Financial Report

New Orleans City Park Improvement Association

June 30, 2021

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

New Orleans City Park Improvement Association

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
New Orleans City Park Improvement Association,
New Orleans, Louisiana.

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the New Orleans City Park Improvement Association (the "Park") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Park'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 audit. We conducted our audit 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.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the New Orleans City Park Improvement Association, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Year Financial Statements

The financial statements of New Orleans City Park Improvement Association as of June 30, 2020, were audited by other auditors whose report dated December 21, 2020, expressed an unmodified opinion on those financial statements.

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 15, and the Schedule of Changes in the Park's Total OPEB Liability and Related Ratios on page 50, 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, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Park's financial statements. The Schedule of Operating Expenses on page 51, and the Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Office, on page 52, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility to management and was delivered from and related 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 accompanying supplementary information 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 March 14, 2022 on our consideration of New Orleans City Park Improvement Association'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 New Orleans City Park Improvement Association's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
March 14, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

New Orleans City Park Improvement Association
New Orleans, Louisiana

June 30, 2021

This section of the New Orleans City Park Improvement Association's (the "Park") financial report presents a discussion and analysis of the Park's financial performance during the years ended June 30, 2021 and 2020. Please read it in conjunction with the Park's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

2021 Highlights

The Park's net position represents approximately 81% of total assets of approximately $93.8 million as of June 30, 2021. As of June 30, 2020, the Park's net position approximated 80% of total assets of approximately $89.6 million.

The Park's increase in net position was approximately $4.1 million for the year ended June 30, 2021 as compared to a decrease of approximately $2.3 million for the year ended June 30, 2020. In addition, the Park's cash used in operating activities was approximately $2.8 million in 2021 as compared to approximately $2.9 million in 2020.

2020 Highlights

The Park's net position represents approximately 80% of total assets of approximately $89.6 million as of June 30, 2020. As of June 30, 2019, the Park's net position approximated 81% of total assets of approximately $91.8 million.

The Park's decrease in net position was approximately $2.3 million for the year ended June 30, 2020 as compared to a decrease of approximately $1.6 million for the year ended June 30, 2019. In addition, the Park's cash used in operating activities was approximately $2.9 million in 2020 as compared to approximately $2.8 million in 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and other supplementary information.

The financial statements provide both long-term and short-term information about the Park's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplemental information and other supplemental information that further explains and supports the information in the financial statements.

The Park's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenue, Expenses, and Changes in Net Position. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Park are included in the Statements of Net Position.

FINANCIAL ANALYSIS OF THE PARK - 2021

The Statements of Net Position reports the Park's net position. Net position, the difference between the Park's assets, liabilities and deferred inflows of resources, is one way to measure the Park's financial health or position. The Park's net position increased approximately $4.1 million in 2021 compared to a decrease of $2.3 million in 2020. Current assets exceed current liabilities by approximately $7.3 million as of June 30, 2021.

FINANCIAL ANALYSIS OF THE PARK - 2021 (Continued)

Condensed Statements of Net Position

	2021	2020	Increase (Decrease)
ASSETS			
Current assets	$ 10,286,658	$ 5,689,572	$ 4,597,086
Investments, non-current	7,387,023	5,994,551	1,392,472
Capital assets	75,862,406	77,625,449	(1,763,043)
Total assets	93,536,087	89,309,572	4,226,515
Deferred outflows of resources	223,139	311,540	(88,401)
Total assets and deferred outflows	$ 93,759,226	$ 89,621,112	$ 4,138,114
LIABILITIES			
Current liabilities	$ 2,950,021	$ 3,924,243	$ (974,222)
Long-term liabilities	6,199,933	4,789,950	1,409,983
Total liabilities	9,149,954	8,714,193	435,761
Deferred inflows of resources	8,480,680	8,907,666	(426,986)
Net position:			
Net investment in capital assets	75,862,406	77,625,449	(1,763,043)
Restricted	7,823,139	6,650,271	1,172,868
Unrestricted	(7,556,953)	(12,276,467)	4,719,514
Total net position	76,128,592	71,999,253	4,129,339
Total liabilities, deferred inflows, and net position	$ 93,759,226	$ 89,621,112	$ 4,138,114

FINANCIAL ANALYSIS OF THE PARK - 2021 (Continued)

Net Position

The Park's total net position as of June 30, 2021 increased 6% to approximately $76.1 million (see page 6). Total assets increased 5% to approximately $93.8 million, and total liabilities increased 5% to approximately $9.1 million. In addition, the Park reported deferred inflows of resources of approximately $8.5 million as of June 30, 2021, which represents a 5% decrease from the amount reported as of June 30, 2020. The deferred inflow of resources relates to capital contribution made by the Bayou District Foundation (BDF) to fund a portion of the improvements to the South Course at Bayou Oaks under a service concession arrangement between the Park and the BDF and the implementation of GASB Statement No. 75 related to the accounting for other post-retirement benefits. The increase in net position is mainly attributable to a net increase in total assets and deferred outflows of $4.2 million.

Total current assets increased by approximately $4.6 million and current liabilities decreased by approximately $974,000 which resulted in an increase in working capital of $5.9 million. Receivables increased approximately $100,000 compared to 2020 due to disaster payments to be reimbursed from FEMA related to Hurricane Zeta netted against payments received related to Hurricane Katrina. Unrestricted bank account cash increased by approximately $2.2 million due to City Park receiving a City of New Orleans Property Tax Millage for the first time and State Coronavirus (COVID-19) operations support.

Sales tax collected by the City Park Taxing District (TIF), a blended component unit of the Park (Note 1), did not exceed funds used for capital projects by the Park, resulting in a decrease of approximately $190,000 in restricted cash. Non-current assets decreased by approximately $370,000. The Park's permanent endowments held in trust for the benefit of the Park at the Greater New Orleans Foundation (GNOF) increased by approximately $1.4 million (Note 2). This increase relates to investment gains, fees, dividends and interest totaling approximately $1.5 million and endowment contributions totaling $45,000, net of endowment funds used on projects throughout the Park totaling approximately $145,000.

Total liabilities increased by approximately $435,000. Insurance payable due to the Office of Risk Management for the Park's insurance premiums (Note 7) decreased by approximately $1.4 million, along with a reduction of $310,000 of payments due to reimburse FEMA. These decreases were offset by a $500,000 restricted operating and capital reserve for the golf complex, along with a $1.575 million for leased equipment for the golf complex.

Net investments in capital assets reflect capital assets, net of accumulated depreciation. Restricted assets reflect assets restricted by a donor and/or contractual agreements for specific purposes.

Changes in Net Position

The change in net position for the year ended June 30, 2021 was an increase of approximately $4.2 million compared to a decrease in net position of approximately $2.3 million for the year ended June 30, 2020.

FINANCIAL ANALYSIS OF THE PARK - 2021 (Continued)

Statements of Revenues, Expenses and Changes in Net Position

	2021	2020	Increase (Decrease)
Operating Revenues			
Amusements, concerts, and other events	$ 3,552,966	$ 5,889,551	$ (2,336,585)
Catering, restaurant, and gift shop	906,343	2,292,919	(1,386,576)
Golf operations	520,180	521,650	(1,470)
Horticulture, grounds and pavilion rental	869,983	806,987	62,996
Athletic services and tennis	1,016,536	1,303,218	(286,682)
Total operating revenues	6,866,008	10,814,325	(3,948,317)
Operating Expenses			
Amusements, concerts, and other events	1,888,354	3,700,452	(1,812,098)
Catering, restaurant, and gift shop	965,082	2,196,451	(1,231,369)
Horticulture, grounds and pavilion rental	964,273	1,137,820	(173,547)
Athletic services and tennis	846,168	1,171,098	(324,930)
General park	6,069,482	6,199,630	(130,148)
Depreciation	4,777,387	4,775,509	1,878
Other postretirement benefit expense	201,066	364,200	(163,134)
Total operating expenses	15,711,812	19,545,160	(3,833,348)
Net operating loss	(8,845,804)	(8,730,835)	(114,969)
Nonoperating income	11,457,242	4,173,416	7,283,826
Capital contributions	1,618,956	1,893,520	(274,564)
Additions/(reductions) to permanent endowment	(101,055)	375,000	(476,055)
Changes in net position	4,129,339	(2,288,899)	6,418,238
Total net position, beginning of the year	71,999,253	74,288,152	(2,288,899)
Total net position, end of the year	$ 76,128,592	$ 71,999,253	$ 4,129,339

Total operating revenues decreased by approximately $3.9 million to $6.9 million for the year ended June 30, 2021, compared to approximately $10.8 million in the year ended June 30, 2020. Amusements, concerts, and other special events revenue decreased by $2.3 million, and catering, restaurant, and gift shop revenue decreased $1.4 million mainly due to COVID-19 closures and cancellations. This lost revenue was partially offset by a decrease in amusement, concerts, and special event expenses of $1.8 million. The Park's total operating expenses decreased by approximately $3.8 million mainly due to salary and expense reductions caused by the Park's response to COVID-19 closure for most of the fiscal year. Under GASB 60, the Park accounts for its cooperative endeavor agreement (CEA) with BDF as a service concessions arrangement. Consequently, the Park recognizes only its share of the net revenue.

FINANCIAL ANALYSIS OF THE PARK - 2021 (Continued)

Capital contributions decreased by approximately $275,000 primarily due to the construction of leased space during fiscal year 2020. The Botanical Garden outdoor kitchen and new maintenance building contributed to capital contributions in 2021.

Schedules of Operating Expenses

	2021	2020	Increase (Decrease)
Administrative	$ 526,660	$ 612,749	$ (86,089)
Advertising	135,749	393,053	(257,304)
Contract labor	934,689	834,027	100,662
Contract services	110,893	883,042	(772,149)
Cost of goods sold	360,583	1,145,045	(784,462)
COVID-19 expenses	133,427	80,805	52,622
Depreciation	4,777,388	4,775,509	1,879
Disposal of fixed assets	629,417	-	629,417
Fuel	46,767	46,694	73
Insurance	529,860	489,749	40,111
Other post-employment benefits	201,066	364,200	(163,134)
Payroll	4,592,247	6,249,210	(1,656,963)
Payroll benefits	982,396	1,078,999	(96,603)
Rentals	1,879	254,071	(252,192)
Repairs and maintenance	542,752	694,884	(152,132)
Supplies	523,390	650,093	(126,703)
Training and education	18,788	72,208	(53,420)
Uniforms	9,700	12,178	(2,478)
Utilities	504,647	554,701	(50,054)
Write-offs	149,514	353,943	(204,429)
Total operating expenses	$ 15,711,812	$ 19,545,160	$ (3,833,348)

Operating expenses decreased by approximately $3.8 million in fiscal year 2021. This decrease is directly attributable to the cost cutting measures taken by management due to the COVID-19 Park closures. Contract services decreased approximately $772,000, cost of goods sold decreased approximately $785,000, rentals decreased approximately $252,000, advertising decreased approximately $260,000, and payroll decreased by approximately $1.66 million. There were approximately $630,000 of assets disposed of for the year 2021.

Non-operating income increased by approximately $7.3 million. The main factors contributing to this includes state COVID-19 support of $2.5 million, state insurance support of $1.9 million, City of New Orleans property millage of $1.8 million, and investment gains of $1.4 million.

FINANCIAL ANALYSIS OF THE PARK - 2020

The Statements of Net Position reports the Park's net position. Net position, the difference between the Park's assets, liabilities and deferred inflows and outflows of resources, is one way to measure the Park's financial health or position. The Park's net position decreased approximately $2.3 million in 2020 compared to a decrease of $1.6 million in 2019. Current assets exceed current liabilities by approximately $1.8 million as of June 30, 2020.

Statements of Net Position

	2020	2019	Increase (Decrease)
ASSETS			
Current assets	$ 5,689,572	$ 5,691,073	$ (1,501)
Investments, non-current	5,994,551	5,868,878	125,673
Capital assets	77,625,449	80,282,270	(2,656,821)
Total assets	89,309,572	91,842,221	(2,532,649)
Deferred outflows of resources	311,540	41,292	270,248
Total assets and deferred outflows	$ 89,621,112	$ 91,883,513	$ (2,262,401)
LIABILITIES			
Current liabilities	$ 3,924,243	$ 4,264,984	$ (340,741)
Long-term liabilities	4,789,950	4,735,900	54,050
Total liabilities	8,714,193	9,000,884	(286,691)
Deferred inflows of resources	8,907,666	8,594,476	313,190
Net position:			
Net investment in capital assets	77,625,449	80,282,270	(2,656,821)
Restricted	6,650,271	6,367,958	282,313
Unrestricted	(12,276,467)	(12,362,075)	85,608
Total net position	71,999,253	74,288,153	(2,288,900)
Total liabilities, deferred inflows, and net position	$ 89,621,112	$ 91,883,513	$ (2,262,401)

FINANCIAL ANALYSIS OF THE PARK - 2020 (Continued)

Net Position

The Park's total net position at June 30, 2020 decreased 3% to approximately $72 million (See Table A-1). Total assets decreased 3% to approximately $89.3 million, and total liabilities decreased 3% to approximately $8.7 million. In addition, the Park reported deferred inflows of resources of approximately $8.9 million at June 30, 2020, which represents a 4% increase from the amount reported at June 30, 2019. The deferred inflow of resources relates to capital contribution made by the BDF to fund a portion of the improvements to the South Course at Bayou Oaks under a service concession arrangement between the Park and the BDF and the deferred inflows related to the implementation of GASB Statement No. 75 related to the accounting for other post-retirement benefits. The decrease in net position is mainly attributable to a net decrease in total assets and deferred outflows of $2.3 million.

Total current assets decreased by approximately $1,500 and current liabilities decreased by approximately $340,000 which resulted in an increase in working capital of $340,000. Receivables decreased approximately $840,000 compared to 2019 due to returned capital funds previously sent to the State for a capital project that did not take place. Unrestricted bank account cash decreased by approximately $460,000 due to the COVID-19 pandemic State and City mandated closures of Park operations. Savings account cash increased by approximately $700,000 and placed into the Louisiana Asset Management Pool (LAMP) from capital funds returned from the State Office of Facilities, Planning, & Control during the year ending June 30, 2020. Sales tax collected by the TIF, a blended component unit of the Park (Note 1), exceeded funds used for capital projects by the Park, resulting in an increase of approximately $150,000 in restricted cash. Non-current assets increased by approximately $125,000. Depreciation on the Park's capital assets of approximately $4.8 million exceeded approximately $1.9 million of contributions to fund capital expenditures. The Park's permanent endowment held in trust for the benefit of the Park at the GNOF increased by approximately $125,000 (Note 2). This increase relates to investment gains, fees, dividends and interest totaling approximately $70,000 and endowment contributions totaling approximately $375,000, net of endowment funds used on projects throughout the Park totaling approximately $320,000, $150,000 of which was used towards general operating expenses supplementing loss of operating revenue caused by the COVID-19 pandemic.

Total liabilities decreased by approximately $290,000. The total OPEB liability increased by approximately $55,000 from the prior year due to changes in the actuarial determined liability estimates. Unearned income, accrued vacation, accrued salaries, and other liabilities decreased by approximately $340,000, which was partially offset by a $487,000 increase in the amount due to the Office of Risk Management for the Park's insurance premiums (Note 7).

Net investments in capital assets reflect capital assets, net of accumulated depreciation. Restricted assets reflect assets restricted by a donor and/or contractual agreements for specific purposes.

FINANCIAL ANALYSIS OF THE PARK - 2020 (Continued)

Changes in Net Position

The change in net position for the year ended June 30, 2020 was a decrease of approximately $2.3 million compared to a decrease in net position of approximately $1.6 million for the year ended June 30, 2019.

Statements of Revenues, Expenses, and Changes in Net Position

	2020	2019	Increase (Decrease)
Operating Revenues			
Amusements, concerts, and other events	$ 5,889,551	$ 7,381,427	$(1,491,876)
Catering, restaurant, and gift shop	2,292,919	3,874,106	(1,581,187)
Golf operations	521,650	275,923	245,727
Horticulture, grounds and pavilion rental	806,987	1,178,472	(371,485)
Athletic services and tennis	1,303,218	1,467,223	(164,005)
Total operating revenues	10,814,325	14,177,151	(3,362,826)
Operating Expenses			
Amusements, concerts, and other events	3,700,452	4,711,703	(1,011,251)
Catering, restaurant, and gift shop	2,196,451	3,127,011	(930,560)
Horticulture, grounds and pavilion rental	1,137,820	1,169,513	(31,693)
Athletic services and tennis	1,171,098	1,267,201	(96,103)
General park	6,199,630	6,760,278	(560,648)
Depreciation	4,775,509	4,705,420	70,089
Other postretirement benefit expense	364,200	513,125	(148,925)
Total operating expenses	19,545,160	22,254,251	(2,709,091)
Net operating loss	(8,730,835)	(8,077,100)	(653,735)
Nonoperating income	4,173,416	3,725,714	447,702
Capital contributions	1,893,520	2,906,892	(1,013,372)
Additions/(reductions) to permanent endowment	375,000	(157,009)	532,009
Changes in net position	(2,288,899)	(1,601,503)	(687,396)
Total net position, beginning of the year	74,288,152	75,889,655	(1,601,503)
Total net position, end of the year	$71,999,253	$74,288,152	$(2,288,899)

FINANCIAL ANALYSIS OF THE PARK - 2020 (Continued)

Total operating revenues decreased by approximately $3.4 million to $10.8 million for the year ended June 30, 2020, compared to $14.2 million in the year ended June 30, 2019. Amusements, concerts, and other special events revenue decreased by $1.5 million, and catering, restaurant, and gift shop revenue decreased $1.6 million mainly due to COVID-19 pandemic closures and the Scout Island Scream Park event. This lost revenue was partially offset by a decrease in amusement, concerts, and special event expenses of $1.0 million. General Park operating expenses decreased by approximately $560,000 mainly due to expense reductions caused by the Park's COVID-19 Pandemic closure for one-third of the fiscal year. Under GASB 60, the Park accounts for its CEA with BDF as a service concessions arrangement. Consequently, the Park recognizes only its share of the net revenue, which excludes the expenses of operating the facility and the BDF's share of net income. Golf revenues increased approximately $250,000 as compared to the prior year (See Note 12).

Capital contributions decreased by approximately $1.0 million, or 35%, primarily due to the construction of leased space during fiscal year 2019. The Botanical Garden outdoor kitchen, new maintenance building, and improvements to Storyland attractions contributed to capital contributions in 2020.

Schedules of Operating Expenses

	2020	2019	Increase (Decrease)
Payroll	$ 6,249,210	$ 7,033,482	$ (784,272)
Depreciation	4,775,509	4,705,420	70,089
Cost of goods sold	1,145,045	1,666,074	(521,029)
Payroll benefits	1,078,999	1,094,166	(15,167)
Contract services	883,042	1,357,850	(474,808)
Contract labor	834,027	1,002,792	(168,765)
Administrative	731,246	591,880	139,366
Repairs and maintenance	694,884	894,607	(199,723)
Supplies	650,093	772,545	(122,452)
Other	285,192	345,873	(60,681)
Utilities	554,701	656,302	(101,601)
Insurance	489,749	468,530	21,219
Advertising	393,053	452,132	(59,079)
Other post-employment benefits	364,200	513,125	(148,925)
Write-offs	353,943	479,768	(125,825)
Special events	62,267	219,705	(157,438)
Total operating expenses	$ 19,545,160	$ 22,254,251	$ (2,709,091)

FINANCIAL ANALYSIS OF THE PARK - 2020 (Continued)

Operating expenses decreased by approximately $2.3 million in fiscal year 2020 compared to fiscal year 2019. This decrease is directly attributable to the cost cutting measures taken by management due to the COVID-19 pandemic Park closures. Contract services decreased $475,000, Cost of goods sold decreased $520,000, Payroll decreased 785,000, Repairs and maintenance decreased $200,000, and Special events decreased by $160,000. Depreciation increased by $70,000 as a result of completed projects being placed into operation and depreciated. There were $350,000 of assets written off for the year 2020.

Non-operating income increased by approximately $450,000 or 12%. The main factors contributing to this includes an increase in new lease revenue and donations received in response to the COVID-19 pandemic.

CAPITAL ASSET AND DEBT ADMINISTRATION

2021 Capital Assets

As of June 30, 2021, the Park's investment in capital assets approximated $75.8 million, net of accumulated depreciation of $51.4 million. This investment consists principally of buildings and related improvements, ground improvements, and equipment. As of June 30, 2021, the Park has construction in progress of approximately $611,000 relating to projects throughout the Park.

Also, during the year ended June 30, 2021, the Park entered into capital leasing arrangements for certain moveable equipment on behalf of BDF through a cooperative endeavor agreement. The leases contain imputed interest rates approximating 3.25%. The leases require monthly payments, including interest, ranging from $2,463 to $13,542. The leases mature in months ranging from March 2025 through June 2026.

2020 Capital Assets

As of June 30, 2020, the Park's investment in capital assets approximated $77.6 million, net of accumulated depreciation of $46.7 million. This investment consists principally of buildings and related improvements, ground improvements, and equipment. As of June 30, 2020, the Park has construction in progress of approximately $1.8 million relating to projects throughout the Park.

ECONOMIC FACTORS AND OUTLOOK - 2021

COVID -19 put significant pressure on City Park earned income sources. Wedding cancellations, venue closures and the cancellation of special events, including the multi-day Voodoo concert, resulted in multiple departments not meeting budget. Hurricane Ida, amongst the ten most expensive storms in U.S. history, compounded this strain, forcing extended closures of multiple venues and impacting State Slot Tax reimbursement and the City Park Taxing District revenues. Some of these losses were mitigated through community support and through carefully monitoring

ECONOMIC FACTORS AND OUTLOOK - 2021 (Continued)

expenses. Additionally, Golf and Tennis operations thrived due a surge in outdoor recreation pursued as a result of the pandemic. The Park also continued to host several events including the annual Celebration in the Oaks which exceeded expectations. As society and businesses continue to learn how to coexist with the pandemic, the Park anticipates less impact in the next fiscal year to traditional revenue generators.

ECONOMIC FACTORS AND OUTLOOK - 2020

The Park has rebuilt and restored its facilities following Hurricane Katrina in 2005. Facilities having reopened include the Botanical Garden, Tad Gormley Stadium, Pan American Stadium, various ball fields, North Golf Course and Driving Range, Storyland, and the Carousel Gardens Amusement Park. As of June 30, 2018, all of the Park's facilities affected by Katrina have reopened. In October 2012, the Park opened the Arbor Room at Popp's Fountain, a new facility for catered events. In April 2012, the Park opened the Pepsi Tennis Center to replace the older smaller facility. In December 2016, the Park opened the new Festival Grounds with a one-mile walking/jogging/bicycle path surrounding five soccer fields, which also serves as a venue for large festivals. In May 2016, the Park opened City Putt, a New Orleans and Louisiana themed 36-hole miniature golf course with a clubhouse and two party rooms. In April of 2018, the Park opened the South Course at Bayou Oaks, an 18-hole championship quality golf course designed by Rees Jones and Greg Muirhead of Rees Jones and Torre Design Consortium. In October 2018, the Park opened a new Halloween themed event named Scout Island Scream Park. The Park has also hosted several events including the annual Celebration in the Oaks, Voodoo Festival, Mardi Gras Marathon, Crescent City Classic, and various run/walk events. In March 2020, The Park closed its operations due to COVID-19 restrictions. State and City mandated limits to social gatherings, including wedding events, sporting events, and amusement parks, led to over $3.0 million in budgeted lost revenue through June 30, 2021. These mandates have also affected the Park's reliance on the State Slot tax reimbursement and City of New Orleans taxes related to the TIF.

CONTACTING THE PARK'S FINANCIAL MANAGEMENT

This financial report is designed to provide our patrons and other interested parties with a general overview of the Park's finances and to demonstrate the Park's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the New Orleans City Park Improvement Association at (504) 482-4888.

STATEMENTS OF NET POSITION

New Orleans City Park Improvement Association
New Orleans, Louisiana

June 30, 2021 and 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	2021	2020
Current		
Cash:		
Unrestricted	$ 2,971,291	$ 753,295
Restricted	436,116	627,440
Total cash and cash equivalents	3,407,407	1,380,735
Investments substantially restricted	-	28,279
Investments with Louisiana Asset Management Pool	5,027,096	2,513,070
Receivables, net of allowances:		
Friends of City Park	78,932	44,402
Bayou District Foundation	916,580	521,741
Tenant leases	47,218	-
Federal grant receivable	310,066	362,549
City of New Orleans:		
Tax increment financing	91,070	104,231
Millage	51,103	-
State of Louisiana	94,843	145,602
Other	56,970	381,988
Inventories	160,363	167,892
Prepaid and other assets	45,010	39,083
Total current assets	10,286,658	5,689,572
Long Term Assets		
Endowment at GNOF:		
Non-expendable	6,696,924	5,396,306
Expendable	690,099	598,245
Capital assets, net	75,862,406	77,625,449
Total assets	93,536,087	89,309,572
Deferred Outflow of Resources, Pensions	223,139	311,540
Total assets and deferred outflow of resources	$ 93,759,226	$ 89,621,112

See notes to financial statements.

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

	2021	2020
Current		
Accounts payable - trade	$ 341,067	$ 415,981
Insurance payable	-	1,402,741
Payroll withholdings	112,022	106,849
Accrued salaries	24,606	9,195
Restricted liabilities	500,000	-
Unearned revenue	1,072,208	1,180,678
Other	1,839	18,641
Capital leases, current portion	424,718	-
Due to other governments	66,755	375,507
Accrued vacation leave	406,806	414,651
Total current liabilities	2,950,021	3,924,243
Long term		
Capital leases, long term portion	1,143,981	-
Other post-employment benefits	5,055,952	4,789,950
Total liabilities	9,149,954	8,714,193
Deferred inflows of resources		
Service concession arrangement	7,662,172	7,935,821
Other post-employment benefits	818,508	971,845
Total deferred inflows of resources	8,480,680	8,907,666
Total liabilities and deferred inflow of resources	17,630,634	17,621,859
Net Position		
Net investment in capital assets	75,862,406	77,625,449
Restricted	7,823,139	6,650,271
Unrestricted (deficit)	(7,556,953)	(12,276,467)
Total net position	76,128,592	71,999,253
Total liabilities, deferred inflows of resources, and net position	$ 93,759,226	$ 89,621,112

STATEMENTS OF ACTIVITIES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the years ended June 30, 2021 and 2020

	2021	2020
Operating Revenues		
Amusements, concerts, and other events	$ 3,552,966	$ 5,889,551
Catering, restaurant, and gift shop	906,343	2,292,919
Golf operations	520,180	521,650
Horticulture, grounds pavilion rental	869,983	806,987
Stadium rentals and concessions	351,560	786,158
Tennis	664,976	517,060
Total operating revenues	6,866,008	10,814,325
Operating Expenses		
Amusements, concerts, and other events	1,888,354	3,700,452
Catering, restaurant, and gift shop	965,082	2,196,451
Horticulture, grounds pavilion rental	964,273	1,137,820
Stadium rentals and concessions	481,354	760,479
Tennis	364,814	410,619
General Park expenses	6,069,482	6,199,630
Depreciation	4,777,387	4,775,509
Other post-employment benefits	201,066	364,200
Total operating expenses	15,711,812	19,545,160
Net operating income (loss)	(8,845,804)	(8,730,835)
Nonoperating Income		
Donations	616,344	890,929
Restricted donations	197,085	-
Income and gains on GNOF	1,493,527	70,006
Interest income	3,932	27,959
State revenue	4,100,315	1,900,169
City revenue	2,144,719	467,670
Lease revenue	616,764	560,622
Insurance payable forgiveness	1,888,315	-
Other revenue	396,241	256,061
Total nonoperating revenue	11,457,242	4,173,416

	2021	2020
Change in net position before capital contributions	2,611,438	(4,557,419)
Capital Contributions	1,618,956	1,893,520
Change in net position after capital contributions	4,230,394	(2,663,899)
Additions (Reductions) to/from Permanent Endowment	(101,055)	375,000
Changes in net position	4,129,339	(2,288,899)
Net Position		
Beginning of the year	71,999,253	74,288,152
End of the year	$ 76,128,592	$ 71,999,253

See notes to financial statements.

STATEMENTS OF CASH FLOWS AND PROPRIETARY FUNDS

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the years ended June 30, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities		
Cash received from user fees and other park activities	$ 6,264,554	$ 10,656,669
Cash payments to suppliers for goods and services	(3,368,259)	(5,033,743)
Cash payments to employees for services	(5,677,970)	(8,491,849)
Net cash used in operating activities	(2,781,675)	(2,868,923)
Cash Flows From Noncapital and Related Financing Activities		
Cash received from State of Louisiana	4,151,074	1,937,574
Cash received from sales tax and property tax mileage	2,106,777	439,326
Cash received from donations	778,899	617,100
Cash received from lease revenue	569,546	560,622
Net cash provided by noncapital and related financing activities	7,606,296	3,554,622
Cash Flows From Capital and Related Financing Activities		
Contributed by others for capital improvements	1,362,687	2,291,661
Payments on capital lease obligations	(118,561)	-
Acquisition and construction of capital assets	(1,956,500)	(2,118,688)
Net cash provided by (used in) capital and related financing activities	(712,374)	172,973
Cash Flows From Investing Activities		
Purchase of investments	(3,249,078)	(1,849,345)
Sale of investments	763,331	328,921
Interest received on investments	3,932	3,616
Other revenue	396,240	248,827
Net cash used in investing activities	(2,085,575)	(1,267,981)

	2021	2020
Net increase (decrease) in cash and cash equivalents	2,026,672	(409,309)
Cash and Cash Equivalents		
Beginning of the year	1,380,735	1,790,044
End of the year	$ 3,407,407	$ 1,380,735
Reconciliation of Net Operating Loss to Net Cash Provided By Operating Activities		
Operating loss	$ (8,845,804)	$ (8,730,835)
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	4,777,387	4,775,509
(Gain) loss on disposal of capital assets	629,417	-
Bad debts	149,514	-
(Increase) decrease in assets and deferred outflows or resources:		
Receivables	(219,335)	(432,427)
Inventories	7,529	104,155
Prepaid expenses and other assets	(5,927)	761,935
Deferred outflows	88,401	(270,248)
Increase (decrease) in liabilities and deferred inflows of resources:		
Trade payables and insurance payable	410,660	282,710
Accrued liabilities and other liabilities	495,937	(3,260)
Other post-employment benefits	266,002	54,050
Deferred inflows of resources	(426,986)	313,190
Unearned income	(108,470)	276,298
Net cash used in operating activities	$ (2,781,675)	$ (2,868,923)
Noncash investing, capital and financing activities		
Contributions to GNOF	$ 1,538,527	$ 125,000
Withdrawals from GNOF	$ 146,055	$ 319,334
In-kind capital contributions	$ -	$ 1,558,685
Assets acquired through capital lease	$ 1,687,260	$ -

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

New Orleans City Park Improvement Association

New Orleans, Louisiana

June 30, 2021 and 2020

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The State of Louisiana legislature passed Act 84 of 1870 which established a public park in the City of New Orleans (the "City") and created the New Orleans Park Board of Commissioners ("Board"). By Act 87 of 1877, the Board was abolished and the powers and duties were transferred to the City Council of New Orleans. In 1896, Act 84 of 1870 was repealed and Act 130 gave recognition to an organization called the New Orleans City Park Improvement Association (the "Park"), an agency of the State, which was to manage and supervise the City's park. Act 865 of 1982 transferred the Park to the State Department of Culture, Recreation and Tourism. The Park shall be used for park, educational and cultural purposes.

Act 13 of 1998 authorized the Park to contract with a not-for-profit entity for the operation, care, control, and management of the Park, including contracting for employment, procurement of goods and services and entering into lease arrangements. Additionally, the entity was specifically exempted from Title 38 relative to public contracts, Title 39 relative to procurement of professional, personal, consulting and social services and Title 41 relative to the lease of public lands. In 2001, the Park entered into a cooperative endeavor agreement with the Park Employment and Procurement Corporation (PEPCO) for the purposes stated in Act 13. PEPCO has no assets or liabilities and neither receives, nor expends any funds.

a. Reporting Entity

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

Of the 36 authorized Board members, 13 are appointed by various governmental units and nonprofit organizations. The remaining Board members serve limited staggered terms and are appointed by the current Board members of the Park. The Park's Board members have decision-making authority over the activities of the Park including: the

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. The Park has no special financial relationships with any other governmental unit and is responsible for its own debt, surpluses, and deficits.

b. Component Units

New Orleans City Park Taxing District (TIF) is a blended component unit of the Park. Although a blended component unit is a legally separate entity, it is, in substance, part of the Park's operations, as it provides funding exclusively for the Park. Act 266 of 2007 of the State of Louisiana, created the TIF, and New Orleans City Ordinance No. 23010 on December 20, 2007 designates a portion of the local sales and use taxes within the Park's boundaries to fund economic development projects undertaken by the Park. During 2020, the original Ordinance was extended a second time for an additional six years through 2026. The net position of the TIF, restricted for Park capital projects and equipment, totaled $342,812 and $602,189 as of June 30, 2021 and 2020, respectively.

New Orleans City Park Taxing District

Statements of Net Position

	2021	2020
Current assets	$359,828	$628,928
Current liabilities	$ 17,016	$ 26,740
Restricted net position	342,812	602,188
Total liabilities and net position	$359,828	$628,928

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Component Units (Continued)

Statements of Changes in Net Position

	2021	2020
General Revenues		
Sales taxes	$ 217,961	$ 467,670
Expenses		
Economic development	477,337	321,550
Change in net position	(259,376)	146,120
Net Position		
Beginning of year	602,188	456,068
End of year	$ 342,812	$ 602,188

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting policies of the Park conform to accounting principles generally accepted in the United States of America as applicable to governments. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and measurable; and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. The Park has no governmental or fiduciary funds. The Park uses fund accounting to report its financial position and results of operations. The Park's accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including deprecation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net position is appropriate for capital maintenance.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers and users of its services. Operating expenses for the Park include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Park's principal operating revenues are the fees received for services and use of the Park's facilities. Operating revenues are recognized when services are provided and facilities are used by customers. Grants, donations, capital contributions, and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met.

d. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

e. Cash and Cash Equivalents

For the purpose of the Statements of Cash Flows, the Park considers deposits and only cash certificates on hand and investments purchased with an initial maturity date of three months or less to be cash equivalents.

f. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides an allowance for probable uncollectible amounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. No allowance for doubtful accounts was recorded as of June 30, 2021 and 2020.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Investments

Investments are stated at fair value based on quoted market prices. If quoted prices are not available, fair value is estimated based on similar securities. The Park does not have an investment policy, however the Louisiana Revised Statutes authorize the Park to invest in bonds, treasury notes, certificates or other obligations of the United States, or time certificates of deposit in state banks organized under Louisiana laws and national banks having principal offices in the State. Unrealized gains and losses on investments are recorded at fair value and are included in interest income and investment and gains on endowments held at the Greater New Orleans Foundation (GNOF). The endowment at GNOF is donor-restricted. Investments in GNOF are made by the donor to the investment pool on behalf of the Park.

h. Inventories

Inventories, consisting primarily of gift shop, concession, and catering supplies, are stated at the lower of cost or net realizable value, using the first-in first-out (FIFO) method.

i. Capital Assets

Capital assets are stated at cost. Contributed assets are recorded at acquisition value at the time received. An item is classified as a capital asset if the individual cost is $1,000 or greater and has a useful life in excess of one year. Depreciation is provided using the straight-line method over the estimated useful lives.

j. Unearned Income

Unearned income represents resources the Park has received, but not yet earned, such as federal grant funds received prior to the incurrence of qualifying expenditures, cash deposits received as prepayments from customers on catering events and birthday parties, or prepaid rental revenue.

k. Other Postemployment Benefits

GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", requires governments to accrue postemployment benefits to the extent it is probable the employer will provide benefits conditioned on the employees retirement. The Park has recorded liabilities for postemployment health care benefits as of June 30, 2021 and 2020.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Other Postemployment Benefits (Continued)

In the basis financial statements the other postemployment benefits liability is recorded as long-term obligations. Other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

l. Net Position

The Park classifies net position into three components: net investment in capital assets, net of related debt; restricted; and unrestricted. These components are defined as follows:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation. As of June 30, 2021 and 2020, the Park did not have debt related to capital assets.

Restricted - This component reports those net position with externally imposed constraints placed on their use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Park utilizes restricted net position before utilizing available unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Unrestricted - This component reports net positions that do not meet the definition of either of the other two components.

m. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. See Note 11 for more information regarding deferred outflows of resources related to other post-employment benefits. Deferred inflows of resources represent the acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until then. Capital contributions made by the Bayou District Foundation (BDF) in relation to its cooperative endeavor agreement with the Park are reported as deferred inflows of resources and amortized over the life of the agreement. See Note 13 for additional information.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Vacation Leave

The Park permits employees a limited amount of earned but unused vacation benefits not to exceed 300 hours, which will be paid to employees upon separation from the Park service.

o. New GASB Statements

During the year ended June 30, 2021, the Park implemented the following GASB Statements:

Statement No. 84, "*Fiduciary Activities*" improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. This Statement did not affect the financial statements as of and for the year ended June 30, 2021

Statement No. 90, "*Majority Equity Interest*" the primary objectives of this Statement are to improve the consistency and comparability of reporting government's majority equity interest in legally separate organizations and to improve the relevance of financial statement information for certain component units. It specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement did not affect the financial statements as of and for the year ended June 30, 2021.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 87, "*Leases*" 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 this Statement, 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*" establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*", which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020: Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 92, "*Omnibus 2020*" establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement apply to all financial statements of all state and local governments at dates varying from upon issuance to fiscal periods

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 93, "*Replacement of Interbank Offered Rates*" some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. This Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a Service Concession Arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87 "*Leases*", as amended. Under this Statement a government should recognize a right to use subscription asset and a corresponding subscription liability at the commencement of the subscription term. The subscription liability should be measured at the present value of subscription payments. Future subscription payments should be discounted using the interest rate the vendor charges the government or the government's incremental borrowing rate. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example interest expense) in future financial reporting periods. Activities associated with SBITAs, other than subscription payments, should be grouped into three stages and costs meeting specific capitalization criteria, including costs necessary to place the subscription asset in service, should be capitalized in the subscription asset, otherwise costs should be expensed as incurred. This Statement provides an exception for short-term SBITAs of 12 months or less, including options to extend. Subscription payments for short-term SBITAs should be expensed as incurred. This Statement requires disclosure of descriptive information about SBITAs other than short-term SBITAs. The requirements of this Statement are effective for years beginning after June 15, 2022. Management has not as yet determined the effect of the Statement on the financial statements.

Statement No. 97, "*Certain Component Unit Criteria and Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*" provides for purposes of determining whether a primary government is financially accountable for a potential component unit, the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84 "*Fiduciary Activities*", be applicable to only defined pension plans and defined OPEB plans that are administered through trusts. The Statement also requires that IRC Section 457 deferred compensation plan be classified as either a pension plan or as an other employee benefit plans depending on whether the plan meets the definition of a pension plan and clarifies that Statement No. 84 should be applied to all arrangement organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement that the absence of a governing board for a potential component unit should be treated the same as the appointment of a voting majority of a governing

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. New GASB Statements (Continued)

board if the primary government performs the duties that a governing board typically would perform and limit the financial burden criterion in paragraph 7 of Statement No. 84, be applicable to only defined pension plans and defined OPEB plans that are administered through trusts are effective immediately. The requirements in this Statement that are related to accounting and reporting for IRC Section 457 plans are effective for years beginning after June 15, 2021. Management has not as yet determined the effect of the Statement on the financial statements.

Statement No. 98, "The Annual Comprehensive Financial Report" establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym sounds like a profoundly objectionable racial slur. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Management believes this Statement will not affect the Park's financial statements.

p. Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 financial statement presentation.

r. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through March 14, 2022, which is the date the financial statements were available to be issued.

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

The following are the components of the Park's cash, cash equivalents and investments as of June 30, 2021 and 2020:

	2021	2020
Current:		
Cash in banks	$ 3,407,407	$ 1,380,735
Certificates of deposit	-	28,279
Investment in Louisiana Asset Management Pool	5,027,096	2,513,070
Long Term:		
Investments with Greater New Orleans Foundation	7,387,023	5,994,551
Totals	$ 15,821,526	$ 9,916,635

Restricted cash and investments as of June 30, 2021 and 2020 are as follows:

	Restricted Cash	Restricted Investments	Totals
2021			
Ribet Fund	$ 28,279	$ -	$ 28,279
Greater New Orleans Foundation	-	7,387,023	7,387,023
New Orleans City Park Taxing District	268,758	-	268,758
Bayou District Foundation Reserve	139,079	-	139,079
	$ 436,116	$ 7,387,023	$ 7,823,139
2020			
Ribet Fund	$ -	$ 28,279	$ 28,279
Greater New Orleans Foundation	-	5,994,551	5,994,551
New Orleans City Park Taxing District	524,696	-	524,696
Capital funds received from private	102,744	-	102,744
Totals	$ 627,440	$ 6,022,830	$ 6,650,270

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Statutes require that the Park's cash and certificates of deposit be covered by federal depository insurance or collateral.

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

The bank balances of cash and certificates of deposit, as reflected by the banks' records totaled $2,758,116 and $2,104,939 as of June 30, 2021 and 2020, respectively. As of June 30, 2021 and 2020 there was no significant exposure to credit risk.

As of June 30, 2021, cash and certificates of deposits were adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the Park. The GASB, which promulgates the standards for accounting and financial reporting state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

The Park invests monies with the Louisiana Asset Management Pool (LAMP), which are reported at net asset value. LAMP is considered to be an external investment pool administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. Accordingly, Lamp investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. Only local Louisiana government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

The following facts are relevant for LAMP:

- Credit risk: LAMP is rated AAA by Standard & Poor's.

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not with the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Underlying pooled investments are excluded from the 5% disclosure requirement.

Note 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 53 days as of June 30, 2021.

- Foreign currency risk: Not applicable.

LAMP values its investments at fair value based on quoted market values. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares which approximates net asset value (NAV). There are no unfunded commitments as of June 30, 2021 and 2020.

LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission (SEC).

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP. LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

As of June 30, 2021 and 2020, the Park had investments totaling $7,387,023 and $5,994,551, respectively, in the GNOF. GNOF investments are held in a donor investment pool of which the investments are not evidenced by securities that exist in physical or book entry form. Investments in GNOF are administered by the Greater New Orleans Foundation, a 501(c)(3) public charity. The GNOF investments are in a permanent endowment. Investment earnings on the permanently restricted balance are available to the Park for spending on general operations. The GNOF investments are valued at the fair value of the trust investments as reported to the Park by the trustees and include the use of NAV as the primary input to measure fair value.

The primary objective of GNOF is to provide a safe environment for the placement of donor funds in high quality investments. To achieve these objectives, GNOF's investment portfolio consists of three diversified investment portfolios: the money market portfolio, the fixed income portfolio and the equity portfolio.

Note 3 - FAIR VALUE MEASUREMENTS

The Park's investments are recorded at fair value as of June 30, 2021 and 2020. GASB Statement No. 72, "*Fair Value Measurement and Application*", defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the market place.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 - Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date.

Level 2 - Investments with inputs - other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly.

Level 3 - Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

Net asset value (NAV) per share is an amount of net assets attributable to each share of capital stock outstanding at the close of the period. Investments measured at NAV for fair value are not subject to level classification. NAV is its own category.

Assets measured at fair value on a recurring basis as of June 30, 2021 and 2020, are comprised of and determined as follows:

	Assets at Fair Value as of June 30, 2021			
Description	Level 1	Level 2	Level 3	June 30, 2021
GNOF	$ -	$ 7,387,023	$ -	$ 7,387,023
LAMP investments measured at NAV				5,027,096
Investments at fair value				$ 12,414,119

Note 3 - FAIR VALUE MEASUREMENTS (Continued)

Description	Assets at Fair Value as of June 30, 2020 Level 1	Level 2	Level 3	June 30, 2021
Certificate of deposit	$ 28,279	$ -	$ -	$ 28,279
GNOF	-	5,994,551	-	5,994,551
Total assets in the fair value hierarchy	$ 28,279	$ 5,994,551	$ -	6,022,830
LAMP investments measured at NAV				2,513,070
Investments at fair value				$ 8,535,900

Note 4 - SALES TAX

Act No. 266 of the 2007 Regular Session of the Louisiana Legislature states that the TIF must designate the local sales and use taxes to be used to determine the sales tax increment (the "increment") to be pledged and dedicated to the payment of economic development projects of the District. Pursuant to Board Resolution adopted on December 18, 2007, the TIF designated the local sales and use taxes as those sales taxes paid at, by, or in connection with activities which generate sales taxes within the TIF which are the City of New Orleans' aggregate 2.5% sales and use taxes collected on the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property. The increment is the amount of sales taxes to be collected in the District in excess of the Initial Annual Baseline Collection Rate which is $83,543 for the annual baseline collection rate, and $6,961 for the monthly baseline collection rate.

Note 5 - CAPITAL ASSETS

The capital asset activity of the Park as of June 30, 2021 and 2020 are as follows:

Description	2020	Additions	Reclassifications	Disposals	2021	Estimated Useful Life Years
Land	$ 3,062,144	$ -	$ -	$ -	$ 3,062,144	
Land improvements	-	200,508	47,667,245	-	47,867,753	10-30
Infrastructure	45,624,735	117,050	(45,624,736)	-	117,049	20-30
Buildings and improvements	50,348,521	1,736,268	304,312	-	52,389,101	10-30
Furniture, fixtures, and equipment	15,214,345	2,048,103	3,530,949	(65,937)	20,727,460	5-20
Vehicles	8,222,286	153,036	(5,877,770)	-	2,497,552	3-20
Construction in progress	1,835,225	(611,204)	-	(612,967)	611,054	
	124,307,256	3,643,761	-	(678,904)	127,272,113	
Less accumulated depreciation	(46,681,807)	(4,777,387)	-	49,487	(51,409,707)	
Capital assets, net	$ 77,625,449	$ (1,133,626)	$ -	$ (629,417)	$ 75,862,406	

Note 5 - CAPITAL ASSETS (Continued)

Construction in progress of $611,054 and $1,835,225 as of June 30, 2021 and 2020, respectively, consists primarily of improvements to the Splash Park and Wisner Tract and various other facilities and grounds improvements.

The capital asset activity of the Park as of June 30, 2020 and 2019 are as follows:

Description	2019	Additions	Reclassifications	Disposals	2020	Estimated Useful Life Years
Land	$ 3,062,144	$ -	$ -	$ -	$ 3,062,144	
Infrastructure	45,175,650	142,907	306,178	-	45,624,735	10-30
Buildings and improvements	47,774,928	-	2,573,593	-	50,348,521	10-30
Furniture, fixtures, and equipment	14,251,754	100,955	861,636	-	15,214,345	5-20
Moveable equipment	8,040,673	160,514	21,099	-	8,222,286	3-20
Construction in progress	3,883,419	1,714,532	(3,762,506)	(220)	1,835,225	
	122,188,568	2,118,908	-	(220)	124,307,256	
Less accumulated depreciation	(41,906,298)	(4,775,509)	-	-	(46,681,807)	
Capital assets, net	$ 80,282,270	$ (2,656,601)	$ -	$ (220)	$ 77,625,449	

Note 6 - UNEARNED INCOME

Unearned income consists of the following as of June 30, 2021 and 2020:

	2021	2020
Payments in advance of events	$ 1,072,208	$ 1,077,934
Restricted contributions	-	102,744
Totals	$ 1,072,208	$ 1,180,678

Note 7 - DUE TO OTHER GOVERNMENTS

Amounts due to other governments consists of the following as of June 30, 2021 and 2020:

	2021	2020
State of Louisiana Office of Risk Management	$ -	$ 1,402,741
Federal Emergency Management Agency (FEMA)	66,755	375,507
Totals	$ 66,755	$ 1,778,248

Note 7 - DUE TO OTHER GOVERNMENTS (Continued)

The Park received payments on FEMA project worksheets, which were reduced by insurance proceeds from the State of Louisiana's Office of Risk Management (ORM). The payments were made by FEMA and ORM prior to the insurance deductibles being allocated and applied to the damage claims, which resulted in duplicate payment. The Park is working with FEMA and ORM to settle the amount owed during the closeout process.

The Park maintains self-insurance coverage through plans from the State's Office of Risk Management. The Park had an outstanding payable to the State of Louisiana for premiums on the Park's insurance coverage totaling $1,402,741 as of June 30, 2020. This liability is classified as insurance payable on the statements of net position. During the year ended June 30, 2021, the Park incurred additional premium of $485,574. On June 15, 2021, the Louisiana legislation forgave the outstanding debt of $1,888,315 in full. The forgiveness of the insurance premiums was recorded as insurance debt forgiveness on the Statement of Revenues, Expenses, and Changes in Net Position. The Park did not owe the State of Louisiana for premiums on the Park's insurance coverage as of June 30, 2021.

Note 8 - CAPITAL LEASE OBLIGATION

During the year ended June 30, 2021, the Park entered into capital leasing arrangements for certain moveable equipment on behalf of BDF through cooperative endeavor agreement. The leases contain imputed interest rates approximating 3.25%. The leases require monthly payments, including interest, ranging from $2,463 to $13,542. The leases mature in months ranging from March 2025 through June 2026. The following is a schedule of capitalized costs and accumulated depreciation acquired through capital lease as of June 30, 2021 and 2020.

	2021	2020
Capitalized costs	$ 1,687,260	$ -
Accumulated depreciation	(126,180)	-
Net book value	$ 1,561,080	$ -

Depreciation expense on equipment acquired through the capital leases totaled $126,180 for the year ended June 30, 2021.

Capitalized costs are included in the totals of furniture, fixtures, and equipment in Note 5.

Note 8 - CAPITAL LEASE OBLIGATION (Continued)

Interest expense on the capital lease obligations totaled $17,169 for the year ended June 30, 2021.

Minimum future lease payments as of June 30, 2021, are as follows:

For The Year Ended	Amount
2022	$ 424,718
2023	424,718
2024	424,718
2025	372,705
2026	27,094
Total future payments	1,673,953
Less amount representing interest	(105,254)
Present value of net future payments	$ 1,568,699

Note 9 - OPERATING LEASES

The Park leases certain facilities to various lessees under renewable operating lease agreements. These facilities and or land include a cellular tower, the stables, Cafe du Monde, Louisiana Fire, and Christian Brothers School. Minimum future lease receipts as of June 30, 2021, are as follows:

For The Year Ended	Amount
2022	$ 507,454
2023	441,185
2024	395,624
2025	395,624
2026	395,624
Thereafter	1,881,056
Total	$ 4,016,567

Note 9 - OPERATING LEASES (Continued)

During September 2020, the Park extended the lease with Christian Brothers School on similar terms as the exiting lease through September 30, 2040. On March 28, 2012, the Park leased the equestrian facilities to Equest Farms for $4,000 per month increasing each year by a minimum of 3% through March 28, 2022. On December 21, 2018, the Park entered into a 10-year lease with Cafe Du Monde to lease a portion of the first floor of the Casino Building for the greater of $25,760 monthly, or 10% of annual gross sales. On June 12, 2013, the Park entered into a Cooperative Endeavor Agreement (CEA) to lease a portion of Big Lake to Wheel Fun New Orleans, LLC for $25,000 per year with a contingent payment of 10% of gross revenues in excess of $100,000 through June 14, 2018. Effective June 14, 2018, the Wheel Fun and the Park executed an Addendum to the CEA to extend the agreement an additional five years under the original CEA terms. On November 25, 2014, the Park entered into a CEA with the Louisiana Children's Museum, Inc. (LCM) to lease the Early Learning Village that began construction in 2017 for a period of 39 years. Under the terms of the CEA, LCM pays the Park $500 per month during construction and $3,000 per month once the facility is completed. LCM opened August 31, 2019.

The cost and carrying amount included in buildings and improvements for the portion of facilities held for lease as of June 30, 2021 and 2020 were, as follows.

	2021		
	Gross Cost	Accumulated Depreciation	Net cost
Casino building	$ 1,219,416	$ 233,721	$ 985,695
Big Lake dock and boat house	417,131	152,948	264,183
Equestrian facility	965,641	311,348	654,293
Leased facility	$ 2,602,188	$ 698,017	$ 1,904,171

	2020		
	Gross Cost	Accumulated Depreciation	Net cost
Casino building	$ 1,219,416	$ 111,780	$ 1,107,636
Big Lake dock and boat house	417,131	139,044	278,087
Equestrian facility	965,641	268,699	696,942
Leased facility	$ 2,602,188	$ 519,523	$ 2,082,665

Note 10 - EMPLOYEE BENEFIT PLANS - DEFERRED COMPENSATION PLAN

The Park offers its employees a deferred compensation plan created in accordance with Internal Revenue Section 457. The plan, available to all Park employees, permits them to defer a portion of their salary until future years. Full time employees with a minimum of one year of full time service are eligible for a contribution by the Park. The contribution for full time employees is $2 for each $1 contributed by the employee on the first 2.5% of base compensation. The deferred compensation is not available to the employee or their beneficiary until termination, retirement, death, or an unforeseeable emergency.

The plan is administered by the State of Louisiana (the "State"). Participants' rights under the plan are equal to those of the general creditors of the State in an amount equal to the fair market value of the deferred account for each participant. The 457 employer match was discontinued in May of 2020 and reinstated in January of 2021. The plan contributed $82,870 and $152,693 and participants contributed $189,231 and $169,180 to the deferred compensation plan for each of the years ended June 30, 2021 and 2020, respectively.

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

Plan description - The Park provides certain continuing health care and life insurance benefits for their beneficiaries through participation in the State of Louisiana's health insurance plan administered by the Office of Group Benefits (OGB), an agent multiple employer defined benefit plan. Louisiana Revised Statute 42:801-883 assigns the authority to establish and amend the benefit provisions of the plan to the state legislature. The OGB does not issue a stand-alone report; however, OGB is included in the State of Louisiana's Comprehensive Annual Financial Report (CAFR) which may be obtained from the Office of Statewide Reporting and Accounting Policy's website at https://www.doa.la.gov/doa/osrap/annual-financial-report/, by writing to P.O. Box 94095, Baton Rouge, Louisiana 70804-9095, or by calling (225) 342-0708. There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan.

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Benefits Provided - The OPEB Plan provides benefits such as: death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan; as well as health care benefits paid in the period after employment for retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. OGB offers retirees under age 65 a choice of three self-insured health care plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage have access to these plans and an additional two fully insured Medicare Advantage HMO plans, one fully insured plan, and one zero premium HMO plan.

Funding Policy - Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums. Employees hired before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Employees hired on or after January 1, 2002 pay a percentage of the contribution rate based on years of service.

The contribution rate ranges are as follows:

OGB Participation	Employer Contribution	Retiree Contribution
Under 10 years	19%	81%
10 - 14 years	38%	62%
15 - 19 years	56%	44%
20 or more years	75%	25%

In addition to health care benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance are available for the individual retiree and spouses of retirees, subject to maximum values. The retiree pays $.54 monthly for each $1,000 of life insurance. The retiree pays $.98 monthly for each $1,000 of spouse life insurance. The employer pays the remaining amount.

Other post-employment benefits (OPEB) administered through the OGB are financed on a pay-as-you-go basis. OPEB contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Employees covered by benefit terms - The June 30, 2021 total OPEB liability was determined using the July 1, 2020 actuarial valuation and the June 30, 2020 liability was determined using the July 1, 2019 actuarial valuation that included the following employees covered by the benefit terms:

	Valuation Date July 1, 2020	Valuation Date July 1, 2019
Inactive employees or beneficiaries currently receiving benefit payments	4	5
Inactive employees entitled to but not yet receiving benefit payments	-	-
Active employees	90	91
Totals	94	96

Total OPEB Liability

The Park's total OPEB liability of $5,055,952 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The Park's total OPEB liability of $4,789,950 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2020 and July 1, 2019, actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	2021
Valuation Date	July 1, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions Expected	
Remaining Service Lives	4.5 years.
Inflation Rate	2.80% Consumer Price Index
Salary Increases	Consistent with the pension valuation assumptions.
Discount Rate	2.66% based on the June 30, 2020 S&P 20 year municipal bond index rated. 2.79% based on the June 30, 2019 S&P 20-year municipal bond index rated.
Health Care Cost Trend Rate	Pre-age 65 ranges from 6.0% to 4.5% Post-age 65 ranges from 5.25% to 4.5%.
Mortality Rates	For healthy lives the RP-2014 Combined Healthy Mortality Table projected on a fully generational basis by Mortality Improvement Scale MP-2018. For existing disabled lives the RP-2000 Disabled Retiree Mortality Tables projected on a fully generational basis.
Participation Rate	Sliding scale from 33% to 88% based on years of service for the July 1, 2020 valuation. Sliding scale from 52% to 88% based on years of service for the July 1, 2019 valuation.

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	2020
Valuation Date	July 1, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions Expected	
Remaining Service Lives	4.5 years.
Inflation Rate	2.80% Consumer Price Index
Salary Increases	Consistent with the pension valuation assumptions.
Discount Rate	2.79% based on the June 30, 2019 S&P 20 year municipal bond index rated. 2.98% based on the June 30, 2018 S&P 20-year municipal bond index rated.
Health Care Cost Trend Rate	Pre-age 65 ranges from 7.0% to 4.5%. Post-age 65 ranges from 5.5% to 4.5%.
Mortality Rates	For healthy lives the RP-2014 Combined Healthy Mortality Table projected on a fully generational basis by Mortality Improvement Scale MP-2017. For existing disabled lives the RP-2014 Disabled Retiree Mortality Tables by Mutuality Improvement Scale MP-2017.
Participation Rate	Sliding scale from 52% to 88% based on years of service for the July 1, 2019 valuation. Sliding scale from 52% to 88% based on years of service for the July 1, 2018 valuation.

The actuarial assumptions used by the pension plan covering the same participants were used for the retirement, termination, disability, and salary scale assumptions. The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for pension plan actuarial valuations for the period January 1, 2019 to December 31, 2020. As a result of the 2020 actuarial experience study, the expectation of life after disability was adjusted in the July 1, 2020 actuarial valuation to more closely reflect actual experience.

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

The actuarial assumptions used by the pension plan covering the same participants were used for the retirement, termination, disability, and salary scale assumptions. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for pension plan actuarial valuations for the period January 1, 2018 to December 31, 2019. As a result of the 2019 actuarial experience study, the expectation of life after disability was adjusted in July 12019 actuarial valuation to more closely reflect actual experience.

No changes in benefits or assumptions have occurred between the measurement dates of the collective total OPEB liability and the reporting dates of the Park that are expected to have a significant effect on the Park's total OPEB liability.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.66%, and was based on the Standards & Poor's Municipal Bond 20-year high grade rate index as of July 1, 2020.

The discount rate used to measure the total OPEB liability was 2.79%, and was based on the Standards & Poor's Municipal Bond 20-year high grade rate index as of July 1, 2019.

	June 30,	
	2021	2020
Balance at beginning of year	$4,789,950	$4,777,192
Changes for the year:		
Service cost	322,150	426,673
Interest	142,286	154,664
Changes in assumptions or other inputs	(173,804)	(540,801)
Benefit payments	(24,630)	(27,778)
Net changes	266,002	12,758
Balance at end of year	$5,055,952	$4,789,950

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Park, as well as what the Park's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.66% - 2021 and 1.79% - 2020) or 1-percentage-point higher (3.66% - 2021 and 3.79% - 2020) than the current discount rate:

2021	1% Decrease	Current Discount Rate	1% Increase
Discount rate	1.66%	2.66%	3.66%
Total OPEB liability	$ 6,340,728	$ 5,055,952	$ 4,091,173

2020	1% Decrease	Current Discount Rate	1% Increase
Discount rate	1.79%	2.79%	3.79%
Total OPEB liability	$ 5,992,149	$ 4,789,950	$ 3,888,501

Sensitivity of the total OPEB liability to changes in the health care cost trend rates - The following presents the total OPEB liability of the Park, as well as what the Park's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

2021	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
Pre-65	5.0% decreasing to 3.5%	6.0% decreasing to 4.5%	8.0% decreasing to 5.5%
Post-65	4.25% decreasing to 3.5%	5.50% decreasing to 4.5%	6.25% decreasing to 5.5%
Total OPEB liability	$3,990,971	$5,055,952	$6,514,119

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

2020	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
Pre-65	6.0% decreasing to 3.5%	6.0% decreasing to 4.5%	8.0% decreasing to 5.5%
Post-65	4.50% decreasing to 3.5%	5.50% decreasing to 4.5%	6.50% decreasing to 5.5%
Total OPEB liability	$3,810,257	$4,789,950	$6,144,146

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021 and 2020, the Park recognized OPEB expense of $201,066 and $364,200, respectively. As of June 30, 2021 and 2020, the Park reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

2021	Deferred Outflows of Resources	Deferred Inflows of Assumptions
Change of assumptions	$ -	$(714,101)
Difference in expected and actual experience	203,072	(104,407)
Employer contribution subsequent to measurement date	20,067	-
Totals	$223,139	$(818,508)

Note 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

2020	Deferred Outflows of Resources	Deferred Inflows of Assumptions
Change of assumptions	$ -	$(971,845)
Difference in expected and actual experience	283,102	-
Employer contribution subsequent to measurement date	28,438	-
Totals	$311,540	$(971,845)

Deferred outflows of resources related to OPEB resulting from OPEB payments subsequent to the measurement date of $20,067 and $28,438 will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021 and 2020, receptively. Amounts reported as deferred inflows of resources relations to OPEB will be recognized in OPEB expense as follows:

For The Year Ended	2021	2020
2021	$ -	$(217,137)
2022	(253,346)	(217,137)
2023	(206,779)	(217,137)
2024	(126,343)	(170,520)
2025	(28,968)	(83,949)
Totals	$(615,436)	$(905,880)

Note 12 - MANAGEMENT AGREEMENTS

On February 1, 2018, the BDF began operating the golf facilities under a CEA between the Park and the BDF and accounted for under a service concession arrangement. See Note 13 for disclosures related to deferred inflows of resources and service concession arrangement from the BDF CEA.

Note 13 - SERVICE CONCESSION ARRANGEMENT

The Park has determined that the CEA between the BDF and the Park meets the four criteria of a SCA per GASB Statement No. 60, "*Accounting and Financial Reporting for Service Concession Arrangements*". SCA's are defined as a contract between a government and an operator, another government or private entity, such that the operator provides services, the operator collects and is compensated by fees from third parties, the government still retains control over the services provided, and the government retains ownership of the assets at the end of the contract.

As part of the CEA between the Park and the BDF, the BDF contributed significant resources to the golf project, which included the design and construction of an 18-hole championship quality golf course, club house, maintenance facility and other ancillary buildings and equipment. The facility was completed and opened in April 2017. The CEA was signed in April of 2014 for a 35-year period. The BDF will pay the Park annually a portion of the revenues in excess of expenses incurred in operating all of the Park's golf facilities, including the newly constructed South Course, the North Course, the driving range, the club house and the clubhouse grill. Under the arrangement, the Park receives 75% of the net income from the golf operations on the first $1.1 million in net income and 55% thereafter. The BDF will be responsible for all the day to day operations of the golf facility.

During the year ended June 30, 2021, capital assets totaling $1,687,260 were recorded for costs incurred by BDF. There were no capital assets recorded for costs incurred by BDF for the year ended June 30, 2020. See Note 8 for disclosures related to capital assets. The deferred inflow is being amortized to golf operating revenue over the remaining term of the agreement. For the years ended June 30, 2021 and 2020, the Park amortized the deferred inflow of resources in the amount of $273,649 and $273,829, respectively. The unamortized balance of deferred inflows of resources related to this agreement as of June 30, 2021 and 2020 is $7,662,172 and $7,935,821, respectively.

Note 14 - FEDERAL GRANTS

The Park received federal grants in previous years that are subject to federal examination that may result in a liability. Management believes that the Park is in compliance with the provisions of these grants and that the findings of an audit, if any, would not have a material impact on the financial statements.

Note 15 - COMMITMENTS AND CONTINGENCIES

The Park is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. The Park is a participant in the State of Louisiana Office of Risk Management self-insurance plan.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1

SCHEDULE OF CHANGES IN THE PARK'S TOTAL OPEB LIABILITY AND RELATED RATIOS

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the four years ended June 30, 2021

	2021	2020	2019	2018
Total OPEB liability				
Service cost	$ 322,150	$ 426,673	$ 466,745	$ 502,056
Interest	142,286	154,664	150,408	125,727
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(131,883)	-	-	-
Changes in assumptions or other inputs	(41,921)	(540,801)	(159,149)	(387,950)
Benefit payments	(24,630)	(27,778)	(38,556)	(38,556)
Net change in total OPEB liability	266,002	12,758	419,448	201,277
Total OPEB liability, beginning of year	4,789,950	4,777,192	4,357,744	4,156,467
Total OPEB liability, end of year	$5,055,952	$4,789,950	$4,777,192	$4,357,744
Covered employee payroll	$3,709,467	$3,618,577	$4,000,000	$3,618,577
Total OPEB liability as a percentage of covered employee payroll	136.30%	132.37%	119.43%	120.43%
Notes to schedule:				
Changes of benefit terms:	None	None	None	None
Changes of assumptions and other inputs reflected the effects of changes in the discounts rate each period:	2.66%	2.79%	2.98%	3.13%

The schedule is provided prospectively beginning with the Park's fiscal year ended June 30, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF OPERATING EXPENSES

New Orleans City Park Improvement Association

New Orleans, Louisiana

For the years ended June 30, 2021 and 2020

	2021	2020
Administrative	$ 526,660	$ 612,749
Advertising	135,749	393,053
Contract labor	934,689	834,027
Contract services	110,893	883,042
Cost of goods sold	360,583	1,145,045
COVID-19 expenses	133,427	80,805
Depreciation	4,777,388	4,775,509
Disposal of fixed assets	629,417	-
Fuel	46,767	46,694
Insurance	529,860	489,749
Other post-employment benefits	201,066	364,200
Payroll	4,592,247	6,249,210
Payroll benefits	982,396	1,078,999
Rentals	1,879	254,071
Repairs and maintenance	542,752	694,884
Supplies	523,390	650,093
Training and education	18,788	72,208
Uniforms	9,700	12,178
Utilities	504,647	554,701
Write-offs	149,514	353,943
Total operating expenses	$ 15,711,812	$ 19,545,160

SUPPLEMENTARY INFORMATION SECTION

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2021

	Robert W. Becker, Chief Executive Officer July 2020 through March 2021	Cara Lambright, Chief Executive Officer February 2021 through June 2021
Purpose		
Salary	$ 193,301	$ 103,043
Benefits - insurance	5,589	2,965
Benefits - retirement	10,500	0
Benefits - other	724	375
Car allowance	0	3,692
Vehicle provided by government	0	0
Per diem	0	0
Reimbursements	0	10,515
Travel	0	0
Registration fees	0	0
Conference travel	0	0
Continuing professional education fees	0	0
Housing	0	0
Unvouchered expenses	0	0
Special meals	324	364
	$ 210,438	$ 120,954

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S 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

To the Board of Commissioners,
New Orleans City Park Improvement Association,
New Orleans, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United State 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 the governmental activities, business type activities, and each major fund of New Orleans City Park Improvement Association, (the "Park"), as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the Park's basic financial statements and have issued our report thereon dated March 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Park's internal control over financial reporting, ("internal control"), as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Park's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Park'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.

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Our consideration of internal control over financial reporting 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 Park's financial statements are free of 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 over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park'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 Park's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Metairie, Louisiana,
March 14, 2022.

SCHEDULE OF FINDINGS AND RESPONSES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2021

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ____ Yes _X_ None reported

Noncompliance material to financial statements noted? ____ Yes _X_ No

Section II - Financial Statement Audit Findings

No financial statement findings were reported during the audit for the year ended June 30, 2021.

Section III - Federal Award Findings and Questioned Costs

Not Applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2021

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended June 30, 2020.

No significant deficiencies were reported during the audit for the year ended June 30, 2020.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2020.

Section II - Internal Control and Compliance Material to Federal Awards

New Orleans City Park Improvement Association did not expend federal awards in excess of $750,000 during the year ended June 30, 2020 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2020.

MANAGEMENT'S CORRECTIVE ACTION PLAN

New Orleans City Park Improvement Association
New Orleans, Louisiana

For the year ended June 30, 2021

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended June 30, 2021.

No significant deficiencies were reported during the audit for the year ended June 30, 2021.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2021.

Section II - Internal Control and Compliance Material to Federal Awards

New Orleans City Park Improvement Association did not expend federal awards in excess of $750,000 during the year ended June 30, 2021 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2021.