

AUDUBON COMMISSION

Audits of Financial Statements

December 31, 2018 and 2017



Contents

| | |
|-------------------------------------|-------|
| Independent Auditor's Report | 1 - 3 |
|-------------------------------------|-------|

| | |
|---|--------|
| Management's Discussion and Analysis | 4 - 12 |
|---|--------|

Financial Statements

| | |
|----------------------------|---------|
| Statements of Net Position | 13 - 14 |
|----------------------------|---------|

| | |
|---|----|
| Statements of Revenues, Expenses, and Changes in Net Position | 15 |
|---|----|

| | |
|--------------------------|----|
| Statements of Cash Flows | 16 |
|--------------------------|----|

| | |
|-------------------------------|---------|
| Notes to Financial Statements | 17 - 31 |
|-------------------------------|---------|

| | |
|--|---------|
| 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> | 32 - 33 |
|--|---------|

| | |
|------------------------------------|----|
| Schedule of Findings and Responses | 34 |
|------------------------------------|----|

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

Other Supplementary Information

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

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, 2018 and 2017, 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, 2018 and 2017, 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 12, 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 is presented for purposes of additional analysis and is 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 is 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 May 24, 2019, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Metairie, LA
May 24, 2019

AUDUBON COMMISSION

Management's Discussion and Analysis

The discussion and analysis of the Audubon Commission's (the Commission) financial performance provides an overall review of the Commission's financial activities for the years ended December 31, 2018 and 2017. 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, 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 \$5,949,492, or 5%, in 2018. In 2017, net position increased by \$8,359,077, or 7%.

Additions to capital assets totaled \$10,553,394 in 2018 and \$12,229,953 in 2017.

AUDUBON COMMISSION

Management's Discussion and Analysis

Operating Facilities Net Results for the Year Ended December 31, 2018 with Prior Years and Budget Comparisons

| (in Thousands) | Actual 2018 | Actual 2017 | Actual 2016 | Budget 2018 | Budget 2017 |
|---|-----------------|-----------------|------------------|----------------|----------------|
| Aquarium and Riverfront Park | \$ 6,949 | \$ 6,547 | \$ 6,995 | \$ 6,556 | \$ 6,292 |
| Zoo and Audubon Park | (6,032) | (5,767) | (5,452) | (5,349) | (4,955) |
| Butterfly Garden and Insectarium | 597 | 401 | (116) | 77 | 39 |
| Species Survival Center/Research Center | (591) | (621) | (755) | (548) | (748) |
| Louisiana Nature Center | (340) | (129) | - | (355) | (257) |
| Total Operations * | 583 | 431 | 672 | \$ 381 | \$ 371 |
| Net Capital Income and Expense | 5,366 | 7,928 | 12,055 | | |
| Change in Net Position | \$ 5,949 | \$ 8,359 | \$ 12,727 | | |

*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 2017 to 2018 | Change 2016 to 2017 |
|----------------------------|------------------------|-----------------------|-----------------------|------------------------|------------------------|
| | 2018 | 2017 | 2016 | | |
| Operating Revenues | \$ 45,156,704 | \$ 42,522,381 | \$ 43,349,052 | \$ 2,634,323 | \$ (826,671) |
| Operating Expenses | 62,799,774 | 59,901,493 | 60,091,179 | 2,898,281 | (189,686) |
| Operating Loss | (17,643,070) | (17,379,112) | (16,742,127) | (263,958) | (636,985) |
| Nonoperating Revenues, Net | 23,592,562 | 25,738,189 | 29,469,217 | (2,145,627) | (3,731,028) |
| Change in Net Position | 5,949,492 | 8,359,077 | 12,727,090 | (2,409,585) | (4,368,013) |
| Beginning Net Position | 126,874,488 | 118,515,411 | 105,788,321 | 8,359,077 | 12,727,090 |
| Ending Net Position | \$ 132,823,980 | \$ 126,874,488 | \$ 118,515,411 | \$ 5,949,492 | \$ 8,359,077 |

AUDUBON COMMISSION

Management's Discussion and Analysis

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

Operating Revenues

Operating revenues increased by \$2,634,323 in 2018 returning to a normal level after a decrease of \$826,671 in 2017. Operations remained consistent while Audubon added programming, including the Washed Ashore exhibit as well as the first annual Zoo Lights. As a result of Audubon's continued commitment to offer a quality guest experience, membership revenues increased along with admissions revenues, gift shop and food and beverage sales.

Operating Expenses

Salaries and benefits increased \$1,077,752 mainly due to the increased cost of medical insurance. Contractual services, materials, supplies and other increased by \$1,267,799 due to an increase in marketing efforts, the cost of hosting a successful Zoo Lights and costs associated with welcoming the newest members of the Audubon family that included a Western lowland gorilla, two Sumatran orangutans and two Asian elephants.

Nonoperating Revenues

Nonoperating revenues decreased mainly due to a reduction in reimbursements for capital projects.

Dedicated tax revenues increased by \$364,190 and \$400,000 in 2018 and 2017, respectively.

Net Capital Assets

| | Aquarium and Riverfront Park | Butterfly Garden and Insectarium | Zoo and Audubon Park | Species Survival Center/ Research Center | Louisiana Nature Center | Total |
|----------------------------------|---------------------------------------|--|-------------------------|---|-------------------------------|----------------|
| Balance December 31, 2016 | \$ 39,736,158 | \$ 14,441,547 | \$ 70,870,319 | \$ 14,742,754 | \$ 9,359,152 | \$ 149,149,930 |
| Additions | 1,007,216 | - | 6,622,681 | 2,508,338 | 2,091,718 | 12,229,953 |
| Depreciation/Disposals | (3,414,177) | (1,289,232) | (4,591,698) | (793,318) | (17,329) | (10,105,754) |
| Balance December 31, 2017 | 37,329,197 | 13,152,315 | 72,901,302 | 16,457,774 | 11,433,541 | 151,274,129 |
| Additions | 2,654,691 | - | 6,536,041 | 744,819 | 617,843 | 10,553,394 |
| Depreciation/Disposals | (3,525,397) | (1,279,904) | (4,486,937) | (1,043,540) | (283,392) | (10,619,170) |
| Balance December 31, 2018 | \$ 36,458,491 | \$ 11,872,411 | \$ 74,950,406 | \$ 16,159,053 | \$ 11,767,992 | \$ 151,208,353 |

AUDUBON COMMISSION

Management's Discussion and Analysis

Condensed Statement of Net Position

| | 2018 | 2017 | 2016 | Change 2017 to 2018 | Change 2016 to 2017 |
|--|-----------------------|-----------------------|-----------------------|------------------------|------------------------|
| Assets | | | | | |
| Cash and Cash Equivalents | \$ 2,490,709 | \$ 459,391 | \$ 1,484,928 | \$ 2,031,318 | \$ (1,025,537) |
| Accounts Receivable, Net | 399,778 | 444,110 | 307,544 | (44,332) | 136,566 |
| Inventory | 1,315,654 | 1,319,527 | 1,417,749 | (3,873) | (98,222) |
| Prepaid Expenses | 613,141 | 724,942 | 561,419 | (111,801) | 163,523 |
| Restricted Assets | 18,022,113 | 4,194,011 | 4,296,649 | 13,828,102 | (102,638) |
| Nondepreciable Capital Assets | 16,363,492 | 18,958,095 | 20,134,433 | (2,594,603) | (1,176,338) |
| Depreciable Capital Assets, Net | 134,844,861 | 132,316,034 | 129,015,497 | 2,528,827 | 3,300,537 |
| Other Assets, Nonrestricted | 7,873,669 | 7,989,458 | 8,105,247 | (115,789) | (115,789) |
| Agency Fund | 7,152,854 | - | - | 7,152,854 | - |
| Total Assets | 189,076,271 | 166,405,568 | 165,323,466 | 22,670,703 | 1,082,102 |
| Deferred Outflows of Resources | - | 75,833 | 176,944 | (75,833) | (101,111) |
| Total Assets and Deferred Outflows of Resources | \$ 189,076,271 | \$ 166,481,401 | \$ 165,500,410 | \$ 22,594,870 | \$ 980,991 |
| Liabilities | | | | | |
| Unrestricted Current Liabilities | \$ 7,883,458 | \$ 6,775,458 | \$ 5,843,976 | \$ 1,108,000 | \$ 931,482 |
| Payables from Restricted Assets | 14,276,967 | 6,569,233 | 8,468,800 | 7,707,734 | (1,899,567) |
| Noncurrent Liabilities | 34,091,866 | 26,262,222 | 32,672,223 | 7,829,644 | (6,410,001) |
| Total Liabilities | 56,252,291 | 39,606,913 | 46,984,999 | 16,645,378 | (7,378,086) |
| Net Position | | | | | |
| Net Investment in Capital Assets | 112,715,122 | 121,617,847 | 116,367,601 | (8,902,725) | 5,250,246 |
| Restricted | 17,473,989 | 3,606,397 | - | 13,867,592 | 3,606,397 |
| Unrestricted | 2,634,869 | 1,650,244 | 2,147,810 | 984,625 | (497,566) |
| Total Net Position | 132,823,980 | 126,874,488 | 118,515,411 | 5,949,492 | 8,359,077 |
| Total Liabilities and Net Position | \$ 189,076,271 | \$ 166,481,401 | \$ 165,500,410 | \$ 22,594,870 | \$ 980,991 |

Comments on Condensed Statement of Net Position

Net capital assets decrease of \$65,776 in 2018 was due to capital asset additions of \$10,553,394 offset by depreciation and disposals of \$10,619,170.

Cash and cash equivalents restricted for capital projects increased substantially due to the approximately \$10 million held in escrow pursuant to the Wharves Agreement and \$4 million held in escrow pursuant to the energy savings performance contract, both of which are discussed in Note 8. The relating liabilities were recorded as unearned revenue and as a capital lease obligation, respectively.

AUDUBON COMMISSION

Management's Discussion and Analysis

Condensed Statement of Cash Flows

| | 2018 | 2017 | 2016 | Change 2017 to 2018 | Change 2016 to 2017 |
|--|----------------|----------------|----------------|------------------------|------------------------|
| Net Cash Used in Operating Activities | \$ (6,090,364) | \$ (7,953,315) | \$ (9,107,264) | \$ 1,862,951 | \$ 1,153,949 |
| Net Cash Provided by Capital and Related Financing Activities | 8,121,682 | 6,927,778 | 9,273,796 | 1,193,904 | (2,346,018) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 2,031,318 | (1,025,537) | 166,532 | 3,056,855 | (1,192,069) |
| Cash and Cash Equivalents Beginning of Year | 459,391 | 1,484,928 | 1,318,396 | (1,025,537) | 166,532 |
| End of Year | \$ 2,490,709 | \$ 459,391 | \$ 1,484,928 | \$ 2,031,318 | \$ (1,025,537) |

Comments on Condensed Statement of Cash Flows

There was a reduction in cash used in operating activities in 2018 compared to 2017 due to normal fluctuations in operations. Cash provided by capital and related financing activities of \$8,121,682 in 2018 was \$1,193,904 more than 2017.

In 2018, there was an overall increase in cash and cash equivalents of \$2,031,318.

General Overview

2018 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.

Audubon looks to the future with optimism, ready to embark on new adventures and new ways to educate and inspire our community.

Major Achievements

- **Audubon Zoo** had its **accreditation renewed by the Association of Zoos and Aquariums in 2018**, signifying Audubon Zoo's commitment to meeting the very highest standards in the zoological profession. To be re-accredited, Audubon Zoo underwent a thorough review to make certain it has and will continue to meet ever-rising standards in categories which include animal care and welfare, veterinary programs, conservation, education, and safety. AZA requires zoos and aquariums to successfully complete this rigorous accreditation process every five years in order to be members. Audubon Zoo has been an accredited AZA member since 1981.
- **Audubon Aquarium of the Americas** became the **first aquarium in the country to be certified as sensory inclusive** in early 2018. Along with the Aquarium, Audubon Zoo was certified by KultureCity, making it one of the first of ten zoos in the country to be recognized. KultureCity is a non-profit organization dedicated to rethinking accessibility to create acceptance and inclusion for all individuals.

AUDUBON COMMISSION

Management's Discussion and Analysis

- Audubon Aquarium of the Americas and Audubon Zoo were among the winners of the USA TODAY **10Best Readers' Choice travel award contest**. The **Aquarium ranked 5th** and the **Zoo secured 8th place** among 20 nominees, all accredited by the Association of Zoos and Aquariums (AZA), that were "hand-picked by a panel of zoo and family travel experts."
- **Members of Audubon's Youth Volunteers Corps were named the Youth Conservationists of the Year** for 2018 in the Annual Governor's State Conservation Achievement Recognition Program conducted by the Louisiana Wildlife Federation. Celebrating its 55th year, this awards program recognizes the individuals, organizations, and businesses that have made significant contributions to the cause of conservation and wise use of Louisiana's natural resources in 2018. In 2018, 268 youth volunteers participated in Audubon's six Youth Volunteer programs, contributing 26,295 hours of service.
- The Audubon Commission voted unanimously in favor of the **Audubon Park Master Plan** developed in conjunction with the award-winning architecture firm Eskew+Dumez+Ripple. The plan is the culmination of six months of work that included four public sessions designed to solicit feedback and promote community dialogue on the master plan. The Master Plan's key areas of focus include: maintaining, protecting, and preserving the Park's landscape; embracing sustainability; and maintaining current balance with no further program expansion.
- **Audubon Butterfly Garden and Insectarium celebrated its 10th ANT-iversary** in September with a weekend of "infest-ivities" including guest favorite Pin a Beetle, beetle races, face painting, balloon artists, live bug encounters, butterfly releases and chats, and a butterfly gardening presentation. Since 2008, the Butterfly Garden and Insectarium has been North America's largest freestanding museum dedicated to insects and their relatives, housing approximately 900,000 bugs, butterflies, and arachnids.
- In October 2018, animal staff from Freeport-McMoRan Audubon Species Survival Center (FMASSC) and Dallas Zoo teamed up with national conservation partners and federal agencies, including the Association of Zoos and Aquariums, the United States Geological Survey's Patuxent Wildlife Research Center, United States Fish and Wildlife Service, and the United States Coast Guard to **transfer 30 whooping cranes from the Patuxent Wildlife Research Center** in Laurel, Maryland, to FMASSC. The transfer took place due to the closure of Patuxent's long-time Crane Conservation Program that ended due to lack of funding. Audubon has worked on behalf of whooping cranes, one of most endangered North American native birds, for decades, and our current whooping crane breeding program is part of our Alliance for Sustainable Wildlife partnership with San Diego Zoo Global. Whooping cranes are making a comeback in the wild thanks to collaborative conservation efforts among organizations such as Audubon, Dallas Zoo, and San Diego Zoo Global.

AUDUBON COMMISSION

Management's Discussion and Analysis

- Audubon deepened its commitment to **fighting plastic pollution** in 2018. Audubon Aquarium of the Americas and 21 other top aquariums banded together in a joint #FirstStep campaign to create plastic-free waters by seeking commitments from businesses, pledges from individuals, and policy action by municipalities to reduce single-use plastic waste that harms aquatic wildlife around the world. The campaign was kicked off during #NoStrawNovember, a nationwide movement that asked people who don't need them to refuse plastic straws for 30 days. Audubon's other efforts to encourage our community to reduce their contributions to plastic waste included hosting the *Washed Ashore: Art to Save the Sea* marine debris traveling art exhibit; making the theme of the 2018 *Scales & Ales* fundraising event "Be the solution to plastic pollution" and offering reusable cups at the event; hosting the "Ocean Heroes Bootcamp" to turn kids into plastic-fighting superheroes; and receiving a Healthy Communities Grant by Keep Louisiana Beautiful for Audubon's "Teach Wild: A Lesson on Marine Debris" educational program.
- Audubon Nature Institute was pleased to **welcome Rebecca Dietz as executive vice president of public affairs and general counsel**. Rebecca, a graduate of Tulane University Law School, joined Audubon from the City of New Orleans, where she served as city attorney. She is responsible for strengthening relations with our local community and handling legal matters.
- Audubon's **Community Outreach Program** connected with minorities and underserved families in the Greater New Orleans Area to "celebrate the wonders of nature" at Audubon attractions in 2018. These are guests who otherwise may not have been able to experience the thrill of an Audubon visit. In addition, thanks to the **Taylor/Audubon Students and Scholars Program**, more than 215,000 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.
- From military discounts to Parish Appreciation Days and free admission for moms on Mother's Day, there were **many ways for all members of the community to enjoy an Audubon visit** in 2018. For example, members of other local museums were able to visit Audubon Butterfly Garden and Insectarium for free during New Orleans Museum Month.
- 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 **317,096 Facebook** followers across five Facebook pages, **22,459 Twitter** followers; **29,632 Instagram** followers; and **128,394 email** subscribers.

AUDUBON COMMISSION

Management's Discussion and Analysis

New Arrivals and Programs

- In the spring, Audubon Zoo debuted a **new nocturnal house in Jaguar Jungle**: the “Criaturas de la Noche” (“Creatures of the Night” in Spanish) Bat House, which gives guests a glimpse of a jungle teeming with life after nightfall as they gaze into a 42-foot, transparent flyway filled with more than 200 Seba’s short-tailed bats and take a close-up look at other animals that thrive in the dark. The nocturnal house roster also includes vampire bats, ringtail cats, red-eyed tree frogs, giant cave roaches, Anthony’s poison arrow frogs, and engaging douroucouli – also known as Nancy Ma’s night owl monkeys.
- For the holidays, Audubon and Children’s Hospital debuted their newest partnership: **Audubon Zoo Lights presented by Children’s Hospital**. More than 43,000 attendees saw the Zoo transformed into an enchanted, glowing world of wonder. The event offered something to delight the whole family, including twinkling lights, an exciting array of animal-themed light displays, nightly live entertainment, and special holiday treats. The event also supported conservation efforts for lions in the wild through the “Lights for Lions” program, which allowed community members to bring their broken and unwanted string lights to the Zoo for recycling.
- Construction began on a **brand-new lion habitat in Audubon Zoo’s popular African Savanna**. The new habitat’s focal point is a replica of an abandoned 1920s-era train station complete with mock train cars that have been repurposed into conservation and research stations. The design gives panoramic views of the habitat along with places for up-close glimpses of the majestic animals and for Zoo staff to offer animal care and education demonstrations. The new habitat has been constructed to accommodate multiple lions and was made possible through a generous \$5 million donation from philanthropists Joy and Boysie Bollinger.
- Families in New Orleans East can now shoot for the stars at Audubon Louisiana Nature Center’s **brand-new, state-of-the-art planetarium**. The planetarium features a full dome projection system and surround sound audio and shows short features such as “The Universe in Our Backyard” and “Solar System Safari.”
- Audubon celebrated **new births** throughout the year, including a **baby black howler monkey delivered via emergency cesarean-section by Audubon’s expert veterinary staff** and a **baby mandrill** at the Zoo and a trio of **cownose stingray** pups at the Aquarium. Across the river at Freeport-McMoRan Audubon Species Survival Center, the Alliance for Sustainable Wildlife welcomed the births of **eland, sable antelope, Eastern bongo, yellow-backed duiker, and giraffe** – including one born on Mardi Gras day named “Poco” for 2018 Rex and longtime Audubon supporter Poco Sloss and one named T’Challa by online vote.

AUDUBON COMMISSION

Management's Discussion and Analysis

- The Zoo also welcomed some new members of the Audubon family from other conservation organizations. **Alafia, a female critically endangered Western lowland gorilla**, came from Woodland Park Zoo in Seattle to complete Audubon's new gorilla troop. The Zoo also became home to two new **critically endangered Sumatran orangutans** - female Reese from Albuquerque BioPark Zoo in New Mexico and male Jambi all the way from Hannover Zoo in Germany. Audubon hopes to welcome baby orangutans and gorillas as a result of these newly formed family groups. The biggest arrivals by far, however, were female **endangered Asian elephants** Jothi and Surapa, who joined Audubon's elephant herd from Buffalo Zoo in New York.

Economic Factors and Next Year's Budget

The 2019 operating budget is substantially comparable to the 2018 operating budget, which reflects management's intent and expectations that operations will remain consistent.

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, 2018 and 2017

| | 2018 | 2017 |
|--|-----------------------|-----------------------|
| Assets and Deferred Outflows of Resources | | |
| Current Assets | | |
| Cash and Cash Equivalents | \$ 2,490,709 | \$ 459,391 |
| Accounts Receivable, Net of Allowance for Uncollectible Accounts of \$26,262 in 2018 and \$35,986 in 2017 | 399,778 | 444,110 |
| Inventory | 1,315,654 | 1,319,527 |
| Prepaid Expenses | 613,141 | 724,942 |
| Total Current Assets | 4,819,282 | 2,947,970 |
| Noncurrent Assets | | |
| Capital Assets | | |
| Land | 800,000 | 800,000 |
| Buildings and Fixed Exhibitory | 280,841,035 | 268,964,702 |
| Equipment | 23,544,932 | 22,552,190 |
| Construction in Progress | 15,563,492 | 18,158,095 |
| Less: Accumulated Depreciation | (169,541,106) | (159,200,858) |
| Net Capital Assets | 151,208,353 | 151,274,129 |
| Other Assets | | |
| Prepaid Rent - Dock Board | 7,873,669 | 7,989,458 |
| Cash with Fiscal Agent Restricted for Capital Projects | 14,163,616 | - |
| Cash Restricted for Capital Projects | 3,764,767 | 3,694,330 |
| Agency Fund | 7,152,854 | - |
| Receivables Restricted for Capital Improvements | 93,730 | 499,681 |
| Total Other Assets | 33,048,636 | 12,183,469 |
| Total Assets | 189,076,271 | 166,405,568 |
| Deferred Outflows of Resources | - | 75,833 |
| Total Assets and Deferred Outflows of Resources | \$ 189,076,271 | \$ 166,481,401 |

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

AUDUBON COMMISSION
Statements of Net Position (Continued)
December 31, 2018 and 2017

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| Current Liabilities Payable from Unrestricted Assets | | |
| Accounts Payable and Other Accrued Liabilities | \$ 7,727,379 | \$ 6,671,060 |
| Capital Lease Obligations | 156,079 | 104,398 |
| Total Current Liabilities Payable from Unrestricted Assets | 7,883,458 | 6,775,458 |
| Current Liabilities Payable from Restricted Assets | | |
| Accrued Interest | 548,608 | 587,614 |
| Agency Fund Payable | 7,152,854 | - |
| Limited Tax Bonds, Current Portion | 3,305,000 | 3,185,000 |
| Gulf Opportunity Zone Loan, Current Portion | 1,537,146 | 1,468,985 |
| Construction Payables | 1,733,359 | 1,327,634 |
| Total Current Liabilities Payable from Restricted Assets | 14,276,967 | 6,569,233 |
| Total Current Liabilities | 22,160,425 | 13,344,691 |
| Noncurrent Liabilities | | |
| Limited Tax Bonds | 7,732,102 | 11,266,957 |
| Gulf Opportunity Zone Loan | 10,842,000 | 12,379,143 |
| Due to Audubon Nature Institute, Inc. | 2,330,218 | 2,616,122 |
| Unearned Revenue | 8,826,041 | - |
| Capital Lease Obligations | 4,361,505 | - |
| Total Noncurrent Liabilities | 34,091,866 | 26,262,222 |
| Total Liabilities | 56,252,291 | 39,606,913 |
| Net Position | | |
| Net Investment in Capital Assets | 112,715,122 | 121,617,847 |
| Restricted | 17,473,989 | 3,606,397 |
| Unrestricted | 2,634,869 | 1,650,244 |
| Total Net Position | 132,823,980 | 126,874,488 |
| Total Liabilities and Net Position | \$ 189,076,271 | \$ 166,481,401 |

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, 2018 and 2017

| | 2018 | 2017 |
|--|-----------------------|----------------|
| Operating Revenues | | |
| Charges for Services | \$ 43,736,748 | \$ 41,275,966 |
| Other Revenues | 1,419,956 | 1,246,415 |
| Total Operating Revenues | 45,156,704 | 42,522,381 |
| Operating Expenses | | |
| Salaries and Benefits | 28,260,140 | 27,182,388 |
| Contractual Services, Materials, Supplies, and Other | 23,801,558 | 22,533,759 |
| Depreciation and Amortization | 10,738,076 | 10,185,346 |
| Total Operating Expenses | 62,799,774 | 59,901,493 |
| Operating Loss | (17,643,070) | (17,379,112) |
| Nonoperating Revenues (Expenses) | | |
| Support for Capital Projects, Education, and Operating | | |
| Support from Audubon Nature Institute, Inc. | 8,615,419 | 8,333,117 |
| Dedicated Tax Revenues | 11,683,446 | 11,319,256 |
| Intergovernmental Grants | 1,086,323 | 4,378,366 |
| Contributions to Facilities Managed by | | |
| Audubon Nature Institute, Inc. | 903,530 | 367,858 |
| Other Revenue | 2,420,115 | 2,684,213 |
| Interest Expense | (1,101,764) | (1,330,114) |
| Amortization - Debt Costs | (14,507) | (14,507) |
| Total Nonoperating Revenues, Net | 23,592,562 | 25,738,189 |
| Change in Net Position | 5,949,492 | 8,359,077 |
| Net Position, Beginning of Year | 126,874,488 | 118,515,411 |
| Net Position, End of Year | \$ 132,823,980 | \$ 126,874,488 |

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

AUDUBON COMMISSION
Statements of Cash Flows
For the Years Ended December 31, 2018 and 2017

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| Cash Flows from Operating Activities | | |
| Cash Received from Customers | \$ 45,201,034 | \$ 42,385,816 |
| Cash Paid to or on Behalf of Employees | (28,146,870) | (27,107,243) |
| Cash Paid for Supplies and Services | (23,144,528) | (23,231,888) |
| Net Cash Used in Operating Activities | (6,090,364) | (7,953,315) |
| Cash Flows from Capital and Related Financing Activities | | |
| Support From Audubon Nature Institute, Inc. | 8,615,419 | 8,333,117 |
| Payments for Design, Construction, and Equipment Purchases | (10,012,734) | (14,277,247) |
| (Increase) Decrease in Restricted Assets | (20,980,956) | 102,638 |
| Increase (Decrease) in Liabilities Payable from Restricted Assets | 20,135,827 | (229,855) |
| Dedicated Tax Revenues | 11,683,446 | 11,319,256 |
| Interest Paid | (1,065,817) | (1,270,220) |
| Payment of Bond Principal | (4,653,985) | (4,428,844) |
| Payment of Capital Lease Obligations | (110,770) | (152,787) |
| Contributions to Facilities Managed by Audubon Nature Institute, Inc. | 903,530 | 367,858 |
| Intergovernmental and Other Grants | 1,086,323 | 4,378,366 |
| Contractual Debt Reduction | 2,111,535 | 2,111,535 |
| Interest Income | 2,636 | - |
| Cash Received from Insurance Proceeds | 136,986 | 572,678 |
| Other | 270,242 | 101,283 |
| Net Cash Provided by Capital and Related Financing Activities | 8,121,682 | 6,927,778 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 2,031,318 | (1,025,537) |
| Cash and Cash Equivalents, Beginning of Year | 459,391 | 1,484,928 |
| Cash and Cash Equivalents, End of Year | \$ 2,490,709 | \$ 459,391 |
| Reconciliation of Operating Loss to Net Cash Used in Operating Activities | | |
| Operating Loss | \$ (17,643,070) | \$ (17,379,112) |
| Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities | | |
| Depreciation and Amortization | 10,738,076 | 10,185,346 |
| Decrease (Increase) in Accounts Receivable and Other Current Assets | 44,215 | (317,654) |
| Increase (Decrease) in Accounts Payable and Other Current Liabilities | 770,415 | (441,895) |
| Net Cash Used in Operating Activities | \$ (6,090,364) | \$ (7,953,315) |
| Non-Cash Items | | |
| Purchases for Design, Construction, and Equipment in Accounts Payable and Other Current Liabilities | \$ 1,733,359 | \$ 1,327,634 |

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

AUDUBON COMMISSION

Notes to Financial Statements

Note 1. Organization

General Information

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

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

On June 1, 1990, the Commission and the City entered into an agreement to lease approximately 128 acres of City-owned property as part of construction and operation of a Wilderness Park, Species Survival Center and Research Center. The agreement, which terminates on February 28, 2040, requires an annual payment to the City's General Fund of one dollar (\$1.00) per year for a period of fifty (50) years, payable in a lump sum on June 1, 1990. Adjacent to the City property is 986 acres of United States Coast Guard (Coast Guard) property for which the Coast Guard granted the Commission a 25-year land use license on June 1, 1990. A 25 year renewal option was executed on July 1, 2010, and started on June 1, 2015; the renewal ends on May 31, 2040 with an option for renewal for 25 years thereafter. Together, these sites comprise Freeport-McMoRan Audubon Species Survival Center and Wilderness Park. 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

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 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 1st 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 \$52,847 in 2018 and \$51,904 in 2017 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

Note 1. Organization (Continued)

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.

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.

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Basis of Reporting (Continued)

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 investments 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.

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, 2018 and 2017, consisted of unrestricted cash and money market accounts of \$2,490,709 and \$459,391, respectively.

Agency Fund

Includes funds held in trust for the benefit of a third party which cannot be used to address activities or obligations of the Commission. A corresponding liability of an amount equal to the asset is recognized on the statement of net position.

AUDUBON COMMISSION

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

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.

Reclassification

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

Recent Accounting and Reporting Standards

As of December 31, 2018, the Government Accounting Standards Board has issued several statements not yet implemented by the Commission. The Statements, which may impact the Commission, are as follows:

Governmental Accounting Standards Board Statement No. 84 (GASB 84)

The objective of GASB Statement No. 84, *Fiduciary Activities*, is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB 84 is effective for fiscal year ending December 31, 2019.

Governmental Accounting Standards Board Statement No. 87 (GASB 87)

The objective of GASB Statement No. 87, *Leases*, is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were 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. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB 87 is effective for fiscal year ending December 31, 2020.

AUDUBON COMMISSION

Notes to Financial Statements

Note 3. Cash and Cash Equivalents

Cash on Deposit

The Commission's deposits at financial institutions at December 31, 2018 and 2017, were \$2,341,789 and \$310,471, respectively, (excluding \$148,920 of cash on hand at December 31, 2018 and 2017).

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, 2018, the Commission had \$5,848,102 of deposits in excess of the FDIC insured limit which were secured from risk by \$8,293,544 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, 2018 and 2017, no funds were exposed to custodial credit risk.

Restricted Cash

As of December 31, 2018 and 2017, restricted cash included cash held with a fiscal agent totaling \$14,163,616 and \$-0-, respectively, for various capital projects (see Note 8). In addition, cash restricted from a dedicated tax millage held by the Commission for capital expenses totaled \$3,764,767 and \$3,694,330, respectively. At December 31, 2018 and 2017 the total was comprised of cash. These assets are presented as other assets in the statement 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, 2018:

| | Balance January 1, 2018 | Additions/ Increases | Transfers | Disposals/ Retirements | Balance December 31, 2018 |
|---|-------------------------------|-------------------------|---------------------|---------------------------|---------------------------------|
| Capital Assets Not Depreciated | | | | | |
| Land | \$ 800,000 | \$ - | \$ - | \$ - | \$ 800,000 |
| Construction in Progress | 18,158,095 | 9,284,800 | (11,879,403) | - | 15,563,492 |
| Total Capital Assets Not Depreciated | 18,958,095 | 9,284,800 | (11,879,403) | - | 16,363,492 |
| Capital Assets Being Depreciated | | | | | |
| Buildings and Fixed Exhibitory | 268,964,702 | 364,356 | 11,511,977 | - | 280,841,035 |
| Equipment | 22,552,190 | 904,238 | 367,426 | (278,922) | 23,544,932 |
| Total Capital Assets Being Depreciated | 291,516,892 | 1,268,594 | 11,879,403 | (278,922) | 304,385,967 |
| Less Accumulated Depreciation | (159,200,858) | (10,616,839) | - | 276,591 | (169,541,106) |
| Total Capital Assets, Net | \$ 151,274,129 | \$ (63,445) | \$ - | \$ (2,331) | \$ 151,208,353 |

Capital assets are summarized as follows by major classification at December 31, 2017:

| | Balance January 1, 2017 | Additions/ Increases | Transfers | Disposals/ Retirements | Balance December 31, 2017 |
|---|-------------------------------|-------------------------|---------------------|---------------------------|---------------------------------|
| Capital Assets Not Depreciated | | | | | |
| Land | \$ 800,000 | \$ - | \$ - | \$ - | \$ 800,000 |
| Construction in Progress | 19,334,433 | 11,609,191 | (12,785,529) | - | 18,158,095 |
| Total Capital Assets Not Depreciated | 20,134,433 | 11,609,191 | (12,785,529) | - | 18,958,095 |
| Capital Assets Being Depreciated | | | | | |
| Buildings and Fixed Exhibitory | 256,986,856 | - | 11,977,846 | - | 268,964,702 |
| Equipment | 21,199,734 | 620,762 | 807,683 | (75,989) | 22,552,190 |
| Total Capital Assets Being Depreciated | 278,186,590 | 620,762 | 12,785,529 | (75,989) | 291,516,892 |
| Less Accumulated Depreciation | (149,171,093) | (10,060,756) | - | 30,991 | (159,200,858) |
| Total Capital Assets, Net | \$ 149,149,930 | \$ 2,169,197 | \$ - | \$ (44,998) | \$ 151,274,129 |

Depreciation expense for the years ended December 31, 2018 and 2017, related to these assets amounted to approximately \$10,635,000 and \$10,061,000, respectively.

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt

Bonds and other debt payable at December 31, 2018 and 2017, are comprised of the following:

| | 2018 | 2017 |
|--|----------------------|---------------|
| Limited Tax Bonds | | |
| 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% | \$ 10,405,000 | \$ 13,590,000 |
| Other Debt | | |
| State of Louisiana, Office of Community Development Gulf Opportunity Zone Act Loan | 12,379,146 | 13,848,128 |
| Total Bonds Payable and Other Debt | 22,784,146 | 27,438,128 |
| Unamortized Premium, Net | 632,102 | 861,957 |
| Total | 23,416,248 | 28,300,085 |
| Less: Current Maturities | (4,842,146) | (4,653,985) |
| Bonds Payable and Other Debt, Noncurrent | \$ 18,574,102 | \$ 23,646,100 |

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%.

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.

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

Gulf Opportunity Zone Act Loan (Continued)

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 reamortized as part of a cooperative endeavor agreement 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.

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.

The Commission's total expenditures associated with the Park for the period July 1, 2017 to June 30, 2018 was \$1,859,629. The park hosted 955,756 visitors during this time period with each visitor spending an estimated \$700. Based on these factors, the Commission met the criteria established by the CEA for the period July 1, 2017 to June 30, 2018.

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

Gulf Opportunity Zone Act Loan (Continued)

As noted above, if the expenditures associated with Woldenberg Riverfront Park are in excess of \$1,000,000 in any year, the excess may be carried forward for use in any future year toward the required \$1,000,000 yearly expenditure.

The expenditure and carryover balance as of December 31, 2018 is the following:

| | |
|--|----------------------------|
| Balance January 1, 2018 | \$ 690,790 |
| Expenditures from July 1, 2017 through June 30, 2018 | <u>1,859,629</u> |
| Total Expenditures | 2,550,419 |
| CEA Annual Requirement | <u>1,000,000</u> |
| Carryover to Next Fiscal Year | <u><u>\$ 1,550,419</u></u> |

The Commission reduced its gulf opportunity zone loan balance by the principal amount due in 2018 per the CEA. The total payment amount per the CEA, including principal and interest in the amount of \$2,111,535, is recorded in other revenue on the statement of revenues, expenses, and changes in net position.

A summary of changes in bonds payable and other debt during 2018 and 2017, is as follows:

| | Limited Tax Bonds | Gulf Opportunity Zone Loan | Total |
|----------------------------------|-------------------------|----------------------------------|----------------------|
| Balance January 1, 2018 | \$ 13,590,000 | \$ 13,848,128 | \$ 27,438,128 |
| Additions | - | - | - |
| Reductions | (3,185,000) | (1,468,982) | (4,653,982) |
| Balance December 31, 2018 | \$ 10,405,000 | \$ 12,379,146 | \$ 22,784,146 |
| Due within One Year | \$ 3,305,000 | \$ 1,537,146 | \$ 4,842,146 |

| | Limited Tax Bonds | Gulf Opportunity Zone Loan | Total |
|----------------------------------|-------------------------|----------------------------------|----------------------|
| Balance January 1, 2017 | \$ 16,615,000 | \$ 15,251,972 | \$ 31,866,972 |
| Additions | - | - | - |
| Reductions | (3,025,000) | (1,403,844) | (4,428,844) |
| Balance December 31, 2017 | \$ 13,590,000 | \$ 13,848,128 | \$ 27,438,128 |
| Due within One Year | \$ 3,185,000 | \$ 1,468,985 | \$ 4,653,985 |

AUDUBON COMMISSION

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

Expected debt service requirements on all debt outstanding as of December 31, 2018, are as follows:

| Year Ending December 31, | Limited Tax Bonds | | Gulf Opportunity Zone Loan | | Total | |
|-----------------------------|----------------------|---------------------|----------------------------|---------------------|----------------------|---------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2019 | \$ 3,305,000 | \$ 520,250 | \$ 1,537,146 | \$ 574,392 | \$ 4,842,146 | \$ 1,094,642 |
| 2020 | 3,470,000 | 355,000 | 1,608,466 | 503,069 | 5,078,466 | 858,069 |
| 2021 | 3,630,000 | 181,500 | 1,683,099 | 428,436 | 5,313,099 | 609,936 |
| 2022 | - | - | 1,761,195 | 350,340 | 1,761,195 | 350,340 |
| 2023 | - | - | 1,842,914 | 268,621 | 1,842,914 | 268,621 |
| 2024 to 2025 | - | - | 3,946,326 | 276,740 | 3,946,326 | 276,740 |
| Total | \$ 10,405,000 | \$ 1,056,750 | \$ 12,379,146 | \$ 2,401,598 | \$ 22,784,146 | \$ 3,458,348 |

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, 2018 and 2017, 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, 2018 and 2017, the amount due to the Institute from the Commission totaled \$2,330,218 and \$2,616,122, 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, 2018 and 2017, those amounts totaled \$8,615,419 and \$8,333,117, respectively.

AUDUBON COMMISSION

Notes to Financial Statements

Note 7. Transactions with Audubon Nature Institute and Audubon Nature Institute Foundation (Continued)

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, 2018 and 2017, the Foundation donated funds for the direct benefit of the facilities managed by the Institute. These contributions totaled \$903,530 and \$367,858 for 2018 and 2017, respectively.

Note 8. Commitments and Contingencies

Long-Term Leases

The Commission leases its Audubon Butterfly Garden and 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, 2018 and 2017 totaled \$861,071 and \$727,775, respectively.

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

| Year Ending December 31, | Lease Payments |
|-----------------------------|---------------------|
| 2019 | \$ 694,586 |
| 2020 | 667,584 |
| 2021 | 387,002 |
| 2022 | 53,673 |
| 2023 | - |
| Thereafter | - |
| Total | \$ 1,802,845 |

As of December 31, 2018, 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, 2018 had a cost of \$1,176,173 and accumulated amortization of \$14,287. 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.

AUDUBON COMMISSION

Notes to Financial Statements

Note 8. Commitments and Contingencies (Continued)

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

| Year Ending December 31, | Lease Payments |
|---|----------------------------|
| 2019 | \$ 173,341 |
| 2020 | 405,141 |
| 2021 | 405,941 |
| 2022 | 398,829 |
| 2023 | 311,700 |
| 2024 and Thereafter | <u>4,786,657</u> |
| Total Minimum Lease Payments | 6,481,609 |
| Less: Amounts Representing Interest | <u>1,964,025</u> |
| Present Value of Future Minimum Lease Payments | 4,517,584 |
| Less: Current Portion of Capital Leases Obligation | <u>(156,079)</u> |
| Capital Lease Obligations, Excluding Current Portion | <u><u>\$ 4,361,505</u></u> |

Construction in Progress

As of December 31, 2018 the Commission has approximately \$6,235,792 remaining on construction projects still ongoing.

Contractual Debt Reduction

As disclosed in Note 6 in the Gulf Opportunity Zone Act Loan section, the Commission recognizes revenue under the CEA wherein the liability is canceled after meeting certain requirements. The Commission asserts all necessary components for revenue recognition are met, and recognized the liability reduction in the current year. While the Commission has fulfilled obligations under the CEA to substantiate revenue recognition and liability reduction, acknowledgement by the State of Louisiana is pending.

Governor Nicholls and Esplanade Wharves Development

Audubon Commission has entered into various cooperative endeavor agreements related to the development of public green space on the Governor Nicholls and Esplanade wharves and to a pedestrian access bridge adjacent to Audubon Aquarium of the Americas that facilitates entry to a new ferry terminal building. The projects will offer over three miles of continuous public access to the Mississippi River, revitalizing New Orleans' downtown riverfront, and are as follows:

AUDUBON COMMISSION

Notes to Financial Statements

Note 8. Commitments and Contingencies (Continued)

Governor Nicholls and Esplanade Wharves Development (Continued)

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. Throughout 2018, the Commission achieved the milestones set forth in the Wharves Agreement, including launching a robust public engagement process to develop a conceptual design and securing initial funding.

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 IBERIABANK to serve as escrow agent. The first payment to the escrow account of \$10 million from all parties was completed April 17, 2018 and 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 statement of net position.

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, 2018, there were twenty-one tax abatements under the Restoration Tax Abatement Program with exemptions. During the fiscal year ended December 31, 2018, ad valorem taxes abated applicable to the Commission totaled \$34,907.

AUDUBON COMMISSION

Notes to Financial Statements

Note 11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued May 24, 2019, and determined that the following events occurred that required disclosure.

Pursuant to the Wharves Agreement, public input continues to be collected through the project website www.RiverfrontforAll.org while results from a visitor intercept survey were received in January 2019. In February 2019, the City of New Orleans' Mayor's office approached the Commission about extending certain deadlines noted in the Wharves Agreement for 12 to 21 months due to the Mayor's desire for additional public engagement and the transition needs of the wharves' tenant, TCI Packaging, LLC. Negotiations related to the Wharves Agreement amendment are ongoing, with a targeted completion date of no later than June 20, 2019.

Pursuant to the Wharves Funding Agreement, the parties made the remaining escrow payment of \$5 million on February 4, 2019.

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. 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. This agreement is considered a subsequent event because although it was entered into in 2018, it was terminated prior to the issuance of the report. The amount held in escrow to fund the bridge is recorded on the statement of net position as both an asset and a liability under agency fund payable, as it will be repaid due to the executed termination.

No further subsequent events occurring after May 24, 2019 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, 2018, 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 24, 2019.

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 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 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 "LaForte".

A Professional Accounting Corporation

Metairie, LA
May 24, 2019

AUDUBON COMMISSION
Schedule of Findings and Responses
For the Year Ended December 31, 2018

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, 2018

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, 2018

| | Aquarium and Riverfront Park | Butterfly Garden and Insectarium | Zoo and Audubon Park | Species Survival Center/ Research Center | Louisiana Nature Center | Total |
|--|---|---|---------------------------------|---|--|-----------------------|
| Operating Revenues | | | | | | |
| Charges for Services | \$ 18,310,582 | \$ 3,141,715 | \$ 22,216,989 | \$ - | \$ 67,462 | \$ 43,736,748 |
| Other Revenues | 969,369 | 28,138 | 412,449 | 10,000 | - | 1,419,956 |
| Total Operating Revenues | 19,279,951 | 3,169,853 | 22,629,438 | 10,000 | 67,462 | 45,156,704 |
| Operating Expenses | | | | | | |
| Salaries and Benefits | 8,878,428 | 1,048,266 | 16,941,262 | 1,171,894 | 220,290 | 28,260,140 |
| Contractual Services, Materials, Supplies, and Other | 7,292,859 | 1,519,588 | 13,742,928 | 1,016,038 | 230,145 | 23,801,558 |
| Depreciation and Amortization | 3,641,185 | 1,284,003 | 4,480,625 | 1,048,872 | 283,391 | 10,738,076 |
| Total Operating Expenses | 19,812,472 | 3,851,857 | 35,164,815 | 3,236,804 | 733,826 | 62,799,774 |
| Operating Loss | (532,521) | (682,004) | (12,535,377) | (3,226,804) | (666,364) | (17,643,070) |
| Nonoperating Revenues (Expenses) | | | | | | |
| Support from Audubon Nature Institute, Inc. | 322,655 | 1,459 | 6,325,636 | 1,880,787 | 84,882 | 8,615,419 |
| Dedicated Tax Revenues | 10,553,869 | - | 1,129,577 | - | - | 11,683,446 |
| Intergovernmental Grants | 12,451 | - | 541,008 | 313,457 | 219,407 | 1,086,323 |
| Contributions to Facilities Managed by Audubon Nature Institute, Inc. | - | - | 559,015 | 51,445 | 293,070 | 903,530 |
| Other Revenue | 2,283,129 | - | 136,986 | - | - | 2,420,115 |
| Interest Expense | (1,098,279) | - | (3,485) | - | - | (1,101,764) |
| Amortization - Debt Costs | (13,507) | - | (1,000) | - | - | (14,507) |
| Total Nonoperating Revenues, Net | 12,060,318 | 1,459 | 8,687,737 | 2,245,689 | 597,359 | 23,592,562 |
| Change in Net Position | 11,527,797 | (680,545) | (3,847,640) | (981,115) | (69,005) | 5,949,492 |
| Net Position, Beginning of Year | 63,813,171 | 14,216,473 | 29,654,740 | 10,838,980 | 8,351,124 | 126,874,488 |
| Net Position, End of Year | \$ 75,340,968 | \$ 13,535,928 | \$ 25,807,100 | \$ 9,857,865 | \$ 8,282,119 | \$ 132,823,980 |