

# **LOUISIANA STADIUM AND EXPOSITION DISTRICT MANAGEMENT FEE COMPUTATION SCHEDULES**

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Issued June 11, 2026**

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May 27, 2026

Independent Auditor's Report

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

***Opinion***

We have audited the accompanying schedules of management fee computations of the Louisiana Stadium and Exposition District (District) under the provisions of Article 4.1 of the Management Agreement between the state of Louisiana and Legends Global (formerly ASM Global), dated June 13, 1977, as amended, for the years ended June 30, 2025, and June 30, 2024, and the related note.

In our opinion, the accompanying schedules referred to above present fairly, in all material respects, the management fee computation of the District for the years ended June 30, 2025, and June 30, 2024, as defined in the Management Agreement referred to in the first paragraph.

***Basis for Opinion***

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 Schedules 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 opinion.

***Emphasis of Matter—Basis of Accounting***

We draw attention to the Note to the schedule, which describes the basis of accounting. The schedules are prepared by the District on the basis of the financial reporting provisions of Section 5.1, as amended, of the Management Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the

contract referred to above. As a result, the schedules may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Schedules***

Management is responsible for the preparation and fair presentation of the schedules in accordance with Article V, Section 5.1 of the Management Agreement between the state of Louisiana and Legends Global, dated June 13, 1977, as amended, which governs the contents of the schedules referred to in the first paragraph. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Schedules***

Our objectives are to obtain reasonable assurance about whether the schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 schedules.

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 schedules, 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 schedules.
- 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 schedules.

- 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.

### **Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Louisiana Stadium and Exposition District as of and for the year ended June 30, 2025, and our report thereon, dated May 27, 2026, expressed an unmodified opinion on those financial statements. In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2026, on our consideration of the Louisiana Stadium and Exposition 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.

### **Restriction on Use**

This report is intended solely for the information and use of the Board of Commissioners and management of Legends Global, and is not intended to be, and should not be, used by anyone other than these specified parties. 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

MT:CJH:RR:BQD:ch

LSED MFCS 2025



**LOUISIANA STADIUM AND EXPOSITION DISTRICT  
STATE OF LOUISIANA**

**Schedules of Management Fee Computation  
For the Years Ended June 30, 2025 and June 30, 2024**

	<u>2025</u>	<u>2024</u>
BASE FEE:		
Base Fee per Section 5.1.a.1 of the Amended Agreement	\$612,816	\$600,800
Adjustment for increase in consumer price index per Section 5.1.a.1 of the Amended Agreement	12,256	12,016
	<u>\$625,072</u>	<u>\$612,816</u>
ADJUSTED BASE MANAGEMENT FEE		
INCENTIVE FEE:		
Adjusted Net Income, as defined by the Management Agreement	72,915,550	52,533,839
Adjustments required per Management Agreement:		
Revenue adjustment for Saints event revenue	(13,562,968)	(11,384,699)
Revenue adjustment for Saints suite revenue	(9,461,380)	(8,146,355)
Revenue adjustment for Pelicans event revenue	<u>(6,835,309)</u>	<u>(9,912,710)</u>
Net Income as adjusted per Management Agreement	43,055,893	23,090,075
INCENTIVE FEE - 7.5% of Adjusted Net Income per Eighth Amendment Section 5.1.a.2	<u>3,229,192</u>	<u>1,731,756</u>
TOTAL MANAGEMENT FEE COMPUTATION, BEFORE CAP	<u>\$3,854,264</u>	<u>\$2,344,572</u>

(Continued)

The accompanying note is an integral part of this schedule.

**LOUISIANA STADIUM AND EXPOSITION DISTRICT  
STATE OF LOUISIANA  
Schedules of Management Fee Computation  
For the Years Ended June 30, 2025 and June 30, 2024**

	<u>2025</u>	<u>2024</u>
MANAGEMENT FEE CAP CALCULATION:		
Management Fee Cap per Section 5.1.b of the Amended Agreement	\$1,344,909	\$1,318,537
Adjustment for increase in consumer price index per Section 5.1.b of the Amended Agreement	<u>26,898</u>	<u>26,372</u>
ADJUSTED MANAGEMENT FEE CAP	1,371,807	1,344,909
Lesser of Computed Management Fee or Management Fee Cap	<u>\$1,371,807</u>	<u>\$1,344,909</u>
MANAGEMENT FEE - Legends Global	<u>\$1,371,807</u>	<u>\$1,344,909</u>

(Concluded)

The accompanying note is an integral part of this schedule.

## NOTE TO THE SCHEDULES OF MANAGEMENT FEE COMPUTATION

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### **Amended Management Agreement**

Effective July 1, 1977, the state of Louisiana entered into a management agreement with HMC Management Corporation (which later changed its name to Facility Management of Louisiana, Inc.) (the Management Agreement) to manage the Louisiana Superdome. Effective June 19, 1998, the Management Agreement was amended to authorize the substitution of SMG Corporation for Facility Management of Louisiana, Inc., as manager under the agreement and to include the Smoothie King Center 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 SMG by June 30, 2011, if it elected not to extend the Management Agreement for an additional five years. SMG 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. Effective October 1, 2019, SMG merged with AEG Facilities into ASM Global. Effective July 1, 2022, the eighth amendment to the Management Agreement extended the term of the agreement for an additional five years, ending June 30, 2027. ASM Global was acquired by Legends on August 23, 2024, and the new, merged company was officially named Legends Global.

Effective July 1, 2022, the eighth amendment to the Management Agreement replaced the entirety of seventh amendment Section 5.1. Pursuant to the eighth amendment, the formula for compensation to Legends Global for its services includes a combination of a base fee and incentive fee, subject to an aggregate cap per the terms of the Management Agreement. The combined annual Caesars Superdome Base Fee and Smoothie King Center Base Fee (Section 5.1.a.1) was \$100,000 less than the amount of the combined base fee as of June 30, 2022, increased in proportion to increases in the Consumer Price Index (Section 5.1.c). The Incentive Fee, as provided by Section 5.1.a.2 was defined as 7.5% of adjusted net income as defined by the Management Agreement for the Superdome and the Arena, subject to limits established in the agreement. The combined fee may not exceed the amount that is \$100,000 less than the Aggregate Cap as of June 30, 2022, as adjusted for the Consumer Price Index (Section 5.1.c).

The adjustments are to be done annually in proportion to increases in the Consumer Price Index published for June immediately preceding the start of the applicable fiscal year over that published for the previous June, provided that no such increase in such amounts from one fiscal year to the next shall exceed 2%. For the years ended June 30, 2025, and June 30, 2024, the total management fee was \$1,371,807 and \$1,344,909, respectively.