 were \$607,088 and \$732,363, respectively. At December 31, 2015 and 2014, the total was comprised of money market accounts and cash. The average return on the deposits approximated 0.01% at December 31, 2015 and 2014. These assets are presented as Restricted for Capital Projects and as Debt Service and Bond Reserves on 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.

# AUDUBON COMMISSION

## Notes to Financial Statements

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

#### 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.

#### Film Cost

The Commission and a partner began production on an IMAX® film about the Louisiana Wetlands in 2004 and the Commission capitalized its related costs as part of construction in process. On August 29, 2006, the *Hurricane on the Bayou*, IMAX® film was completed and released at the Aquarium and subsequently released in other theatres around the world. The Commission amortized the film costs using the individual-film-forecast-computation method which amortized such costs in the same ratio that current period actual revenue bears to estimate remaining unrecognized ultimate revenue as of the beginning of the current fiscal year (denominator). As of April 2014, the film ceased running. As such, all remaining amortization was recognized as of December 31, 2014. The film revenue, included in charges for services, for the year ended December 31, 2014, was \$56,519. The Commission recognized \$264,828 of the film amortization for the year ended December 31, 2014, respectively. There were no revenues or expenses related to film costs during the year ended December 31, 2015.

# AUDUBON COMMISSION

## Notes to Financial Statements

### Note 5. Capital Assets

Capital assets are summarized as follows by major classification at December 31, 2015:

	Balance January 1, 2015	Additions/ Increases	Transfers	Disposals/ Retirements	Balance December 31, 2015
<b>Capital Assets Not Depreciated</b>					
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	18,362,666	10,366,758	(16,659,172)	(13,744)	12,056,508
<b>Total Capital Assets Not Depreciated</b>	<b>19,162,666</b>	<b>10,366,758</b>	<b>(16,659,172)</b>	<b>(13,744)</b>	<b>12,856,508</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and Fixed Exhibitory	233,078,315	58,786	16,178,376	-	249,315,477
Equipment	22,745,265	596,649	499,141	(2,738,780)	21,102,275
<b>Total Capital Assets Being Depreciated</b>	<b>255,823,580</b>	<b>655,435</b>	<b>16,677,517</b>	<b>(2,738,780)</b>	<b>270,417,752</b>
<b>Less Accumulated Depreciation</b>	<b>(133,711,589)</b>	<b>(9,163,550)</b>	<b>(18,345)</b>	<b>2,690,071</b>	<b>(140,203,413)</b>
<b>Total Capital Assets, Net</b>	<b>\$ 141,274,657</b>	<b>\$ 1,858,643</b>	<b>\$ -</b>	<b>\$ (62,453)</b>	<b>\$ 143,070,847</b>

Capital assets are summarized as follows by major classification at December 31, 2014:

	Balance January 1, 2014	Additions/ Increases	Transfers	Disposals/ Retirements	Balance December 31, 2014
<b>Capital Assets Not Depreciated</b>					
Land	\$ 800,000	\$ -	\$ -	\$ -	\$ 800,000
Construction in Progress	8,929,228	13,892,823	(4,459,385)	-	18,362,666
<b>Total Capital Assets Not Depreciated</b>	<b>9,729,228</b>	<b>13,892,823</b>	<b>(4,459,385)</b>	<b>-</b>	<b>19,162,666</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and Fixed Exhibitory	227,099,868	1,519,062	4,459,385	-	233,078,315
Equipment	21,917,401	1,206,807	-	(378,943)	22,745,265
<b>Total Capital Assets Being Depreciated</b>	<b>249,017,269</b>	<b>2,725,869</b>	<b>4,459,385</b>	<b>(378,943)</b>	<b>255,823,580</b>
<b>Less Accumulated Depreciation</b>	<b>(125,436,559)</b>	<b>(8,645,949)</b>	<b>-</b>	<b>370,919</b>	<b>(133,711,589)</b>
<b>Total Capital Assets, Net</b>	<b>\$ 133,309,938</b>	<b>\$ 7,972,743</b>	<b>\$ -</b>	<b>\$ (8,024)</b>	<b>\$ 141,274,657</b>

Depreciation expense for the years ended December 31, 2015 and 2014, related to these assets amounted to approximately \$9,164,000 and \$8,646,000, respectively.

# AUDUBON COMMISSION

## Notes to Financial Statements

### Note 6. Long-Term Debt

Bonds and other debt payable at December 31, 2015 and 2014, are comprised of the following:

	2015	2014
<b>Limited Tax Bonds</b>		
Audubon Commission Aquarium Bonds Series 2011 A-1, due in annual installments of \$2,880,000 to \$3,630,000 from October 2016 through October 2021; 3.276%.	<b>\$ 19,495,000</b>	\$ 22,295,000
Audubon Commission Improvement and Refunding Zoo Bonds, Series 1997, due in annual installments of \$310,000 to \$365,000 through December 2016; ranging from 5.00% to 6.50%.	<b>365,000</b>	710,000
<b>Other Debt</b>		
State of Louisiana, Office of Community Development Gulf Opportunity Zone Act Loan	<b>16,593,565</b>	15,370,163
<b>Total Bonds Payable and Other Debt</b>	<b>36,453,565</b>	38,375,163
<b>Unamortized Premium, Net</b>	<b>1,321,667</b>	1,551,523
<b>Total</b>	<b>37,775,232</b>	39,926,686
<b>Less: Current Maturities</b>	<b>(4,586,594)</b>	(5,177,383)
<b>Bonds Payable and Other Debt, Noncurrent</b>	<b>\$ 33,188,638</b>	\$ 34,749,303

Details of the bonds and loans payable are as follows:

#### 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 bonds were issued for the purpose of paying a portion of the interest due on the 2011 A Bonds and paying costs of issuance of the Bonds. The Bonds were issued on a complete parity with the Aquarium Refunding Bonds Series 2003 A. The Commission completed the advance refunding to reduce the debt service payments over the next 10 years and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$2,676,682.

## AUDUBON COMMISSION

### Notes to Financial Statements

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

##### Limited Tax Bonds - Series 1997

In December 1996, the Commission received a commitment to purchase its \$4,500,000 Improvement and Refunding Bonds, Series 1997. The proceeds of the issue were used to advance refund \$1,895,000 in Series 1979 and 1988 Improvement Bonds, and provide \$2,500,000 for capital improvements at Audubon Zoo. The advance refunding included escrowing \$1,943,500 into an irrevocable trust to provide for future debt service on the defeased bonds.

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

##### 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 with recovery efforts from Hurricane Katrina and Hurricane Rita. Accordingly, the State of Louisiana, 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 were 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 reamortized as part of a cooperative endeavor agreement (CEA) explained below. As part of the reamortization 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 ten 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.

# AUDUBON COMMISSION

## Notes to Financial Statements

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

#### Gulf Opportunity Zone Act Loan (Continued)

It is anticipated that the investment of funds into the Park would increase tax revenues annually for the State. Each July 1st, the Commission shall submit a report to the Louisiana Division of Administration that demonstrates that the number of visitors to events directly associated with the Park is consistent with 800,000 visitors (820,000 for each succeeding year) and average spending of \$700 per visitor. In addition, the Commission shall identify long-term contracts related to the festivals directly associated with the Park and the revenues expected to be generated by these festivals for the State and the infrastructure that was undertaken by the Commission in the prior years. If the Commission meets the criteria of spending a minimum of \$1 million on the Park, as well as the threshold of visitors and visitor spending, the State will accept the stream of net new Park tax revenues as payment for the annual amounts owed per the reamortized loan. If the visitor criteria are not met, the Commission will pay any insufficiency to the State, calculated using a ratio set forth in the CEA, by August 15th of that same year. If the minimum \$1 million spending criteria is not met, the Commission shall pay an additional proportionate amount of the loans to the State based on the insufficiency. If greater than \$1 million is spent, the excess may be carried forward for use in any future year toward the spending requirement. The term of this contract terminates on July 15, 2026.

A summary of changes in bonds payable and other debt during 2015 and 2014, is as follows:

	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
<b>Balance January 1, 2015</b>	<b>\$ 23,005,000</b>	<b>\$ 15,370,163</b>	<b>\$ 38,375,163</b>
<b>Additions</b>	-	1,223,402	1,223,402
<b>Reductions</b>	<b>(3,145,000)</b>	-	<b>(3,145,000)</b>
<b>Balance December 31, 2015</b>	<b>\$ 19,860,000</b>	<b>\$ 16,593,565</b>	<b>\$ 36,453,565</b>
<b>Due within One Year</b>	<b>\$ 3,245,000</b>	<b>\$ 1,341,594</b>	<b>\$ 4,586,594</b>
	Limited Tax Bonds	Gulf Opportunity Zone Loan	Total
Balance January 1, 2014	\$ 26,035,000	\$ 15,370,163	\$ 41,405,163
Additions	-	-	-
Reductions	(3,030,000)	-	(3,030,000)
Balance December 31, 2014	\$ 23,005,000	\$ 15,370,163	\$ 38,375,163
Due within One Year	\$ 3,145,000	\$ 2,032,383	\$ 5,177,383

# AUDUBON COMMISSION

## Notes to Financial Statements

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

Expected debt service requirements on all debt outstanding as of December 31, 2015, are as follows:

Year Ending December 31,	Limited Tax Bonds		Gulf Opportunity Zone Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 3,245,000	\$ 961,880	\$ 1,341,594	\$ 769,941	\$ 4,586,594	\$ 1,731,821
2017	3,025,000	798,900	1,403,844	707,691	4,428,844	1,506,591
2018	3,185,000	647,650	1,468,982	642,553	4,653,982	1,290,203
2019	3,305,000	520,250	1,537,143	574,392	4,842,143	1,094,642
2020	3,470,000	355,000	1,608,466	503,069	5,078,466	858,069
2021 to 2025	3,630,000	181,500	9,233,536	1,324,139	12,863,536	1,505,639
<b>Total</b>	<b>\$ 19,860,000</b>	<b>\$ 3,465,180</b>	<b>\$ 16,593,565</b>	<b>\$ 4,521,785</b>	<b>\$ 36,453,565</b>	<b>\$ 7,986,965</b>

### 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, 2015 and 2014, 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, 2015 and 2014, the amount due to the Institute from the Commission totaled \$6,018,382 and \$6,496,144, respectively.

The Institute has provided specific grants to the Commission to fund certain capital projects, education programs and operational support. For the years ended December 31, 2015 and 2014, those grants totaled \$3,369,779 and \$3,916,053, respectively.

Audubon Nature Institute Foundation (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, 2015 and 2014, the Foundation donated funds for the direct benefit of the facilities managed by the Institute. These contributions totaled \$766,472 and \$4,426,080 for 2015 and 2014, respectively.

# AUDUBON COMMISSION

## Notes to Financial Statements

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### Note 8. Commitments and Contingencies

#### Long-Term Leases

The Commission leases its Audubon Insectarium premises under an operating lease. A three year step rent plan was introduced in August 2009. The rent will be reset to market every five years, beginning August 2014, instead of 10 years as stated in the lease. The Commission also leases two additional properties in Jefferson and Orleans Parishes. Rent expense for the years ending December 31, 2015 and 2014 totaled \$664,297 and \$662,400, respectively.

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

<b>Years Ending December 31,</b>	<b>Lease Payments</b>
2016	\$ 595,508
2017	576,198
2018	576,198
2019	349,616
2020	32,400
<b>Total</b>	<b>\$ 2,129,920</b>

As of December 31, 2015, the Commission was obligated under various capital leases, each with non-cancelable terms in excess of one year. The assets under capital lease as of December 31, 2015 had a cost of \$983,730 and accumulated amortization of \$432,469.

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

<b>Years Ending December 31,</b>	<b>Lease Payments</b>
2016	\$ 362,722
2017	159,781
2018	106,243
<b>Total Minimum Lease Payments</b>	<b>628,746</b>
<b>Less: Amounts Representing Interest</b>	<b>28,058</b>
<b>Present Value of Future Minimum Lease Payments</b>	<b>600,688</b>
<b>Less: Current Portion of Capital Leases Obligation</b>	<b>343,503</b>
<b>Capital Lease Obligations, Excluding Current Portion</b>	<b>\$ 257,185</b>

#### Construction in Progress

As of December 31, 2015, the Commission has approximately \$5,393,000 remaining on construction projects still ongoing.

## AUDUBON COMMISSION

### Notes to Financial Statements

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#### **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. Subsequent Events**

The Commission completed its subsequent events review through April 27, 2016, the date on which the financial statements were available to be issued. There were no events that required adjustments to, or disclosures in, the financial statements. No subsequent events occurring after April 27, 2016 have been evaluated for inclusion in these financial statements.

**UNIFORM GUIDANCE**

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

To the Board of Directors of  
Audubon Commission

**Report on Compliance for Each Major Federal Program**

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

***Management's Responsibilities***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibilities***

Our responsibility is to express an opinion on compliance for the Commission's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major Federal Program***

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

### **Report on Internal Control Over Compliance**

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

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

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

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

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Commission as of and for the year ended December 31, 2015, and have issued our report thereon dated May 27, 2016 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

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A Professional Accounting Corporation

Metairie, LA  
May 27, 2016

**AUDUBON COMMISSION**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

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<b>Federal Grantor or Pass-Trough Grantor and Program Title</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures Incurred During the Year Ended December 31, 2015</b>
U.S. Department of Homeland Security Passed through Louisiana Military Department, Office of Homeland Security and Emergency Preparedness -			
Public Assistance Grant	97.036	FEMA-1603-DR-LA	\$ 1,732,622
 U.S. Department of Commerce Financial Assistance Grant	 11.439	 NA14NMF4390186	 <u>11,213</u>
<b>Total</b>			<b>\$ <u>1,743,835</u></b>

See accompanying note to the schedule of expenditures of federal awards.

**AUDUBON COMMISSION**  
**Note to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

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**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Commission and is presented on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Commission has met the qualifications for the respective grants.

**Accrued Reimbursement**

Various reimbursement procedures are used for federal awards received by the Commission. Consequently, timing differences between expenditures and program reimbursements may exist at the beginning and end of the year. Any accrued balances at year-end represent an excess of reimbursable expenditures over reimbursements received.

**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 basic financial statements of Audubon Commission (the Commission) which comprise the statement of net position as of and for the year ended December 31, 2015, 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 May 27, 2016.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

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  
May 27, 2016

**AUDUBON COMMISSION**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2015**

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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

**Federal Awards**

Internal Control Over Major Programs:	
• Material Weakness(es) Identified?	No
• Significant Deficiency(ies) Identified?	None Reported
Type of Auditor's Report Issued on Compliance for Major Federal Programs:	Unmodified
Any Audit Findings disclosed that are required to be reported in Accordance with Section 2 CFR 200.516(a)	No
Identification of Major Programs:	
<u>Name of Federal Program or Cluster</u>	<u>CFDA Numbers</u>
Public Assistance Grant	97.036
Dollar threshold used to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Part II - Financial Statement Findings**

None

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

None

**AUDUBON COMMISSION**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2015**

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**Part I - Financial Statement Findings**

None

**Part II - Federal Award Findings and Questioned Costs**

None

**OTHER SUPPLEMENTARY INFORMATION**

**AUDUBON COMMISSION**  
**Other Supplementary Information**  
**Combining Schedule of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended December 31, 2015**

	Aquarium and Riverfront Park	Butterfly Garden and Insectarium	Zoo and Audubon Park	Golf Course	Species Survival Center/ Research Center	Louisiana Nature Center	Total
<b>Operating Revenues</b>							
Charges for Services	\$ 18,069,535	\$ 2,597,177	\$ 19,195,138	\$ 1,839,644	\$ -	\$ -	\$ 41,701,494
Other Revenues	735,623	8,291	416,390	-	12,910	-	1,173,214
<b>Total Operating Revenues</b>	<b>18,805,158</b>	<b>2,605,468</b>	<b>19,611,528</b>	<b>1,839,644</b>	<b>12,910</b>	<b>-</b>	<b>42,874,708</b>
<b>Operating Expenses</b>							
Salaries and Benefits	7,973,435	1,436,246	14,102,693	1,353,344	958,110	-	25,823,828
Contractual Services, Materials, Supplies, and Other	9,920,290	1,873,842	11,514,526	1,025,657	809,031	58,240	25,201,586
Depreciation and Amortization	3,498,391	1,304,393	3,273,494	479,573	732,815	-	9,288,666
<b>Total Operating Expenses</b>	<b>21,392,116</b>	<b>4,614,481</b>	<b>28,890,713</b>	<b>2,858,574</b>	<b>2,499,956</b>	<b>58,240</b>	<b>60,314,080</b>
<b>Operating Loss</b>	<b>(2,586,958)</b>	<b>(2,009,013)</b>	<b>(9,279,185)</b>	<b>(1,018,930)</b>	<b>(2,487,046)</b>	<b>(58,240)</b>	<b>(17,439,372)</b>
<b>Nonoperating Revenues (Expenses)</b>							
Grants for Capital Projects, Education, and Operating Support from Audubon Nature Institute, Inc.	727,347	88,259	1,981,160	-	446,242	126,771	3,369,779
Dedicated Tax Revenues	8,436,836	650,000	973,111	-	-	-	10,059,947
Intergovernmental Grants	1,717,081	-	2,715,111	-	53,619	844,582	5,330,393
Contributions to Support Facilities managed by Audubon Nature Institute, Inc.	-	-	348,100	-	418,372	-	766,472
Other Revenue	3,693,682	-	428,455	-	10,767	1,319,622	5,452,526
Interest Expense	(1,032,598)	-	(40,933)	(26,154)	-	-	(1,099,685)
Amortization - Debt Costs	(13,507)	-	(1,000)	-	-	-	(14,507)
<b>Total Nonoperating Revenues, Net</b>	<b>13,528,841</b>	<b>738,259</b>	<b>6,404,004</b>	<b>(26,154)</b>	<b>929,000</b>	<b>2,290,975</b>	<b>23,864,925</b>
<b>Change in Net Position</b>	<b>10,941,883</b>	<b>(1,270,754)</b>	<b>(2,875,181)</b>	<b>(1,045,084)</b>	<b>(1,558,046)</b>	<b>2,232,735</b>	<b>6,425,553</b>
<b>Net Position, Beginning of Year</b>	<b>31,067,321</b>	<b>17,776,398</b>	<b>34,655,446</b>	<b>6,095,428</b>	<b>9,588,698</b>	<b>179,477</b>	<b>99,362,768</b>
<b>Net Position, End of Year</b>	<b>\$ 42,009,204</b>	<b>\$ 16,505,644</b>	<b>\$ 31,780,265</b>	<b>\$ 5,050,344</b>	<b>\$ 8,030,652</b>	<b>\$ 2,412,212</b>	<b>\$ 105,788,321</b>