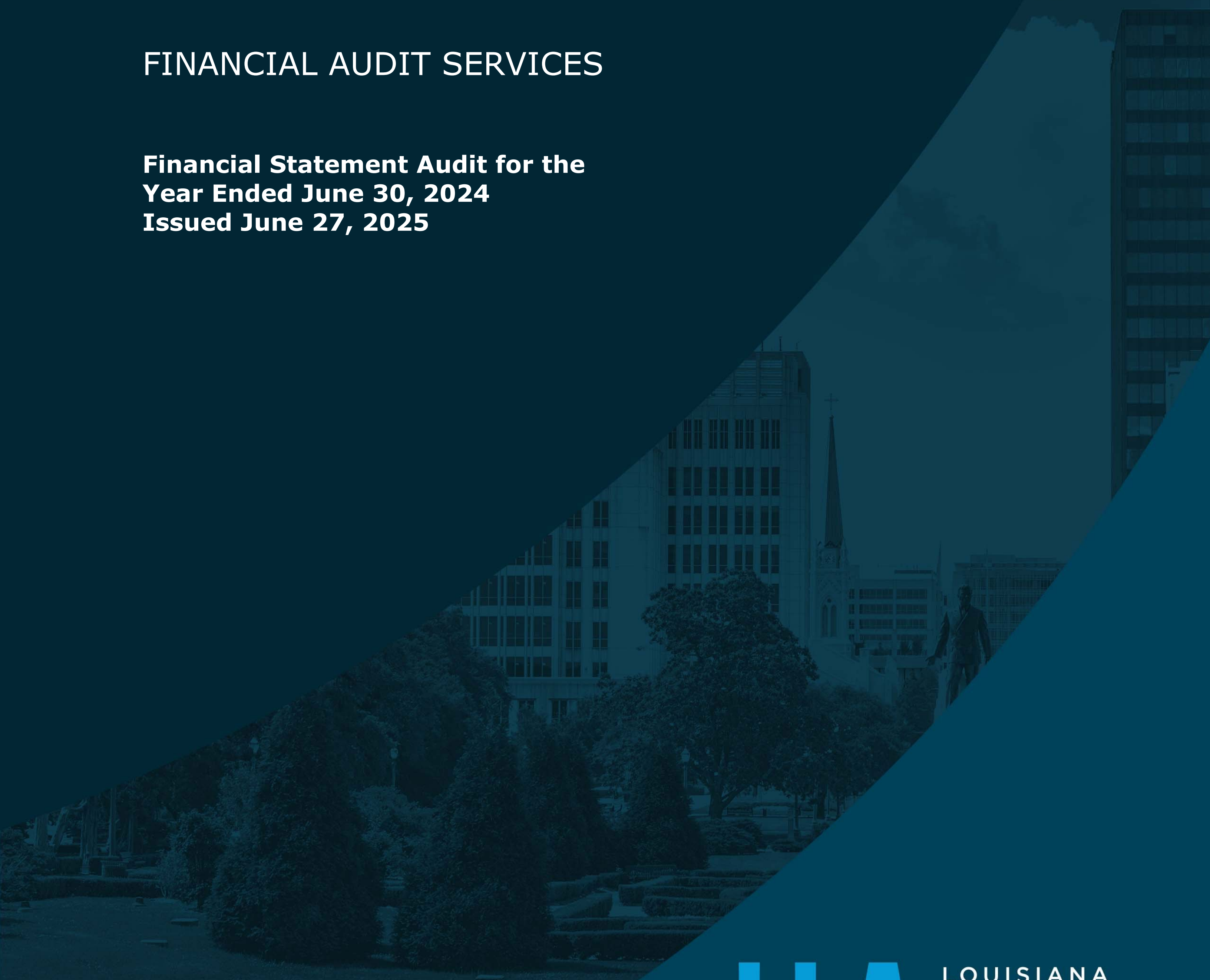
LOUISIANA STADIUM AND EXPOSITION DISTRICT

A COMPONENT UNIT OF THE
STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

Financial Statement Audit for the
Year Ended June 30, 2024
Issued June 27, 2025



LOUISIANA
LEGISLATIVE
AUDITOR

LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397

LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

FIRST ASSISTANT LEGISLATIVE AUDITOR
BETH Q. DAVIS, CPA

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report is available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor and online at www.lla.la.gov. When contacting the office, you may refer to Agency ID No. 3427 or Report ID No. 80240093 for additional information.

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LOUISIANA LEGISLATIVE AUDITOR

MICHAEL J. "MIKE" WAGUESPACK, CPA
LOUISIANA LEGISLATIVE AUDITOR

June 26, 2025

Independent Auditor's Report

BOARD OF COMMISSIONERS OF THE
LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Louisiana Stadium and Exposition District (the District), a component unit of the state of Louisiana, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2024, and the respective changes in the 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

1600 NORTH 3RD STREET P.O. BOX 94397 BATON ROUGE, LA 70804-9397
PHONE 225-339-3800 | FAX 225-339-3870 | LLA.LA.GOV

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with *GAAS* and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

KPD:CJH:RR:BQD:aa
LSED2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of the Louisiana Stadium and Exposition District's (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended June 30, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the information contained in the District's financial statements, which begin on page 13.

FINANCIAL HIGHLIGHTS

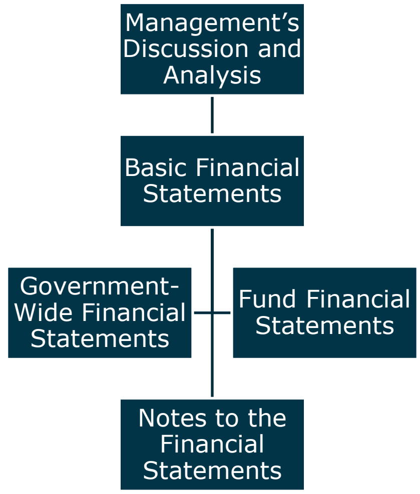
- The District's assets and deferred outflows of resources of business-type activities exceeded liabilities and deferred inflows of resources at the close of fiscal year 2024 by $672,992,020. The net position of business-type activities increased by $123,148,803 during fiscal year 2024. The liabilities of governmental activities exceeded assets and deferred outflows of resources at the close of fiscal year 2024 by $424,850,260. The net position of governmental activities decreased by $69,441,734 during fiscal year 2024.

- The District has received $68,658,936 in capital contributions to its governmental and business-type activities for the year ended June 30, 2024. This represents a decrease of $38,989,119 over the prior fiscal year. The contributions fund various capital projects for improvements to the Caesars Superdome and other facilities.

- The District received $56,108,732 of hotel occupancy taxes in its governmental activities for the year ended June 30, 2024. This represents a decrease of $1,880,414 over the prior fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the District established by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments:*



This annual report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements, and related notes. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental fund financial statements tell how general government services were financed in the short-term, as well as what remains for future spending.
- Proprietary fund statements offer short- and long-term financial information about the activities the government operates, such as businesses.

The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The previous graphic shows how the required parts of this annual report are arranged and relate to one another.

BASIC FINANCIAL STATEMENTS

The basic financial statements present information for the District as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section are as follows:

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current-year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position (the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources) is one way to measure the District's financial health or position.

The government-wide financial statements of the District are divided into two categories:

- Governmental activities, which include the General Fund, Debt Service Fund, and the Capital Projects Fund.
- Business-type activities, which include the operation of the Caesars Superdome, Smoothie King Center, Champions Square, and the Shrine on Airline.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has two kinds of funds:

- Governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader of the financial statements determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- Proprietary funds, like government-wide statements, provide both short- and long-term financial information. The District's enterprise funds (one type of proprietary fund) are the same as its business-type

activities, but provide more detailed and additional information, such as cash flows.

FINANCIAL ANALYSIS OF THE DISTRICT

Restricted net position is not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net position does not have any limitations on what these amounts may be used for.

Net Position
As of June 30, 2024, and 2023
(in thousands)

	2024	2023
Current and other assets	$176,532	$213,651
Capital assets	778,702	645,822
Total assets	955,234	859,473
Total deferred outflows of resources	9,336	10,154
Current and other liabilities	123,279	74,656
Long-term debt outstanding	588,776	597,986
Total liabilities	712,055	672,642
Total deferred inflows of resources	4,373	2,551
Net Position:		
Net investment in capital assets	163,153	113,350
Restricted	73,760	46,959
Unrestricted	11,229	34,125
Total net position	$248,142	$194,434

The District's total revenues of its governmental and business-type activities decreased by $25,405,000 from 2023 to 2024. The total cost of all governmental and business-type activities programs and services increased by $33,673,000. The net decrease in revenue is attributed to a net reduction in capital contributions and one-time contributions received from the State of Louisiana, including a reduction in capital contributions received from the New Orleans Saints for their share of the Superdome Master Plan project, and increases in event-related revenues. The increase in expenses is attributed to increases associated with event-related activity and a net increase in accrued interest on bonds offset by a net reduction in amounts paid in interest on bonds.

Changes in Net Position
For the Years Ended June 30, 2024, and 2023
(in thousands)

	2024	2023
Revenues		
Program revenues:		
Charges for services	$89,689	$66,401
Grants and contributions	68,659	116,690
General revenues:		
Hotel occupancy taxes	56,109	57,989
New Orleans Sports Franchise Fund	10,425	11,026
Pari-mutuel live racing facility slots	2,049	2,049
Players' tax	7,150	6,150
Interest and other income	7,692	6,872
Total revenues	241,773	267,177
Program Expenses		
Interest on long-term debt	26,721	10,098
Facility operation	161,344	144,294
Total expenses	188,065	154,392
Change in Net Position	53,708	112,785
Beginning Net Position	$194,434	$81,649
Ending Net Position	$248,142	$194,434

THE DISTRICT'S FUNDS

As discussed earlier, funds provide additional detail on the amounts presented in the government-wide financial statements. Governmental fund information provides additional detail on the District's governmental activities while enterprise fund information provides additional detail on the District's business-type activities. An analysis of balances and individual transactions of the District's governmental and enterprise funds is provided below:

Governmental Funds

The fund balance of the General Fund decreased by $89.5 million, which was $169.1 million less than the $79.6 million increase in fund balance reported in the prior fiscal year. Transfers in, bond proceeds, and contributions saw a $149.6 million decrease in the current fiscal year due to the prior-year bond issuance and one-time state funding. Overall expenditures and transfers to other funds were $16.5 million greater than the prior year for continued Superdome Master Plan construction funding needs. Total revenues decreased by $3.0 million from the prior fiscal year, primarily due to a decrease in the hotel occupancy tax revenue. The General Fund ended the year with a fund balance of $31.3 million, with $20.2 million subject to external restrictions and $11.1 million unassigned. The restricted fund balance includes $20.1 million that is restricted for capital outlay reserve.

The fund balance of the Debt Service Fund increased by $15.4 million, which was $24.9 million more than the $9.5 million decrease in fund balance reported in the prior fiscal year. The Fund received hotel occupancy tax revenue of $27.8 million, an increase of $0.6 million from the revenue received in the prior fiscal year. Additionally, debt service and related financing net outflows decreased $24.2 million in the current fiscal year due to bond issuance and refunding-related transactions that occurred only in the prior fiscal year. The Debt Service Fund ended the year with a fund balance of $58.1 million, which is restricted for debt service.

Enterprise Funds

The net position of the Caesars Superdome Fund increased by $133.1 million, which was $19.9 million less than the $153.0 million increase in the prior year. Transfers and contributions decreased $21.3 million as a result of a decreased funding need for the Superdome Master Plan project. Total operating revenues increased $13.3 million from the prior fiscal year, primarily due to an increase in event rental revenue and associated event day revenue. Operating expenses were $12.4 million greater than the prior year in correlation to the increased event revenue.

The net position of the Smoothie King Center Fund decreased by $7.3 million, which was $1.1 million less than the $8.4 million decrease in net position in the prior year. Transfers and contributions decreased $4.4 million as a result of increased transfers of excess cash to the General Fund. Total operating revenues increased $10.6 million from the prior fiscal year, primarily due to an increase in event rental revenue, associated event day revenue, and ticket incentives. Operating expenses were $5.2 million greater than the prior year in correlation to the increased event revenue.

The net position of the Champions Square Fund decreased by $1.9 million, which was $0.2 million more than the $1.7 million decrease in the prior year. Transfers in decreased $0.5 million, and total operating revenues decreased $0.5 million from the prior fiscal year, while operating expenses decreased $0.8 million from the prior year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024 and 2023, the District had $778,701,537 and $645,822,316, respectively, invested in capital assets, net of accumulated depreciation/amortization of $584,185,638 and $568,200,768, respectively, including land, buildings and improvements, furniture, fixtures, and equipment, leased/subscription assets, and construction in progress.

Capital assets as of June 30 (in thousands):

	2024	2023
Land	$20,069	$20,069
Building and improvements	299,406	321,260
Furniture, fixtures, and equipment	4,449	4,950
Right-to-use leased asset and IT subscription assets	27,287	31,240
Construction-in-progress	427,491	268,303
Total	$778,702	$645,822

Debt

The District had $526,930,000 in revenue bonds outstanding at June 30, 2024, and 2023. In January 2013, the District issued Series 2013A, 2013B, and 2013C Revenue Refunding Bonds totaling $361,345,000 for the purpose of refunding the District's existing debt, providing funds for the termination of the fixed-rate hedge agreement and the interest rate swap agreement, and providing for the costs of issuance of the bonds. The District issued $28,595,000 of Bond Anticipation Notes Series 2022A on January 26, 2022, $70,000,000 of Bond Anticipation Notes Series 2021 on June 30, 2021, $90,000,000 of Bond Anticipation Notes Series 2020 on July 1, 2020, and $30,000,000 of Bond Anticipation Notes Series 2019 on September 11, 2019, to provide construction financing for the Caesars Superdome Master Plan project and retire the Series 2013C Bond. During June 2023, the District issued Series 2023A and 2023B Bonds to refund the outstanding Series 2013 Bonds and all Bond Anticipation Notes, pay costs of constructing, improving, equipping, and furnishing facilities of the District; fund an account in the Reserve Fund; and pay certain costs associated with the issuance of the Series 2023 Bonds. There were no required principal payments due on the Series 2023 bonds for fiscal year 2024.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's appointed officials considered the following factors and indicators when setting next year's budgets, rates, and fees:

- Staffing requirements and operating expenses based on the number of potential events in the Caesars Superdome, the Smoothie King Center, Champions Square, and the Shrine on Airline.

- Hotel occupancy tax revenue based on projections of events and conventions in New Orleans.

- Contractual obligations to professional sports franchises.

During fiscal year 2024, the District's net position increased $53,707,000, and during fiscal year 2023, the District's net position increased $112,785,000. During fiscal year 2024, the enterprise funds were funded by statutorily-dedicated revenues, grants, and hotel occupancy taxes, which were transferred from the General Fund, and capital contributions from the State. Current projections by management of the District indicate that operating losses will continue. Plans to manage the deficit will be through budget management efforts.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide our residents, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions about this report or requests for additional financial information may be addressed to Daniel Burke, Director of Finance, ASM, Post Office Box 52439, New Orleans, Louisiana 70152.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA

Statement of Net Position
June 30, 2024

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents (note 2)	$81,315,361	$43,187,637	$124,502,998
Accounts receivable	197,210	6,842,757	7,039,967
Due from State of Louisiana (note 3)	16,506,546		16,506,546
Lease receivable, current portion (note 10)		720,611	720,611
Internal balances	(14,875,012)	14,875,012	
Prepaid expenses		553,393	553,393
Restricted assets:			
Capital Outlay Reserve Account - cash and cash equivalents (notes 2 and 9)	20,076,753	3,215,950	23,292,703
Energy savings performance trust - cash and cash equivalents (notes 2 and 6)	116,113		116,113
Concessionaire Fund - receivable		4,715	4,715
Deposits		35,869	35,869
Long-term lease receivable, net (note 10)		3,759,647	3,759,647
Capital assets, net of accumulated depreciation/amortization (note 4)	59,032,949	719,668,588	778,701,537
Total assets	162,369,920	792,864,179	955,234,099
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding (note 7)	9,335,981		9,335,981
Total deferred charge on refunding	9,335,981	NONE	9,335,981
LIABILITIES			
Accounts payable and accrued expenses	200,572	7,332,600	7,533,172
Sports franchise obligations payable (notes 16 and 17)	4,870,174	525,133	5,395,307
Unearned revenue and security deposits	5,706,079	1,986,738	7,692,817
Compensated absences (note 1-K)		217,368	217,368
Advance deposits on future events		39,727,936	39,727,936
Construction contracts payable	3,105,009	31,707,017	34,812,026
Concessionaire payable		5,442,490	5,442,490
Accrued bond interest payable, current portion	13,383,672		13,383,672
Bonds payable, current portion, net (note 7)	3,742,204		3,742,204
Lease obligations, current portion (note 12)		3,642,602	3,642,602
Finance purchase liability, current portion (note 6)	1,403,540		1,403,540
SBITA obligations, current portion (note 11)		285,493	285,493
Noncurrent liabilities:			
Bonds payable, net (note 7)	562,285,724		562,285,724
Lease obligations, net (note 12)		24,043,052	24,043,052
Finance purchase liability, net (note 6)	1,859,187		1,859,187
SBITA obligations, net (note 11)		588,228	588,228
Total liabilities	596,556,161	115,498,657	712,054,818

(Continued)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA

Statement of Net Position
June 30, 2024

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
DEFERRED INFLOWS OF RESOURCES			
Leases (note 10)		$4,373,502	$4,373,502
Total deferred inflows of resources	NONE	4,373,502	4,373,502
NET POSITION			
Net investment in capital assets	($496,249,572)	659,402,196	163,152,624
Restricted for:			
Debt service	58,123,819		58,123,819
Capital outlay reserve	12,415,704	3,215,950	15,631,654
Concessionaire reserve		4,715	4,715
Unrestricted	859,789	10,369,159	11,228,948
TOTAL NET POSITION	($424,850,260)	$672,992,020	$248,141,760

(Concluded)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA

Statement of Activities
For the Year Ended June 30, 2024

		PROGRAM REVENUES		
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT:				
Governmental activities:				
Facility operation	$16,446,894			$16,736,606
Interest on bonds and financed purchases	26,410,818			
Total governmental activities	42,857,712	NONE	NONE	16,736,606
Business-type activities:				
Facility operation	144,897,564	$89,689,156		51,922,330
Interest on leases and SBITAs	309,819			
Total business-type activities	145,207,383	89,689,156	NONE	51,922,330
TOTAL PRIMARY GOVERNMENT	$188,065,095	$89,689,156	NONE	$68,658,936

General revenues:
Taxes:
Hotel occupancy taxes (note 9)
New Orleans Sports Franchise Fund
Pari-mutuel live racing facility slots
Players' tax
Vehicle license plate royalties
Miscellaneous
Investment earnings
Transfers in (out)
Total general revenues and transfers

Change in net position

NET POSITION, BEGINNING OF YEAR

TOTAL NET POSITION, END OF YEAR

The accompanying notes are an integral part of this statement.

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
$289,712		$289,712
(26,410,818)		(26,410,818)
(26,121,106)	NONE	(26,121,106)
	($3,286,078)	(3,286,078)
	(309,819)	(309,819)
NONE	(3,595,897)	(3,595,897)
($26,121,106)	($3,595,897)	($29,717,003)
$56,108,732		$56,108,732
10,424,953		10,424,953
2,049,333		2,049,333
7,150,000		7,150,000
265,053		265,053
534,704	$2,691,594	3,226,298
2,965,037	1,234,666	4,199,703
(122,818,440)	122,818,440	
(43,320,628)	126,744,700	83,424,072
(69,441,734)	123,148,803	53,707,069
($355,408,526)	$549,843,217	$194,434,691
($424,850,260)	$672,992,020	$248,141,760

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
GOVERNMENTAL FUNDS

Balance Sheet
June 30, 2024

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and cash equivalents (note 2)	$26,831,331	$54,484,022	$8	$81,315,361
Accounts receivable	197,210			197,210
Due from State of Louisiana (note 3)	9,761,740	3,639,797	3,105,009	16,506,546
Restricted assets: (notes 2, 6, and 9)				
Capital Outlay Reserve Account - cash and cash equivalents	20,076,753			20,076,753
Energy savings performance trust - cash and cash equivalents	116,113			116,113
TOTAL ASSETS	$56,983,147	$58,123,819	$3,105,017	$118,211,983
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	$200,572			$200,572
Due to other funds (note 8)	14,875,012			14,875,012
Sports franchise obligations payable (notes 16 and 17)	4,870,174			4,870,174
Unearned revenue	5,706,079			5,706,079
Construction contracts payable			$3,105,009	3,105,009
Total liabilities	25,651,837	NONE	3,105,009	28,756,846
Fund Balances:				
Restricted for - debt service		$58,123,819		58,123,819
Restricted for - capital outlay reserve	20,076,753			20,076,753
Restricted for - energy savings performance	116,113			116,113
Assigned for - capital projects	1,000		8	1,008
Unassigned	11,137,444			11,137,444
Total fund balances	31,331,310	58,123,819	8	89,455,137
TOTAL LIABILITIES AND FUND BALANCES	$56,983,147	$58,123,819	$3,105,017	$118,211,983

(Continued)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
GOVERNMENTAL FUNDS

Balance Sheet
June 30, 2024

	TOTAL GOVERNMENTAL FUNDS
Total fund balances, as presented in this statement	$89,455,137
Amounts presented for governmental activities in the Statement of Net Position are different because:	
Accrued interest is reported in the Statement of Net Position but is not due and payable in the current period and, therefore, is not reported as a liability of the fund balance sheet.	(13,383,672)
Deferred charges on refunding of bonds payable are not reported in the funds.	9,335,981
Long-term liabilities are reported in the Statement of Net Position but are not due and payable in the current period and, therefore, are not reported as liabilities of the fund balance sheet.	(569,290,655)
Capital assets reported in the Statement of Net Position are not current financial resources.	59,032,949
NET POSITION OF GOVERNMENTAL ACTIVITIES	($424,850,260)

(Concluded)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Hotel occupancy tax (note 9)	$28,298,959	$27,809,773		$56,108,732
New Orleans Sports Franchise Fund	10,424,953			10,424,953
Pari-mutuel live racing facility slots	2,049,333			2,049,333
Players' tax	7,150,000			7,150,000
Vehicle license plate royalties	265,053			265,053
Interest earnings	1,516,960	1,448,077		2,965,037
Miscellaneous income	64,704			64,704
Total revenues	49,769,962	29,257,850	NONE	79,027,812
EXPENDITURES				
Salaries, wages, and benefits	470,501			470,501
Utilities	16,200			16,200
Management fee - ASM (note 14)	81,794			81,794
Professional fees	1,393,025			1,393,025
Insurance	639,764			639,764
Other Saints obligations (note 16)	4,371,046			4,371,046
Other Pelicans obligations (note 17)	5,653,854			5,653,854
Other facility obligations	834,687			834,687
Other expenditures	1,446,696			1,446,696
Capital outlay			$16,736,606	16,736,606
Debt service:				
Principal	1,576,541			1,576,541
Interest	156,994	13,697,954		13,854,948
Total expenditures	16,641,102	13,697,954	16,736,606	47,075,662
Excess (deficiency) of revenues over expenditures	33,128,860	15,559,896	(16,736,606)	31,952,150

(Continued)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
OTHER FINANCING SOURCES (USES)				
Transfers in (note 8)	$7,388,733			$7,388,733
Transfers out (note 8)	(130,044,861)	($162,312)		(130,207,173)
Capital contributions			$16,736,606	16,736,606
Total other financing sources (uses)	(122,656,128)	(162,312)	16,736,606	(106,081,834)
Net change in fund balances	(89,527,268)	15,397,584	NONE	(74,129,684)
Fund balances at beginning of year	$120,858,578	$42,726,235	$8	$163,584,821
Fund balances at end of year	$31,331,310	$58,123,819	$8	$89,455,137

Net change in fund balances, as presented in this statement	($74,129,684)
Amounts presented for governmental activities in the Statement of Activities are different because:	
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, which has no effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,576,541
Transactions in the Statement of Activities that do not provide or use current financial resources are not reported as revenues or expenses in the funds.	470,000
Governmental funds report interest expense only when the expense is due for payment, while the Statement of Activities reports bond interest as it is incurred.	(13,085,890)
Governmental funds do not include amortization for bond premium and deferred refunding costs.	530,020
Governmental funds report the acquisition of capital assets as expenditures of the period in which the asset is acquired. In the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay ($16,736,606) exceeded depreciation ($1,325,565) and capital asset deletions ($213,762) in the current period.	15,197,279
Change in net position of governmental activities as reported on the Statement of Activities	($69,441,734)

(Concluded)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Net Position
June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
ASSETS					
Current assets:					
Cash and cash equivalents (note 2)	$35,170,050	$7,262,703	$694,359	$60,525	$43,187,637
Accounts receivable	5,716,650	559,791	174,732	391,584	6,842,757
Current lease receivable (note 10)	656,117	57,556		6,938	720,611
Due from other funds (note 8)	18,158,253	354,159	11,000		18,523,412
Prepaid expenses	508,155	45,238			553,393
Total current assets	60,209,225	8,279,447	880,091	459,047	69,827,810
Restricted assets:					
Capital outlay reserve account - cash and cash equivalents (notes 2 and 9)		3,215,950			3,215,950
Concessionaire Fund - receivable		4,715			4,715
Total restricted assets	NONE	3,220,665	NONE	NONE	3,220,665
Other assets:					
Long-term lease receivable, net (note 10)	3,579,279	180,368			3,759,647
Capital assets, net of accumulated depreciation/amortization (note 4)	626,012,778	47,503,344	29,422,481	16,729,985	719,668,588
Deposits			35,869		35,869
Total other assets	629,592,057	47,683,712	29,458,350	16,729,985	723,464,104
TOTAL ASSETS	$689,801,282	$59,183,824	$30,338,441	$17,189,032	$796,512,579

(Continued)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Net Position
June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expenses	$5,377,358	$1,752,223	$81,067	$121,952	$7,332,600
Unearned revenue and security deposits	1,925,448	56,050	2,240	3,000	1,986,738
Sports franchise inducement payable (note 17)		525,133			525,133
Compensated absences (note 1-K)	200,988	16,380			217,368
Funds held in escrow for future events	34,555,265	5,033,781	101,148	37,742	39,727,936
Construction contracts payable	31,707,017				31,707,017
Concessionaire payable	4,222,261	974,488	245,741		5,442,490
Lease obligations, current (note 12)	32,978		3,609,624		3,642,602
SBITA obligation, current (note 11)	254,914	30,579			285,493
Due to other funds (note 8)		3,611,000	1,032	36,368	3,648,400
Total current liabilities	78,276,229	11,999,634	4,040,852	199,062	94,515,777
Noncurrent liabilities:					
Long-term lease and SBITA obligations (notes 11 and 12)	591,499	63,004	23,976,777		24,631,280
Total liabilities	$78,867,728	$12,062,638	$28,017,629	$199,062	$119,147,057
DEFERRED INFLOWS OF RESOURCES					
Leases (note 10)	$4,134,606	$232,116		$6,780	$4,373,502
Total deferred inflows of resources	$4,134,606	$232,116	NONE	$6,780	$4,373,502
NET POSITION					
Net investment in capital assets	$593,426,370	$47,409,761	$1,836,080	$16,729,985	$659,402,196
Restricted		3,220,665			3,220,665
Unrestricted	13,372,578	(3,741,356)	484,732	253,205	10,369,159
Total net position	606,798,948	46,889,070	2,320,812	16,983,190	672,992,020
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	$689,801,282	$59,183,824	$30,338,441	$17,189,032	$796,512,579

(Concluded)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
OPERATING REVENUES					
Event rental:					
Musical events and entertainment	$1,060,674	$3,064,923	$37,000		$4,162,597
High school and college sports	1,176,500	205,523		$213,050	1,595,073
Other events	227,675	42,350	432,369	167,724	870,118
Reimbursement event costs	13,769,318	11,752,388	589,032	165,828	26,276,566
Total event rental	16,234,167	15,065,184	1,058,401	546,602	32,904,354
Concessions and souvenirs	13,853,892	10,385,935	1,089,135	48,709	25,377,671
Box suite rental	8,613,588	1,604,506			10,218,094
Parking	2,959,014	2,620,953	1,643,508	84,448	7,307,923
Ticket incentives	3,170,586	9,397,794	52,647		12,621,027
Lease income (note 10)	774,053	57,273		94,145	925,471
Advertising and broadcasting			334,616		334,616
Other	454,985	689,418	1,547,133	58	2,691,594
Total operating revenues	46,060,285	39,821,063	5,725,440	773,962	92,380,750
OPERATING EXPENSES					
Salaries, wages, and benefits	15,633,876	4,344,143	229,089	438,525	20,645,633
Utilities	4,607,819	2,037,435	449,475	286,331	7,381,060
Repairs and maintenance	3,797,811	882,333	117,274	466,916	5,264,334
Management fee - ASM (note 14)	806,925	537,984			1,344,909
Saints obligation payments (note 16)	16,706,361				16,706,361
Pelicans obligation payments (note 17)		5,990,151			5,990,151
Professional fees	532,843	81,761	8,082	225	622,911
Professional sports staffing	5,141,424	5,199,690			10,341,114
Insurance	3,442,800	920,137		161,167	4,524,104
Direct event expense	16,271,634	15,565,484	1,085,074	275,656	33,197,848
Advertising and public relations	139,214	136,662	34,823	3,287	313,986
Concessionaire expenses	5,082,287	2,511,567	344,868	27,130	7,965,852
Other operating expenses	1,947,556	480,720	201,506	37,699	2,667,481
Total operating expenses	74,110,550	38,688,067	2,470,191	1,696,936	116,965,744
Operating income (loss) before depreciation/amortization	(28,050,265)	1,132,996	3,255,249	(922,974)	(24,584,994)
Depreciation/amortization	14,547,080	7,610,193	4,945,669	828,878	27,931,820
Operating loss	(42,597,345)	(6,477,197)	(1,690,420)	(1,751,852)	(52,516,814)

(Continued)

The accompanying notes are an integral part of this statement.

Statement F

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
NONOPERATING REVENUE (EXPENSE)					
Interest revenue	$717,430	$492,132	$22,986	$2,118	$1,234,666
Interest expense	(16,592)	(1,887)	(291,340)		(309,819)
Total nonoperating revenue(expense)	700,838	490,245	(268,354)	2,118	924,847
Loss before transfers and capital contributions	(41,896,507)	(5,986,952)	(1,958,774)	(1,749,734)	(51,591,967)
Transfers in (note 8)	129,013,659	5,962,709	65,626	965,576	136,007,570
Transfers out (note 8)	(5,962,709)	(7,226,421)			(13,189,130)
Capital contributions	51,922,330				51,922,330
Change in net position	133,076,773	(7,250,664)	(1,893,148)	(784,158)	123,148,803
Net position, beginning of year	$473,722,175	$54,139,734	$4,213,960	$17,767,348	$549,843,217
NET POSITION, END OF YEAR	$606,798,948	$46,889,070	$2,320,812	$16,983,190	$672,992,020

(Concluded)

The accompanying notes are an integral part of this statement.

Statement G

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Cash Flows
For the Year Ended June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$73,015,132	$33,217,317	$3,879,288	$749,867	$110,861,604
Payments to suppliers	(56,065,038)	(33,721,049)	(2,341,329)	(1,255,745)	(93,383,161)
Payments for salaries and related expenses	(15,483,631)	(4,325,557)	(226,017)	(439,224)	(20,474,429)
Net cash provided (used) by operating activities	1,466,463	(4,829,289)	1,311,942	(945,102)	(2,995,986)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grants/transfers	123,050,950	(1,263,712)	65,626	965,576	122,818,440
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital appropriations and contributions	55,349,675				55,349,675
SBITA and lease payments	(167,254)	(31,866)	(2,199,637)		(2,398,757)
Purchases of capital assets	(155,177,205)	(950,971)	(40,730)	(104,882)	(156,273,788)
Net cash (used) by capital and related financing activities	(99,994,784)	(982,837)	(2,240,367)	(104,882)	(103,322,870)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	717,430	492,132	22,986	2,118	1,234,666
Net increase (decrease) in cash and cash equivalents	25,240,059	(6,583,706)	(839,813)	(82,290)	17,734,250
Cash and cash equivalents, beginning of year	$9,929,991	$17,062,359	$1,534,172	$142,815	$28,669,337
CASH AND CASH EQUIVALENTS, END OF YEAR	$35,170,050	$10,478,653	$694,359	$60,525	$46,403,587

(Continued)

The accompanying notes are an integral part of this statement.

LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
PROPRIETARY FUNDS

Statement of Cash Flows
For the Year Ended June 30, 2024

	ENTERPRISE FUNDS				
	CAESARS SUPERDOME	SMOOTHIE KING CENTER	CHAMPIONS SQUARE	SHRINE ON AIRLINE	TOTAL
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating loss	($42,597,345)	($6,477,197)	($1,690,420)	($1,751,852)	($52,516,814)
Adjustments to reconcile operating loss to net cash (used) by operating activities:					
Depreciation expense	14,547,080	7,610,193	4,945,669	828,878	27,931,820
Lease Credit			(1,515,023)		(1,515,023)
Changes in assets and liabilities:					
(Increase) decrease in:					
Receivables	(2,287,614)	173,079	(154,192)	(20,183)	(2,288,910)
Prepaid expenses	(264,954)	(28,980)	4,200		(289,734)
(Decrease) increase in:					
Accounts payable and accrued expenses	3,789,546	548,136	(19,439)	46,597	4,364,840
Compensated absences	4,734	(2,215)			2,519
Unearned revenue	3,820,214	(107,492)	(27,474)	(17,466)	3,667,782
Funds held in escrow	25,422,247	(6,669,333)	(166,972)	13,554	18,599,496
Due to/from other funds	(967,445)	124,520	(64,407)	(44,630)	(951,962)
Net cash provided (used) by operating activities	$1,466,463	($4,829,289)	$1,311,942	($945,102)	($2,995,986)

(Concluded)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The Louisiana Stadium and Exposition District (the District) was created in 1966 pursuant to Article XIV, Section 47 of the Constitution of the State of Louisiana (the State) of 1921, as amended and continued as a statute by Article XIV, Section 16 of the Constitution of the State of Louisiana of 1974 (the "Original Act") as a body politic and corporate and political subdivision of the state, composed of all the territory in the parishes of Orleans and Jefferson, Louisiana. The District was created for the purpose of planning, acquiring, financing, owning, constructing, maintaining, and operating recreational facilities, recreation centers, and other facilities to be located within the District to accommodate the holding of conventions, exhibitions, sports events, athletic contests, and other public meetings, and all facilities and properties incidental and necessary to a complex suitable for any or all types of sports and recreation, all as more specifically provided in the Original Act.

The District acquired a site and constructed thereon the Louisiana Superdome, which opened in August 1975. The Louisiana Superdome is leased by the District to the state pursuant to a Lease Agreement. The District initially managed and operated the Louisiana Superdome on behalf of the state pursuant to a management and operating agreement dated February 1, 1969. In 1976, Act No. 541 of the 1976 Regular Session of the State Legislature (Act No. 541) transferred the responsibility for the management and operation of the Louisiana Superdome to the Office of the Governor of the State and authorized the governor to delegate the management and operation of the Louisiana Superdome to a professional management organization. In 1977, the District was transferred to and placed in the Office of the Governor of the State pursuant to the Executive Reorganization Act. At the same time, Act No. 64 of the 1977 Regular Session of the State Legislature approved and authorized execution of a Management Agreement between the state and HMC Management Corporation (the predecessor in interest of SMG, which merged with AEG Facilities to form ASM Global (ASM) effective October 1, 2019, the current manager of the Louisiana Superdome), which was signed by the parties under date of June 30, 1977.

Louisiana Revised Statute 51:293.1 authorizes the District to sell or transfer the right to designate and use an alternative name to refer to the Louisiana Superdome. In October 2011, the New Orleans Saints entered into a naming rights agreement with the Mercedes-Benz Corporation to acquire the name and title sponsorship to the Louisiana Superdome. In July 2021, the New Orleans Saints entered into a 20-year naming rights agreement with Caesar Entertainment Inc. to acquire the name and title sponsorship to the Louisiana Superdome. The new name of the Louisiana Superdome became the Caesars Superdome (the Superdome).

Act No. 640 of the 1993 Regular Session of the State Legislature amended Act No. 541 to provide, among other things, for the construction of the New Orleans Arena (the Arena) and that all authority for the management and operation of all properties then or thereafter owned by or under the control of the District vested in the state, through the Office of the Governor, with continuing authority to delegate that authority and responsibility to a private management company. In 1998, by a Fourth Amendment to the Management Agreement dated June 19, 1998, between the state, Facility Management of Louisiana, Inc. (formerly doing business under the name HMC Management Corporation), and ASM, the state delegated its management authority over the New Orleans Arena to ASM. The District completed construction of the New Orleans Arena adjacent to the Superdome in 1999, and the New Orleans Arena opened for operations in October 1999 under the management of ASM.

In February 2014, the New Orleans Pelicans entered into a naming rights agreement with Smoothie King to acquire the name and title sponsorship to the New Orleans Arena. The use agreement between the Pelicans and the District granted the Pelicans the right to market the naming rights for the New Orleans Arena. Upon approval of the District, the new name of the New Orleans Arena became the Smoothie King Center (the Arena).

In September 2009, the District negotiated an agreement to lease the former New Orleans Centre Shopping Mall and parking garage along with a co-development agreement with the property owners to redevelop the premises as a venue for entertainment (Champions Square).

Notwithstanding the transfer of management authority to the state and by the state to the manager, Act No. 541, as amended by Act No. 640, provides that for the purposes of and in connection with the undertakings authorized by the Act, including the issuance and servicing of any bonds, the District shall be acting solely in its capacity as a political subdivision of the state and further provides that the District shall provide annually to the State Legislature and the Legislative Auditor information concerning the finances of the District.

The District is governed by a board of commissioners (the Board) composed of seven members appointed by the governor of the state and confirmed by the State Senate. The commissioners serve at the pleasure of the governor of the state.

The Board has the power to plan, acquire, finance, own, construct, operate, and maintain recreational facilities, recreation centers, and other facilities to accommodate expositions, conventions, exhibitions, sports events, spectacles, and other public meetings, and all facilities and properties incidental and necessary to a complex suitable for any or all types of sports and recreation, and shall exercise them in the name and on behalf of the District. The District has no employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

B. REPORTING ENTITY

The District is a component unit of the state of Louisiana as defined by GASB Statement No. 14, *The Financial Reporting Entity,* and amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34,* and GASB Statement No. 80*, Blending Requirements for Certain Component Units, an amendment of GASB Statement No. 14.* The accompanying component unit financial statements of the District contain sub-account information of the state of Louisiana. As such, the accompanying statements present information only as to the transactions of the District as authorized by Louisiana statutes and administrative regulations. Annually, the state of Louisiana issues financial statements which include the activity contained in the accompanying component unit financial statements.

The District evaluated the criteria contained in GASB Statements to evaluate whether potential component units should be blended with the District, discretely reported, disclosed in the Notes to the Financial Statements, or excluded from the reporting entity. This evaluation was made to identify those component units for which the District is financially accountable and other organizations for which the nature and significance of their relationships with the District are such that exclusion would cause the financial statements of the District to be misleading or incomplete.

The Louisiana Sports and Entertainment District (LSED II) is a separate political subdivision created by the Louisiana Legislature in 2011 to assist in the development of economic and leisure activities within its boundaries. The LSED II consists of a multiple-block area around the Superdome and the Arena and includes several existing public and private facilities. The District's Board of Commissioners acts as the governing authority of the LSED II and in such capacity is authorized to enter into agreements with other tax recipient entities that would redirect the proceeds of certain taxes collected within the LSED II by such other tax recipient entities to the LSED II and then to the District. Those receipts, if any, are to be considered Hotel Tax Revenues pursuant to the General Bond Resolution. The LSED II has entered into a cooperative endeavor agreement with New Orleans & Company, pursuant to which New Orleans & Company agrees to share with the District certain revenues it receives from within the jurisdiction of the LSED II.

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District’s financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District’s major funds) financial statements. In the government-wide Statement of Net Position, both the governmental and business-type activities of the District are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The District includes in current liabilities amounts payable under construction contracts which may extend beyond one year. A one-year time period is used as the basis for classifying all other current liabilities.

The net position of the District is reported in three parts: net investment in capital assets, restricted, and unrestricted. The District first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. The functions are also supported by general government revenues and hotel occupancy taxes. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with functions or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The net costs (by function or activity) are normally covered by general revenues (taxes, intergovernmental revenues, interest income, et cetera).

The District does not allocate indirect costs.

D. FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual major and nonmajor funds in the fund financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/net position, revenues, and expenditures/expenses, as appropriate. Resources are allocated and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the District:

Governmental Funds

The General Fund, a major fund, is the general operating fund of the District. It administers and accounts for legislative appropriations provided to fund the general administrative expenditures of the District and those expenditures, including sports franchise annual payments, not funded through other specific legislative appropriations or revenues.

Debt service funds are established to meet requirements of bond ordinances and are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund, a major fund, maintained by the District accounts for the transactions of certain bond issues outstanding.

Capital projects funds are used to account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. The Capital Projects Fund, a major fund, maintained by the District accounts for construction and improvement of the facilities of the District.

In the governmental fund financial statements, fund balances are classified as follows:

1. Non-spendable fund balance - amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact. There are no non-spendable amounts as of June 30, 2024.

2. Restricted fund balance - amounts that can be spent only for specific purposes because of the Constitution of the State of Louisiana, other state and federal laws, or externally imposed conditions by grantors, creditors, or voter approved propositions.

3. Committed fund balance - amounts that can be used only for specific purposes determined by a formal action by the District's board.

4. Assigned fund balance - amounts that are constrained by the District's intent that they will be used for specific purposes.

5. Unassigned fund balance - all other amounts not included elsewhere.

The District considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The District also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

Proprietary Funds

Enterprise funds are used to account for activities (a) that are operated in a manner similar to private business, where the intent of the governing body is that the cost (expense, including depreciation) 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 net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Operating revenues include activities that have characteristics of exchange transactions, such as event rentals and concession sales. Nonoperating revenues result from nonexchange or ancillary activities. Operating expenses generally include transactions resulting from providing goods or services, such as payments to vendors for goods or services and payments for salaries, wages, and benefits, and game day entitlements to sports franchises. Nonoperating expenses include losses resulting from the disposal of capital assets.

The District has three major enterprise funds, the Superdome, the Arena, and Champions Square; and one nonmajor enterprise fund, the Shrine on Airline, that are used to account for the operations of each facility. The District has contracted with ASM (formerly SMG) to manage all four facilities. Future enterprise funds may be established as various activities of the District are placed in operation.

E. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/ expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both governmental and business-type activities in the government-wide financial statements and the proprietary funds financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Revenues from general sources consist primarily of the hotel occupancy tax, which is recognized in the month collected by the hotel proprietors. The hotel occupancy tax is used to fund annual debt service requirements, operations, repairs and maintenance, and capital additions.

F. RESTRICTED ASSETS AND LIABILITIES

Certain assets and liabilities are segregated and classified as restricted and may not be used except in accordance with contractual terms, under certain conditions, or to fulfill the District's obligations to the state under its Lease, Management, and Operating Agreements. Assets of the Capital Projects Fund are to be used for construction purposes, and assets of the Debt Service Fund are to be used for debt service payments.

G. INVENTORIES

Inventories, principally repair parts and operating supplies, are stated at cost, which approximates market. Cost is determined by the first-in, first-out method.

H. LEASES RECEIVABLE

The District's leases receivable is measured at the present value of lease payments expected to be received during the lease terms adjusted for the Consumer Price Index at the beginning of the lease, if applicable. Under the lease agreements, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

I. CAPITAL ASSETS

Capital assets acquired or constructed are recorded at cost. Donated capital assets are valued at estimated fair value on the date donated or contributed. Depreciation is charged to expense over the estimated useful lives of the assets and is determined using the straight-line method. Expenditures for maintenance and repairs which do not materially extend the useful life of the asset are charged to expense as incurred. For movable property, the District's capitalization policy includes all items with a unit cost of $1,000 or more and an estimated useful life greater than one year. Buildings and improvements costing $1,000 or more are capitalized.

The estimated useful lives used in computing depreciation and amortization for capital assets are as follows:

Building and improvements:	
Structure:	
Superdome	40 years
Arena	25 years
Sporting venue	40 years
Practice facilities	40 years
Alario Center	40 years
Major components	10-20 years
Furniture, fixtures, and equipment	5-10 years

The District follows the thresholds established by the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy for GASB 87, *Leases*, and GASB 96, *Subscription-Based Information Technology Arrangements*. A threshold of $100,000 is applied against the total contract value in the identification and reporting of leases under GASB 87 and subscription arrangements under GASB 96. The District has recorded right-to-use lease and subscription assets as a result of implementing GASB 87 and GASB 96, respectively. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any payments made prior to the term, less incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use subscription assets are initially measured at an amount equal to the initial measurement of the related subscription liability, plus any payments made at the commencement of the subscription term, less incentives, and plus any capitalized initial implementation costs. The right-to-use assets are amortized on a straight-line basis over the life of the related agreement.

The District is also party to various leases of office space. Those leases contain provisions whereby improvements were paid for by the lessee. These leasehold improvements have not been recorded by the District. Capital improvements to Champions Square are depreciated over the remaining term of the Entertainment District Master Lease Agreement as they are placed into service. The agreement extends through June 30, 2031.

J. REVENUE RECOGNITION

Event rentals, including advance deposits, are recognized as revenue in the period in which the event is held. Annual box suite rentals are recognized in the period earned. Unearned receipts for event rentals and box suite rentals are included in unearned revenue. Revenues from the hotel occupancy tax are recognized in the month such amounts are collected by the hotel proprietors.

K. COMPENSATED ABSENCES

Under the Management Agreement with ASM, all employees engaged in managing and operating the Superdome, Arena, Champions Square, and Shrine on Airline are employees of ASM. ASM provides for compensated absences for its employees. ASM employees can earn 10 to 30 days per year of vacation leave, depending on their length of employment and on certain collective bargaining and union agreements. At the end of any fiscal year, members of the Craft Council and Teamsters Union can carry forward no more than the number of days earned during the fiscal year. Upon termination, a non-union employee is paid for up to 192 hours of accumulated vacation, if applicable. Members of the Craft Council and Teamsters Union are paid for accumulated vacation up to what they have earned during the year. The accumulated net provision by the District for unpaid vacation benefits due employees of ASM as of June 30, 2024, was $217,368.

Non-union, full-time ASM employees earn ten days of sick leave per year and members of the Craft Council earn six days of sick leave per year with no carryforward provision. Members of the Teamsters Union earn six days of sick leave per year which can be accumulated up to a maximum of 192 hours. Accumulated sick leave is not paid upon termination of employment; therefore, no liability has been recognized.

Effective January 1, 2022, ASM has instituted a Self-Managed Vacation Plan for all full-time Exempt level Team Members and the Accrued Vacation Plan for full-time Non-Exempt Team Members. The Self-Managed Vacation Plan entitles team members to take vacation time as needed. Because there is no vacation accrual under the Self-Managed Vacation Plan, there are no leave carry overs or leave payouts at termination. Accrued Vacation Plan employees can earn 10 to 25 days per year of vacation leave depending upon length of employment, can carry forward no more than two times the number of days earned during the fiscal year, and are paid up to 192 hours of accumulated vacation, if applicable, upon termination.

L. DEFERRED INFLOWS OF RESOURCES

Lease-related amounts are recognized at the inception of leases in which the District is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

M. CASH FLOW INFORMATION

For the purpose of the Statement of Cash Flows, the District considers all highly-liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

N. INTERFUND ACTIVITY

Interfund activity is reported as loans or transfers. Loans are reported as interfund receivables and payables as appropriate, and are subject to elimination upon consolidation if within the same fund type. Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. All internal balances are eliminated in the total primary government column. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Receivables or payables between the primary government are reported on separate lines. Funds transferred from governmental funds are no longer restricted for debt service or capital projects and are available for allowable uses of the proprietary funds.

O. USE OF ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions about amounts reported in the financial statements. Actual results could differ from those estimates.

P. ACCOUNTING PRONOUNCEMENTS

During the year, the District implemented the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, which was issued in June 2022 and is effective for fiscal years beginning after June 15, 2023. The primary objectives of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The adoption of this statement did not have an impact on the District’s financial statements.

2. CASH AND CASH EQUIVALENTS

The District maintains cash on hand, cash on deposit with banks in demand deposit accounts, and cash in interest-bearing deposit accounts. The District maintains cash equivalents that consist of money market funds held in escrow by the bond trustee and short-term investment held through the District’s participation in the Louisiana Asset Management Pool, Inc. (LAMP). Cash and cash equivalents are recorded at cost, which approximates market. Cash and cash equivalents consist of the following at June 30, 2024:

	Bank Balance	Book Balance
Primary government:		
Cash on hand		$100,000
Demand deposits	$84,024,973	84,610,441
Money market funds	54,484,022	54,484,022
Short term investment -		
Louisiana Asset Management Pool	8,717,351	8,717,351
Total	$147,226,346	$147,911,814

A reconciliation of cash and cash equivalents to the Statement of Net Position is as follows:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Cash and cash equivalents	$81,315,361	$43,187,637	$124,502,998
Restricted assets	20,192,866	3,215,950	23,408,816
Total	$101,508,227	$46,403,587	$147,911,814

The District's deposits are exposed to custodial credit risk, which is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District's deposit policy for custodial credit risk conforms to state law. Under state law, deposits in banks must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

The District is allowed to invest funds as prescribed and allowed by state law. Generally, the law provides that allowable investments are direct securities of the U.S. Treasury, certificates of deposit of Louisiana-domiciled banks, certain guaranteed investment contracts, and other federally-insured investments (i.e., FNMA, FHLMC, FHLB, PEFCO, and Sallie Mae) and mutual or trust fund institutions registered with the Securities and Exchange Commission under appropriate acts which have underlying investments consisting solely of and limited to securities in the U.S. government or its agencies.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The District's investment policy does not limit the amount of its holdings of securities by counterparties.

At June 30, 2024, a portion of the District's cash equivalents are invested in money market funds held by a counterparty in the name of the District. Money market investments for 2024 consisted of the Goldman Sachs Financial Square Government Fund (Symbol FOAXX), which is rated Aaa-mf by Moody's and AAAm by Standard and Poor's. The fund's holdings consist exclusively of short-term U.S. Treasury bills, notes and other obligations issued or guaranteed by the U.S. Treasury, and repurchase agreements collateralized by such obligations. These investments are not exposed to custodial credit risk or concentration of credit risk.

At June 30, 2024, a portion of the District's cash equivalents are invested in LAMP. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. 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 Louisiana Revised Statute 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The following facts are relevant for investment pools:

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

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, 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 the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

- 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 risk 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 70 days as of June 30, 2024.

- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. 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 net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

As a means of limiting its exposure to fair value losses arising from rising interest rates (interest rate risk), the investment policy prescribed by Louisiana law establishes limits for investments with maturities of 30 days or longer and establishes parameters for interest rates of certain investments. As of June 30, 2024, the District was not exposed to interest rate risk. The type of investments allowed by the investment policy (as detailed above) ensures that the District is not exposed to credit risk, concentration of credit risk, and foreign currency risk.

3. DUE FROM STATE OF LOUISIANA

Amounts due from the state of Louisiana for hotel occupancy tax collections and appropriations totaled $16,506,546 at June 30, 2024.

4. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance June 30, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Capital assets not being depreciated:				
Land	$3,125,336			$3,125,336
Construction-in-progress	8,474,165	$16,736,606	($213,762)	24,997,009
Total capital assets not being depreciated	$11,599,501	$16,736,606	($213,762)	$28,122,345
Capital assets being depreciated:				
Buildings and improvements:				
Outdoor practice facility complex	$6,565,115			$6,565,115
Indoor practice facility	7,659,360			7,659,360
TPC golf facility	8,530,448			8,530,448
Pelicans training facility	10,000,919			10,000,919
Alario Center	19,779,402			19,779,402
Less accumulated depreciation	(20,299,075)	($1,325,565)		(21,624,640)
Total capital assets being depreciated, net	$32,236,169	($1,325,565)	NONE	$30,910,604
Capital assets summary:				
Capital assets not depreciated	$11,599,501	$16,736,606	($213,762)	$28,122,345
Capital assets being depreciated	52,535,244			52,535,244
Total cost of capital assets	64,134,745	16,736,606	(213,762)	80,657,589
Less accumulated depreciation	(20,299,075)	(1,325,565)		(21,624,640)
Capital assets, net	$43,835,670	$15,411,041	($213,762)	$59,032,949

Depreciation expense of $1,325,565 was charged to facility operations in governmental activities for the year ended June 30, 2024.

The New Orleans Saints Practice Facility and the New Orleans Pelicans Training Facility are owned by the District.

Business-Type Activities

	Balance June 30, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Capital assets not being depreciated:				
Land	$16,944,160			$16,944,160
Construction-in-progress	259,828,223	$142,674,761	($9,311)	402,493,673
Total capital assets not being depreciated	$276,772,383	$142,674,761	($9,311)	$419,437,833
Capital assets being depreciated:				
Buildings and improvements	$781,453,592	$1,740,059		$783,193,651
Leasehold improvements	17,629,103	28,111	($345,629)	17,311,585
Furniture, fixtures, and equipment	35,018,080	1,112,921	(12,992,245)	23,138,756
Less accumulated depreciation	(540,126,366)	(23,846,628)	13,272,515	(550,700,479)
Total capital assets being depreciated, net	$293,974,409	($20,965,537)	($65,359)	$272,943,513
Capital assets being amortized:				
Leased building and office space	$37,316,557	$132,580		$37,449,137
IT subscriptions	1,698,624			1,698,624
Less accumulated amortization	(7,775,327)	(4,085,192)		(11,860,519)
Total capital assets being amortized, net	$31,239,854	($3,952,612)	NONE	$27,287,242
Capital assets summary:				
Capital assets not depreciated	$276,772,383	$142,674,761	($9,311)	$419,437,833
Capital assets being depreciated	834,100,775	2,881,091	(13,337,874)	823,643,992
Capital assets being amortized	39,015,181	132,580		39,147,761
Total cost of capital assets	1,149,888,339	145,688,432	(13,347,185)	1,282,229,586
Less accumulated depreciation/amortization	(547,901,693)	(27,931,820)	13,272,515	(562,560,998)
Capital assets, net	$601,986,646	$117,756,612	($74,670)	$719,668,588

Depreciation/amortization expense of $27,931,820 was charged to facility operations in business-type activities for the year ended June 30, 2024.

The District has the use of the land related to the Shrine on Airline and practice facilities for 60 years at no cost, expiring in April 2055.

A component of the 15-year extension of the New Orleans Saints lease agreement with the Superdome through 2025 was the state's approval of $85,000,000 in funding for upgrades and improvements to the facility. These improvements have completely modernized the facility to include an expansion of the Plaza concourse, concession areas, restrooms, and elevators; addition of two ground-level clubs; new electrical, video, and audio systems; widening the ramp to the Gate A entrance; a permanent staircase to Champions Square; expansion of the team retail store; relocation of the press box to the 700 level; an additional 16 suites; and an additional 3,100 seats.

Caesars Superdome Master Plan Project

During 2019, the District undertook a plan to construct, improve, equip, and furnish the facility (the Project). The District secured financing as described in Note 7. For the year ended June 30, 2024, the District had $392,910,134 of construction-in-progress related to the Project. As of June 30, 2024, the District had spent $295,200,365 on Phase 3 of the Master Plan construction contract, with a remaining commitment of $15,849,544.

5. SETTLEMENT PAYABLE

On May 28, 2020, the District entered into a settlement agreement with the city of New Orleans to remit payment for the use of the LaSalle street right-of-way between Poydras street and Girod street for event purposes dating back to January 2011 and through December 2020. The District shall pay a total of $2,350,000 to the city of New Orleans over a five-year period beginning in May 2020. Subsequent payments of $235,000 will be paid by the District on or before June 30th and December 31st beginning December 2020. During the year ended June 30, 2024, the District paid $235,000, and as part of the land swap between the city of New Orleans and the state, as discussed in Note 21, the city of New Orleans forgave the remaining balance on the settlement of $470,000.

6. FINANCE PURCHASE - ENERGY SAVINGS PERFORMANCE CONTRACTS

The District has entered into finance purchase agreements to finance energy savings performance contracts whereby the District will lease from the vendor the necessary equipment for energy conservation measures applied to existing buildings that improve energy efficiency and are life cycle cost effective. The lease contracts qualify as financed purchase agreements for accounting purposes as title transfers at the end of the lease terms. The terms of the initial contract expire in April 2026. A second contract entered into during the year ended June 30, 2017, has a term which expires in January 2027. Each obligation at June 30, 2024, is payable in quarterly installments and has a 4.0% implicit rate of interest.

Under the terms of the contracts, the vendor has guaranteed the amount of energy and cost savings to be realized by the District. In the event the annual energy cost savings plus annual maintenance cost savings, less the annual new maintenance costs achieved during a guarantee year, is less than the energy and cost savings guarantee for the year, the vendor shall pay to the District an amount equal to the difference.

The finance purchase obligations outstanding at June 30, 2024, and changes in the liability for the year then ended are as follows:

Governmental Activities

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
Energy savings performance contracts	$4,604,268		($1,341,541)	$3,262,727	$1,403,540
Total finance purchase liability	$4,604,268		($1,341,541)	$3,262,727	$1,403,540

The annual requirements to amortize the finance purchase obligations outstanding at June 30, 2024 are presented in the following schedule:

	Finance Purchase Liability	
Fiscal Year	Principal	Interest
2025	$1,403,540	$104,478
2026	1,403,555	50,442
2027	455,632	8,307
Total	$3,262,727	$163,227

7. BONDS PAYABLE

The bond issues outstanding at June 30, 2024, and changes in long-term debt for the year then ended are as follows:

Governmental Activities

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
Series 2023A (various interest rates; maturing fiscal year 2054)	$497,735,000			$497,735,000	
Series 2023B (various interest rates; maturing fiscal year 2031)	29,195,000			29,195,000	$2,400,000
Total outstanding principal	526,930,000			526,930,000	2,400,000
Add bond premium	40,446,132		($1,348,204)	39,097,928	1,342,204
Total bonds payable, net	$567,376,132		($1,348,204)	$566,027,928	$3,742,204

On June 27, 2023, the District issued $497,735,000 of Senior Revenue Bonds, Tax-Exempt Series 2023A and $29,195,000 Senior Revenue Bonds, Taxable Series 2023B. The Series 2023A Bonds were issued to refund the District's Senior Revenue Refunding Bonds, Tax-Exempt Series 2013A, Bond Anticipation Note, Series 2019, Bond Anticipation Note, Series 2020, and Bond Anticipation Note, Series 2021; pay costs of constructing, improving, equipping, and furnishing facilities of the District; fund an account in the Reserve Fund; and pay certain costs associated with the issuance of the Series 2023A Bonds. The Series 2023B Bonds were issued to refund the District's Taxable Bond Anticipation Note, Series 2022A; fund an account in the Reserve Fund; and pay certain costs associated with the issuance of the Series 2023B Bonds. The issue of the Series 2023 Bonds increased the total debt service payments over the next 30 years by approximately $278.9 million, and resulted in an economic loss of approximately $13.5 million. The bonds are secured by a pledge of the hotel occupancy tax and excess annual revenues of the District. See Note 9 for additional information on pledged revenues.

All Series 2023A Bonds have an interest rate of 5% with the exception of the bond maturing on July 1, 2053, which has a rate of 5.25%. The Series 2023B Bonds have interest rates ranging from 5.115% to 5.38%.

The Series 2023A Bonds are reported in the 2024 Statement of Net Position, net of unamortized premiums of $39,097,928.

At June 30, 2024, the District had a deferred charge on refunding totaling $9,335,981, which resulted from the refunding of the Series 2013 Bonds. The deferred charge is being amortized over the life of the Series 2013 Bonds through 2036.

The annual requirements to amortize all District bonds outstanding at June 30, 2024 (excluding support fees), are presented in the following schedule:

	Series 2023A		Series 2023B		Total	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2025		$25,288,475	$2,400,000	$1,447,309	$2,400,000	$26,735,784
2026		25,288,475	3,415,000	1,292,251	3,415,000	26,580,726
2027		25,288,475	4,200,000	1,093,394	4,200,000	26,381,869
2028		25,288,475	5,030,000	856,392	5,030,000	26,144,867
2029		25,288,475	5,915,000	574,995	5,915,000	25,863,470
2030-2034	$36,680,000	123,159,125	8,235,000	282,452	44,915,000	123,441,577
2035-2039	76,915,000	108,033,000			76,915,000	108,033,000
2040-2044	98,165,000	86,251,500			98,165,000	86,251,500
2045-2049	125,285,000	58,452,250			125,285,000	58,452,250
2050-2054	160,690,000	21,953,138			160,690,000	21,953,138
Total	$497,735,000	$524,291,388	$29,195,000	$5,546,793	$526,930,000	$529,838,181

Other significant bond features are as follows:

1. The Series 2023A Bonds shall be subject to prepayments and redemption prior to their maturity date at the option of the District, in whole or in part at any time on or after July 1, 2033.

2. The Series 2023A Bonds maturing on or after July 1, 2048, are subject to mandatory sinking fund redemption prior to maturity.

3. The Series 2023B Bonds are not subject to optional redemption.

The Debt Service Fund had assets available of $58,123,819 at June 30, 2024, for payment of the bonds included in governmental activities. Each month, the hotel occupancy tax pays the debt service accounts (a) the interest amount that will be sufficient when accumulated to pay the next installment of interest on the bonds and (b) the principal amount that will be sufficient when accumulated to pay the principal of any of the bonds becoming due and payable.

8. INTERFUND ACTIVITY

A summary of transfers between funds for the year ended June 30, 2024 is as follows:

	Transfers Out				
	Govermental Funds		Enterprise Funds		
	General Fund	Debt Service Fund	Caesars Superdome	Smoothie King Center	Total
Transfers in					
General Funds		$162,312		$7,226,421	$7,388,733
Caesars Superdome	$129,013,659				$129,013,659
Smoothie King Center			$5,962,709		$5,962,709
Champion Square	65,626				$65,626
Shrine of Airline	965,576				$965,576
	$130,044,861	$162,312	$5,962,709	$7,226,421	

A summary of balances due to/from other funds at June 30, 2024 is as follows:

	Due To				
	Govermental Fund	Enterprise Funds			
	General Fund	Smoothie King Center	Caesars Superdome	Shrine on Airline	Total
Due From					
Caesars Superdome	$14,520,853	$3,600,000	$1,032	$36,368	$18,158,253
Smoothie King Center	354,159				$354,159
Champion square		11,000			$11,000
	$14,875,012	$3,611,000	$1,032	$36,368	

9. REVENUE SOURCES AND REQUIRED RESTRICTED ASSETS

The District's bonds are secured by a pledge of all revenues of the District that are not previously dedicated for another use; however, the hotel occupancy tax revenues in the parishes of Orleans and Jefferson are expected to be the primary source of funding. These revenues will cover principal and interest requirements until the bonds are fully paid and discharged in 2054. Total revenue pledged for fiscal year ended June 30, 2024, was $171,128,205. Total principal and interest remaining on the Series 2023A and B bonds was $526,930,000 and $529,838,181, respectively, as of June 30, 2024. For the current year, the District paid interest payments of $13,697,954 on the Series 2023 Bonds. No principal amounts were due on the Series 2023 Bonds as of June 30, 2024.

In accordance with the laws of the state, funds to operate the District are derived from self-generated funds, the 4% hotel occupancy tax (which expires when all bonds are either paid or funded), the lease agreement with the state, the management and operating agreement with the state, and the state's Capital Budget and Capital Outlay Program.

As noted above, the hotel occupancy tax is pledged by the state for the payment of principal and interest on the District's bonds. Of the $56,108,732 of hotel occupancy tax earned for the year ended June 30, 2024, $27,809,773 was used for debt service requirements.

At the end of each fiscal year after the payment and satisfaction of all obligations of the District, and after all expenses of the operation and maintenance of the District, including depreciation, and funding of $2,300,000 to the Renewal and Replacement Reserve Account and $500,000 annually to the Greater New Orleans Sports Foundation, the excess is then distributed, as established or as prorated based on available amounts, to Jefferson Parish for tourism promotion; the City of New Orleans for use by the New Orleans Recreation Department; Xavier University; Southern University - New Orleans for its Small Business Center; Jefferson Parish Westbank Sports and Civic Center; University of New Orleans for the School of Hotel, Restaurant, and Tourism Administration; and the New Orleans Visitors and Information Center. After meeting these requirements, the remaining monies shall be deposited for use as outlined in the 1994 Lease Agreement between the District and the state.

At June 30, 2024, after payment and satisfaction of all obligations of the District and after all operating expenses including depreciation, no excess monies were available for distribution.

The assets restricted for capital outlay are primarily made up of the following accounts:

Renewal and Replacement Reserve Account

This account was established to accumulate monies for major maintenance, repairs, renewals, and replacements that are not annually recurring. Excess unrestricted funds at year-end are to be transferred to this account as required by various acts of the state legislature. The total amount of deposits on reserve was $12,122,781 as of June 30, 2024.

Master Plan Account

The total amount of deposits from the issuance of the Series 2023 Bonds (Note 7) restricted for capital outlay was $7,661,049 as of June 30, 2024.

10. LESSOR LEASES

The District leases building space within the Superdome and Arena to various cell and internet service providers and the Sunbelt Conference, as well as parking spaces, under agreements expiring at varying intervals until fiscal year 2050. Many of the leases contain provisions whereby the annual rentals are to be adjusted by the percentage increase in the Consumer Price Index, which were incorporated into initial measurement using the index rate at the beginning of the lease. Some leases contain provisions whereby annual rentals are to be adjusted for other factors dependent on annual revenues which cannot be determined at this time. The lease receivable which totaled $4,480,258 as of June 30, 2024, is measured as the present value of the future minimum rent payments expected to be received during the lease term at discount rates ranging from 1% to 3%, as determined by the State of Louisiana Office of Statewide Reporting and Accounting Policy. The District is also a party to other leases in which the annual rentals are variable, based on a percentage of the lessees' annual revenues or on gate receipts, or month-to-month, and are, therefore, not included in the below total.

The total amount of inflows of resources related to these leases, including lease revenue, interest revenue, and other lease-related inflows, for the year ended June 30, 2024, was $773,994 for the District.

11. SUBSCRIPTION AGREEMENTS

During the year ended June 30, 2023, the District entered into two new subscription-based software solutions. The term of each agreement is five years. Neither subscription has a stated interest rate; accordingly, the District’s estimated incremental borrowing rate of 2% was used to discount the subscription payments. The total liability balance remaining at June 30, 2024 was $873,721.

The subscription obligations outstanding at June 30, 2024 and changes in the liability for the year then ended are as follows:

Business-Type Activities

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
Subscription agreements	$1,153,615		($279,894)	$873,721	$285,493
Total subscription agreements liability	$1,153,615		($279,894)	$873,721	$285,493

The future minimum subscription obligations and the net present value of these minimum payments as of June 30, 2024 were as follows:

	Business-Type Activities		
Fiscal Year	Principal	Interest	Total
2025	$285,493	$11,924	$297,417
2026	291,202	6,241	297,443
2027	297,026	445	297,471
Total	$873,721	$18,610	$892,331

12. LESSEE LEASES

On September 15, 2009, the District negotiated an agreement to lease the former New Orleans Centre Shopping Mall and parking garage (Entertainment District Master Lease). The District also entered into a Co-development Agreement with the property owners to redevelop the premises as a venue for entertainment. The term of the lease originally extended through June 30, 2026, but was automatically extended to June 30, 2031, once the New Orleans Saints organization exercised its option to extend the Stadium Agreement (Note 16) for an additional five years. Base rent is specified in the agreement as a base amount of $2,000,000 adjusted 2% annually, as well as an additional incremental payment. The lease agreement qualifies as an other than short-term lease under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. Per the agreement, the base rent will be reduced by variable amounts that are calculated annually. As such, these amounts, which totaled $1,515,023 for the year ended June 30, 2024, are recorded as a component of other income. The lease liability is measured at a discount rate of 1%, which was determined by the State of Louisiana Office of Statewide Reporting and Accounting Policy. As a result of the lease, the District has a right-to-use lease asset with a net book value of $26,121,589 at June 30, 2024.

During fiscal year ended June 30, 2024, the District entered into an agreement for parking point-of-sale EMV devices. The lease term began February 1, 2024, and ends January 31, 2028, with payments of $34,200 due annually for the devices. The associated lease liability is measured at a discount rate of 2.13%, which was determined by the State of Louisiana Office of Statewide Reporting and Accounting Policy. As a result of the lease, the District has a right-to-use lease asset with a net book value of $118,770 at June 30, 2024.

The lease obligations outstanding at June 30, 2024, and changes in the liability for the year then ended are as follows:

Business-Type Activities

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
Entertainment District Master Lease	$31,009,721		($3,423,320)	$27,586,401	$3,609,624
Point-of-Sale EMV Devise		$99,253		99,253	32,978
Total lease liability	$31,009,721	$99,253	($3,423,320)	$27,685,654	$3,642,602

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, are as follows:

	Business-Type Activities		
Fiscal Year	Principal	Interest	Total
2025	$3,642,602	$258,224	$3,900,826
2026	3,833,628	220,440	4,054,068
2027	4,030,563	180,705	4,211,268
2028	4,198,446	138,966	4,337,412
2029	4,405,060	95,900	4,500,960
2030-2031	7,575,355	64,313	7,639,668
	$27,685,654	$958,548	$28,644,202

13. PENSION AND PROFIT-SHARING PLANS

On April 1, 1992, the employees of ASM, paid indirectly by the District, became members of ASM's 401(k) plan (the Plan). Employees who are eligible to participate in the 401(k) plan may contribute between 1% and 60% of their eligible compensation for non-highly compensated employees and 5% for highly compensated employees up to the limits established by federal law. ASM will match 40% of the first 5% of eligible compensation contributed by employees. In addition to the matching contribution, ASM may contribute 1% of employees' compensation to the Plan. To be eligible for this 1% contribution, employees must have worked at least 1,000 hours during the plan year, be employed by December 31 of the plan year, and be contributing to the Plan. The vesting schedule is as follows:

Years of Vesting Service	Nonforfeitable Percentage
Less than 1	0%
1 year, but less than 2	33%
2 years, but less than 3	55%
3 years or more	100%

Total pension expense for the Plan was $274,913 for the year ended June 30, 2024. Contributions are also made to pension plans for members of the Teamsters Union in accordance with its collective bargaining agreement. The District does not guarantee the benefits granted by the Teamsters Union plans.

14. MANAGEMENT AND SUPPORT SERVICES AGREEMENTS

Effective July 1, 1977, the state of Louisiana (the State) entered into a management agreement with HMC Management Corporation (which later changed its name to Facility Management of Louisiana, Inc.) (the Management Agreement). Effective June 19, 1998, the Management Agreement was amended to authorize the substitution of SMG (now operating as ASM after the merger of SMG and AEG Facilities effective October 1, 2019) for Facility Management of Louisiana, Inc., as manager under the agreement, and to include the Arena among the properties to be managed under the Management Agreement. Effective July 1, 2003, the Management Agreement was amended and the term of the agreement was extended until June 30, 2012. By the terms of this amendment, the state was required to notify ASM by June 30, 2011, if it elected not to extend the Management Agreement for an additional five years. ASM was not notified by the state and the Management Agreement was further extended for an additional five-year period ending June 30, 2017. On March 12, 2015, the seventh amendment to the Management Agreement extended the term of the agreement for an additional five years, ending June 30, 2022. On June 23, 2022, the eighth amendment to the Management Agreement extended the term of the agreement for an additional five years, ending June 30, 2027.

Pursuant to the amendment to the Management Agreement on July 1, 2003, beginning in the year ended June 30, 2007, compensation paid to ASM for its services at the Superdome and the Arena will consist of a combination of base fee, incentive fee, and bonus fee. The annual “base fee” is $700,000 for the Superdome and $300,000 for the Arena. The “incentive fee” will consist of 10% of the adjusted net income of the Superdome and the Arena, subject to limits established in the agreement. The “bonus fee” will be computed using a percentage of the combined base fees derived from comparing the actual financial performance of the two buildings to budgeted performance. The combined fee paid to ASM (aggregate cap) for the year may not exceed $1,500,000 as adjusted for the Consumer Price Index (CPI), outstanding manager’s capital contributed by ASM, and a fee increment determined by comparing actual fees earned for fiscal years ended June 30, 2004, 2005, and 2006, to those that would have been earned for those years had the revised fee structure been in effect for those years.

Effective July 1, 2017, the base fees for the Superdome and Arena are $210,000 and $90,000, respectively, less than the amount of their respective base fees as of June 30, 2017, increased in proportion to increases in the CPI published for June 2017 over that published for June 2016, provided that no such CPI increase shall exceed 4%. In addition, the aggregate cap shall not exceed an amount that is $300,000 less than the aggregate cap as of June 30, 2017, increased in proportion to increases in the CPI published for June 2017 over that published for June 2016, provided that no such CPI increase shall exceed 4%. The amendment provides that ASM will contribute up to $5,000,000 (manager's capital) to the District upon written request from the state. The manager's capital is a non-interest bearing, non-refundable contribution provided certain terms of the agreement are met in relation to the duration of the Management Agreement. Through June 30, 2021, ASM has contributed $5,000,000 of manager's capital.

Effective July 1, 2018, for each fiscal year, the base fees, the first tier of the incentive fee, and the aggregate cap are increased in proportion to increases in the CPI published for June immediately preceding the start of the applicable fiscal year over that published for the previous June, provided that no such CPI increase shall exceed 2%.

Effective July 1, 2022, the combined base fees for the Superdome and Arena and the aggregate cap are $100,000 less than the respective June 30, 2022 combined base fee and aggregate cap, increased in proportion to increases in the CPI published for June 2022 over that published for June 2021, provided, however, that no such CPI increase shall exceed 2%. In addition, the annual incentive fee only consists of 7.5% of the adjusted net income of the Superdome and the Arena.

Effective October 1, 2008, the District entered into a Support Services Agreement with ASM to provide personnel and resources necessary to perform the administrative, accounting and finance, asset management, public relations, governmental matters, and other support services for other facilities. The services with respect to the other facilities and related matters are outside the current scope of the Management Agreement. These services are performed by ASM on behalf of the District, which retains final authority over the other facilities and approval for services. The other facilities consist of Champions Square adjacent to the Superdome; the Alario Center in Westwego, Louisiana; the Saints Training Facility in Jefferson, Louisiana; the TPC Louisiana Golf Course in Avondale, Louisiana; and The Shrine (also known as the Gold Mine) on Airline, in Metairie, Louisiana. For its services, ASM shall be entitled to receive an annual fee of $150,000. On October 13, 2010, the agreement was amended to reduce the annual fee to $75,000, as adjusted for CPI, to provide for the separation of services related to Champions Square.

15. CONTINGENT LIABILITIES, RISK MANAGEMENT, AND CLAIMS LIABILITY

Losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund operated by the Office of Risk Management, the agency responsible for the state's risk management program, or by the General Fund appropriation. At June 30, 2024, the District is involved in pending and threatened litigation. The District's legal counselors assess the likelihood of material adverse judgments as remote or are unable to express opinions on the probable outcomes of the proceedings.

16. STADIUM AGREEMENT

The New Orleans Saints lease the Superdome under an agreement (Stadium Agreement) dated September 15, 2009, as amended, with the state, the District, ASM, and the New Orleans Louisiana Saints L.L.C. (the Club), a National Football League (NFL) football franchise. The agreement amends and restates the previous lease agreement dated September 30, 1994, as amended. The agreement provides, among other things, certain annual payments in the form of reduced rentals and the assignment of certain revenues attributable, directly or indirectly, to the presence of the Club in the Superdome in exchange for the Club remaining in the Superdome through the end of the 2025 NFL season. On December 6, 2023, the New Orleans Saints organization exercised its option to extend the term of the Stadium Agreement for an additional five years. Accordingly, the term of the Stadium Agreement will end on the thirtieth day following the final home game of the 2030 season.

The assignment of revenues resulted in payments totaling $16,706,361 to the Club for the year ended June 30, 2024.

During the year ended June 30, 2024, the Club received other payments totaling $4,371,046 representing amounts collected by the Louisiana Department of Revenue attributable to the income of nonresident NFL professional athletes.

Beginning with the 2012 fiscal year, should the Club's revenue fall below certain benchmark amounts, the state is required to reimburse the Club an amount to cause the Club's revenue to equal the benchmark. For the year ending June 30, 2012, the state's cap on this reimbursement was $6 million, increased at a rate of 2% annually for each subsequent fiscal year.

The Club's eligible revenues, as defined in the Stadium Agreement, as amended and restated, exceeded the revenue benchmark for the year ended June 30, 2024, thus reducing the obligation to pay additional inducements to the Club. The reduction in additional payment obligations was, in part, a result of the naming rights agreement between the Club and Caesar Entertainment Inc. Granting the Club the ability to sell naming rights sponsorship was considered a key factor in lowering the state's economic exposure to future annual payment obligations. The naming rights revenues are included in the calculation of eligible revenue for each fiscal year under the terms of the Stadium Agreement.

17. ARENA USE AGREEMENTS

On May 2, 2002, the District entered into a use agreement (Original Agreement) with the Hornets NBA Limited Partnership (the Pelicans, formerly the Hornets), a franchise of the National Basketball Association (NBA), under which the Pelicans would relocate to New Orleans and play all home basketball games in the Arena. In January 2008, the Original Agreement was amended to extend the initial terms to June 30, 2014. In June 2012, the Original Agreement was amended and restated in its entirety (Arena Use Agreement) to extend the term and provide for significant improvements to the Arena. The initial term of the Arena Use Agreement extends through June 30, 2024, with an optional five-year extension which must be elected in writing by June 30, 2023. On June 13, 2023, the Original Agreement was amended to extend the initial term to June 30, 2029.

The Arena Use Agreement entitles the Pelicans to all realized revenues from home games including, but not limited to, ticket sales, 40% of gross concession revenues, net revenues from merchandise sales and parking, and various advertising revenues as defined in the agreement.

These annual payment obligations are recorded as operating expenses of the Arena and totaled $5,465,018 during fiscal year 2024. In return, the Pelicans will reimburse the District for 32% of game day expenses for regular season games and 100% for playoff games. It also provides for an annual payment, beginning in 2012, equal to the greater of $300,000 (increased by 2% annually) or one-half of the net revenues from luxury box suite ticket sales for other Arena events. The annual expense totaled $525,133 during fiscal year 2024.

The Pelicans are also entitled to receive an amount equal to the income taxes collected by the Louisiana Department of Revenue attributable to the income of nonresident professional NBA sports franchise personnel. For fiscal year ended June 30, 2024, the Pelicans were paid $2,783,680 from the nonresident players' tax.

Under the Original Agreement, as amended, should the Pelicans' revenue fall below certain benchmark amounts, the District was required to reimburse the Pelicans an amount to cause the Pelicans' revenue to equal the benchmark. Beginning with the 2008 fiscal year, the District's cap on this reimbursement was $6.5 million, increased at a rate of 5% for each subsequent fiscal year. The amounts due to the Pelicans for fiscal years 2012 and 2013 for this revenue benchmark were incorporated into the renegotiation of their use agreement with a portion deferred until the Arena improvements and upgrades are substantially complete. The restated Arena Use Agreement requires the District to pay the Pelicans $2,500,000 with a 2% increase per year, annually, due on July 31 of each year beginning in 2012. This additional annual payment is in consideration of annual financial investments required of the Pelicans to host events in Champions Square, advertise and promote events at the facilities owned by the District, and others as defined in the agreement. The additional annual payment for the revenue benchmark totaled $2,870,174 during the year ended June 30, 2024.

The Arena Use Agreement created the Arena Renewal and Replacement Fund and established quarterly funding requirements beginning in fiscal year 2013.

18. NOLA GOLD AGREEMENT

On February 20, 2021, the District entered into an agreement with the NOLA Gold Rugby Club (NOLA Gold) to hold games at the Shrine on Airline (also referred to as the Gold Mine on Airline). On June 1, 2024, a Sixth Addendum was executed amending the Original Agreement, and the term of the Non-Exclusive Facility Use Agreement was extended through July 31, 2024. Under the terms of the agreement, the baseball field at the Shrine on Airline was reconfigured into a field suitable to host rugby games at the expense of NOLA Gold.

19. COOPERATIVE ENDEAVOR AGREEMENTS

Effective November 25, 2008, the state, The Players Club (TPC), the District, and the Division of Administration (DOA) entered into a purchase agreement and a cooperative endeavor agreement for the state to acquire the TPC's Louisiana golf course property and to transfer from the state and DOA to the District all state and DOA jurisdiction over, and authority for, the oversight and administration of the Tournament Players Club Golf Facility (the Golf Facility) as well as oversight and administration of all funds appropriated, or to be appropriated, by the state related to the supervision, operation, and management of the Golf Facility.

Effective April 20, 2017, the District and Jefferson Parish entered into a cooperative endeavor agreement whereby the District will provide development services to construct a recreational facility in Westwego, Louisiana, for the youth and citizens of Jefferson Parish. The project will be funded through capital outlay funds appropriated by the state of Louisiana to the District and specifically designated for the implementation of the project. Upon completion of the project, an act of transfer and conveyance will be executed, conveying ownership of the project site, land, improvements, and equipment located on or obtained for the project to Jefferson Parish. During the year ended June 30, 2017, the District acquired the land on which the facility will be located and, as of June 30, 2024, the construction of the recreational facility is ongoing.

Effective March 28, 2019, the state, the District, and Jefferson Parish entered into an amended and restated management agreement whereby Jefferson Parish accepts the exclusive rights to manage, operate, market, and administer the Alario Center. The agreement is for an initial five-year term with an automatic five-year extension. Jefferson Parish will fund operating and maintenance costs of the Alario Center for the duration of the agreement.

20. MASTER PLAN AND PROJECT

In April 2019, the District and the Club have entered into an agreement whereby the District and the Club have agreed to split the costs of the architectural design services associated with the Caesars Superdome Master Plan (the Master Plan). Under the terms of the agreement, the District will be responsible for 20% of the total architectural services design expenses, and the Club will be responsible for the remaining 80%. The total cost of the design for the Master Plan was $8,000,000.

The District and the Club agreed to split additional expenses associated with the Master Plan as construction costs are incurred at the District. For the fiscal year ended June 30, 2024, the Club's contribution totaled $50,595,359 which represented 33% of the expenditures for construction incurred during the fiscal year.

21. SUPERDOME ADJACENT LAND

Effective May 8, 2024, the State of Louisiana and the District entered into a cooperative endeavor agreement pertaining to certain property owned by the State for use by the District. The terms of the agreement are for an initial period of 25 years, beginning on March 27, 2024, and ending on March 6, 2049, with the District having the option to renew upon request. The District commits to make improvements that will benefit both the operational efficiency of the District and the state. The state paid the District $2,020,365 as part of the agreement, which is included in unearned revenues as of June 30, 2024.

22. PROJECT DEVELOPMENT AGREEMENT

Effective February 29, 2024, the District and Jefferson Parish executed a Project Development Agreement intended to set forth the terms and condition pursuant to which the District and Jefferson Parish will develop and administer the construction required to convert the Shrine on Airline from its current configuration into a multi-sport complex to accommodate other sports activities. Under the terms of the agreement, the project shall be funded through a combination of sources, with the amount of $15,000,000 being allocated and contributed by Jefferson Parish and an additional $10,000,000 in capital outlay funds or other state funding appropriated to the District for the benefit of the project being allocated and contributed by the District. Upon execution of the agreement, Jefferson Parish contributed $3,500,000 to cover the project-related design and related procurement expenses which is included in unearned revenue as of June 30, 2024.

23. SUBSEQUENT EVENT

Subsequent to year-end, the Seventh, Eighth, Ninth, and Tenth Addendums to the agreement with the NOLA Gold Rugby Club was executed, extending the term of the Non-Exclusive Facility Use Agreement through July 31, 2025.

Effective August 23, 2024, the District's facility manager, ASM Global, was acquired by Legends Hospitality. The acquisition does not impact current agreements between the state, the District, and ASM Global.

OTHER REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Exhibit A

The following pages contain our report on internal control over financial reporting and on compliance with laws, regulations, and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The report is based solely on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses in internal control or compliance and other matters that would be material to the presented financial statements.

LOUISIANA LEGISLATIVE AUDITOR

MICHAEL J. "MIKE" WAGUESPACK, CPA
LOUISIANA LEGISLATIVE AUDITOR

June 26, 2025

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

BOARD OF COMMISSIONERS OF THE
LOUISIANA STADIUM AND EXPOSITION DISTRICT
STATE OF LOUISIANA
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Louisiana Stadium and Exposition District (the District), a component unit of the state of Louisiana, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 26, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified the following deficiency in the District's internal control that we consider to be a material weakness.

Technical Accounting Adjustments

The District did not perform adequate technical reviews over several financial statement accounts, note disclosures, and required supplementary information (RSI), resulting in multiple inconsistencies with applicable accounting standards requiring adjustments, some of which were material, including the following:

- The capital assets note disclosure for business-type activities incorrectly reported deletions of fully depreciated buildings and improvements of $280,699,629; leasehold improvements of $497,927; and furniture, fixtures, and equipment of $6,803,750 that were still in service.

- Amounts due from the State of Louisiana recorded in the General Fund were overstated by $3,105,009, for capital contributions related to State-funded capital projects that were earned by and recorded to the Capital Projects Fund. In addition, the associated payable related to these construction expenditures were recorded as accounts payable and accrued expenses within the Capital Projects Fund, rather than as construction contracts payable within the Capital Projects Fund.

- Master Plan Project construction invoices totaling $12,654,927 were recorded to accounts payable and accrued expenses within the General Fund rather than as construction contracts payable within the fund that incurred the outflow of resources, the Superdome Fund.

- Total lease receivable amounts and deferred inflow amounts for leases within the Superdome Fund were understated by $2,039,403 and $2,000,683, respectively, due to the District's failure to record the effects of a lease modification. This also resulted in understatements of net position and revenues within the Superdome Fund.

- Players' tax payments due to the Saints and Pelicans organizations in the amount of $2,000,000 were misclassified as accounts payable and accrued expenses within the General Fund rather than as sports franchise obligations within the General Fund.

Good internal controls over financial reporting should include adequate procedures to record, process, and compile financial data needed to prepare accurate and complete financial statements. Those internal controls should include an effective review of the financial statements, including the associated note disclosures and RSI, so that errors can be detected and corrected.

While a documented control was in place related to the review and approval of the compiled financial statements, a sufficient review of the compiled statements was not performed due to the volume of event settlements requiring processing, staffing turnover, and limited expertise in governmental accounting and financial reporting.

The District should implement a more thorough and extensive review process of the compiled financial statements, related note disclosures, and RSI, which may necessitate obtaining the necessary expertise and/or providing additional training to those involved with the financial statement compilation process. Management concurred with the finding and provided a corrective action plan (see Appendix A).

Report on Compliance and Other Matters

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

Management of the District Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on management of the District (Management's) response to the finding identified in our audit and described previously. Management's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

KPD:CJH:RR:BQD:aa

LSED2024

APPENDIX A – MANAGEMENT'S RESPONSE

LOUISIANA STADIUM & EXPOSITION DISTRICT

May 23, 2025

Mr. Michael J. Waguespack
Louisiana Legislative Auditor
1600 N 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

The Louisiana Stadium and Exposition District ("LSED"), ASM Global ("ASM") and LaPorte, APAC ("LaPorte") have carefully and thoroughly reviewed the Louisiana Legislative Auditor's audit finding letter dated May 12, 2025 ("Audit Finding") with respect to the Legislative Audit of the LSED and concur with the assessment of "Technical Accounting Adjustments." Consistent with the results of prior year LSED audits, the LSED agrees with your unmodified opinion indicating that our financial records are accurately and fairly stated.

After consultation with LaPorte and representatives of ASM Global, the contractually engaged Manager that provides management services and administers the accounting services with respect to the LSED facilities, the LSED makes the following general observations regarding the Audit Finding:

- The impact to total net position on the LSED Statement of Financial Position associated with the audit adjustments identified in the Audit Finding totals $38,720. The LSED Statement of Financial Position net position is $248,141,760.
- The majority of the audit adjustments identified in the finding relate to interpretations of GASB standards and, it is the belief of the LSED, LaPorte and ASM that these interpretations include an element of judgment. The LSED concurs with these audit adjustments but notes the majority of the audit adjustments identified in the finding were reclassification adjustments that were recorded for the proper amounts.

The LSED acknowledges that there were audit adjustments proposed and deemed material by the Legislative Auditor associated with the Audit Finding and notes that some of these audit adjustments exceeded materiality thresholds due to the scale of the capital projects that the LSED has undertaken for the benefit of the State of Louisiana, including the multi-year $555 million Caesars Superdome renovation that is still ongoing.

The LSED has accepted the audit adjustments associated with the Audit Finding and with respect to each separate item listed within the Audit Finding, the LSED responds as follows:

- **Item #1** – *"The capital assets note disclosure for business-type activities incorrectly reported deletions of fully depreciated buildings and improvements of $280,699,629; leasehold*

Louisiana Stadium and Exposition District
Robert A. Vosbein, Jr., Chairman
Daniel "Becket" Becnel Matthew Bowers John Condos
Tommy S. Cvitanovich Hilary H. Landry Cedric Richmond
1500 Girod Street New Orleans, LA 70112 504.587.3913 504.587.3517 (fax)

improvements of $497,927; and furniture, fixtures and equipment of $6,803,750 that were still in service."

LSED Response: The LSED, LaPorte and ASM agree with the foregoing statement and further note that this audit adjustment had no impact on the LSED Statement of Financial Position. The LSED, LaPorte and ASM acknowledge that the accepted audit adjustment did impact the gross amounts included in the presentation of 'Note 4 – Capital Assets' to the LSED financial statements.

- **Item #2** – *"Amounts due from the State of Louisiana recorded in the General Fund were overstated by $3,105,009, for capital contributions related to State-funding capital projects that were earned by and recorded to Capital Projects Fund. In addition, the associated payable related to these construction expenditures were recorded as accounts payable and accrued expenses within the Capital Projects Fund, rather than as construction contracts payable within the Capital Projects Fund."*

  LSED Response: The LSED, LaPorte and ASM acknowledge the foregoing statement and further note that this entry had no impact on either the LSED fund balance or net position in the LSED financial statements. The amount due from the State of Louisiana, $3.1 million, and the related interfund payable to the Capital Projects Fund were recorded in the LSED General Fund, where the cash would be received. The audit adjustment resulted in the movement of the receivable to the Capital Projects Fund.

- **Item #3** – "*Master Plan Project construction invoices totaling $12,654,927 were recorded to accounts payable and accrued expenses within the General Fund rather than as construction contracts payable within the fund that incurred the outflow of resources, the Superdome Fund."*

  LSED Response: The LSED, LaPorte and ASM acknowledge the foregoing statement and further note that this entry had no impact on either the LSED fund balance or net position in the LSED financial statements. The recordation of the $12,654,927 Superdome Master Plan construction invoices was made within the LSED General Fund which had the available cash to pay the obligation. The audit adjustment transfers this amount from the LSED General Fund to the Superdome Fund.

- **Item #4** – "*Total lease receivable amounts and deferred inflow amounts for leases within the Superdome Fund were understated by $2,039,403 and $2,000,683, respectively, due to the District's failure to record the effects of a lease modification. This also resulted in understatements of net position and revenues within the Superdome Fund."*

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LSED Response: The LSED, LaPorte and ASM acknowledge the foregoing statement and have accepted the audit adjustment that resulted from the recordation of additional future years of lease commitment due to a modification of an existing lease. This audit adjustment had a net impact of $38,720 on the LSED's net position in the LSED Statement of Financial Position.

- **Item #5** – *"Players' tax payments due to the Saints and Pelicans organizations in the amount of $2,000,000 were misclassified as accounts payable and accrued expenses within the General Fund rather than as sports franchise obligations within the General Fund."*
  LSED Response: The LSED, LaPorte and ASM acknowledge the foregoing statement and further note that the Legislative Auditor's interpretation with respect to the GASB standards, particularly GASB 38, is that this amount should have been segregated. The standard that was noted by the Legislative Auditor for this entry does not specifically define a "significant" payable which could therefore leave this subject to differing interpretations. The LSED notes that GASB 38, as amended, does not specifically define "significant" when discussing the need to "… provide details in the notes to the financial statements when significant components have been obscured by aggregation." While "significant" is not defined in GASB standards, the LSED has accepted the audit adjustment, which reclassifies this payable to the specific line item" Sports Franchise Obligation Payable".

The LSED believes that the existing financial controls are sound, with consistent processes and procedures over financial reporting. ASM, its Manager, prepares the LSED financial statements and on an annual basis, provides the LSED and the Legislative Auditor with financial statements as compiled by LaPorte in accordance with generally accepted accounting principles. These processes have been in place consistently throughout each of the LSED's fiscal years, including this past fiscal year.

While the overall internal control environment remains effective, the LSED and ASM will endeavor to continually improve review procedures associated with the accounts that were specifically subject to the Audit Finding and audit adjustment. The LSED is committed to strong financial reporting and values the opportunity to further strengthen its processes and, as such, the LSED and its Manager, ASM commit to the following actions:

1. A subject matter expert (SME) in accounting with experience in GASB standards and requirements will be hired to provide additional oversight on technical accounting matters and procedures.
2. A comprehensive review of fully depreciated assets will be performed to ensure the accuracy of the reporting with respect to disposed assets in coordination with the transfer of current Superdome Construction-in-Progress assets to Building Improvements, as the LSED has reached substantial completion of the Superdome Master Plan renovation, in partnership with our independent auditors as applicable.

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Daniel "Becket" Becnel   Matthew Bowers   John Condos
Tommy S. Cvitanovich   Hilary H. Landry   Cedric Richmond
1500 Girod Street New Orleans, LA 70112   504.587.3913   504.587.3517 (fax)

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3. Ongoing education will be provided to ASM accounting staff that will be focused on specific generally accepted accounting principles related to GASB and applicable to governmental agencies.
4. A system of additional processes and procedures will be implemented by ASM to centralize the collection of executed contracts for identification of matters relevant to reporting/disclosure in the financial statements.

Daniel Burke, Director of Finance and Business Operations, is responsible for overseeing these actions. Item Nos. 3 and 4 above will be implemented by July 31, 2025. The SME projected onboarding date is August 31, 2025. Item No. 2 above will be finalized prior to the submission of the LSED's FY25 financial compilation.

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1500 Girod Street New Orleans, LA 70112 504.587.3913 504.587.3517 (fax)

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