



November 15, 2022

A meeting of the Audubon Nature Institute Board was held on Tuesday, November 15, at 8:30 am in the Presidents' Room at Audubon Zoo, 1st Vice Chairman Dennis Lauscha presiding.

In attendance: Dennis Lauscha, Ludovico Feoli, Wil Jacobs, Poco Sloss, Chris Bardell, Linda Baum, Beau Box, Caroline Calhoun, John Davies, Megan Eustis, Dr. Jim Ewers, Peter Moss, Caryn Rodgers-Battiste, Sandy Villere, Tommy Westfeldt

Excused: Willard Dumas, Bernard Van der Linden, Anne Long, Julie Quinn, Vincent Palumbo, Leah Brown, Susu Stall, Edgar Chase, Bart Farris, Angus Cooper, Joe Jaeger, Beth Lambert, Rick Buchsbaum, Leslie Gottsegen, Hunter Cazes, John Nickens, John Payne

After Mr. Lauscha called the meeting to order, the minutes of the previous meeting were unanimously accepted as distributed (Sloss/Ewers).

Mr. Lauscha then moved on to official business, welcoming Dr. Kyle Burks, Executive Vice President and COO, to present motion 1 below related to executing a contract(s) outsourcing catering, concessions, and/or retail services. Dr. Burks gave some background and explained the RFP and selection committee process. Audubon has the option of choosing one or more firms, or none at all. The initial contract period is 10 years and includes capital improvements and installation of equipment by selected firms.

- 1. Motion to authorize the President and CEO of the Audubon Nature Institute to execute a contract for Outsourcing Concessions, Catering and/or Retail Services after the Selection Committee reviews proposals and makes a recommendation for award to one or more firms as warranted. Fees due to Audubon will be based on a revenue share basis. This will not be a capital lease for building space but will include the installation of equipment as well as capital improvements to the spaces, with said capital improvements becoming the property of the Audubon Commission.*

After a robust discussion, it was decided unanimously (Bardell/Jacobs) that this would come back to the board for final approval in January once the selection committee had made a decision. Motion did not pass as presented.

Ms. Laurie Conkerton, Executive Vice President and CAO, was introduced to present the two motions below related to Audubon's benefit and investment charters, and the 403(b) plan. Background and explanation of each was given. Both are recommendations of the benefit and investment committees as well as consulting attorney. Full resolutions were shared ahead of the meeting and are attached to these minutes.

2. *Motion to amend the benefit and investment charters to remove provisions where individual employees were named. The new charters list membership by title only, eliminating the need to amend the charters every time there is turnover (Moss/Ewers/Unanimous).*
3. *Motion to move the 403(b) plan to a safe harbor plan (Jacobs/Ewers/Unanimous).*

Ms. Conkerton then presented the draft 2023 budgets. Both budgets were recommended for full board approval by the Executive and Finance committees back in October.

She began by reminding the group of where Audubon is in the recovery plan. The city still is not back to pre-covid tourism levels and is not expected to be until at least 2024. With the Aquarium being closed for almost half of 2023, there is a conservatively projected loss of \$3.5M.

Audubon Nature Institute Proposed 2023 Operating Budget FINANCIAL DASHBOARD (AMOUNTS IN THOUSANDS)						
NET OPERATING RESULTS BY FACILITY:						
FACILITY	BUDGET 2023	BUDGET 2022	VARIANCE 2023 Budget To 2022 Budget	FORECAST 2022	ACTUAL 2021	ACTUAL 2019
Aquarium, Butterfly Garden & Insectarium	\$1,791	\$2,215	(424)	\$2,271	5,679	8,016
Zoo & Park	(\$4,087)	(\$3,648)	(439)	(\$3,953)	(1,005)	(6,726)
FMASSC	(\$1,010)	(\$651)	(359)	(\$648)	(314)	(594)
Louisiana Nature Center	(\$189)	(\$112)	(77)	(\$104)	(69)	(335)
NET OPERATING RESULTS	(\$3,495)	(\$2,196)	(\$1,299)	(\$2,434)	\$4,291	\$361

****Excludes capital revenues and expenses.

AUDUBON NATURE INSTITUTE DEVELOPMENT AND PUBLIC AFFAIRS	BUDGET 2023	BUDGET 2022	VARIANCE 2023 Budget To 2022 Budget	FORECAST 2022	ACTUAL 2021	ACTUAL 2019
NET RESULTS	(\$662)	(\$579)	(\$83)	(\$374)	\$9,382	(\$131)

Mr. Ron Forman, President and CEO, assured everyone that Audubon is in a good financial position. Audubon is not currently into their lines of credit and has endowment funds available to cover any losses for the year.

Next, Ms. Conkerton went over the Development and Public Affairs budget and updated capital projects budget.

**2022-26 Capital Plan
Audubon Facilities**

Sources of Funds	2023	Total
2020 Bond Proceeds	\$0.000	\$3.624
2021 Bond Proceeds	\$7.614	\$40.393
State Capital Outlay	\$4.500	\$19.000
City Capital Outlay	\$5.000	\$19.240
Federal HUD CDBG Community Project	\$1.000	\$3.000
Federal NOAA Community Project	\$0.450	\$0.450
Federal EDA Tourism Grant	\$5.000	\$5.000
Gov Nicholls/Esplanade Wharf Park Escrow	\$0.650	\$14.654
Private Donations	\$0.610	\$3.976
2021 Cash Reserve	\$0.000	\$0.735
Future Operating Reserve/Capital Campaign	\$0.000	\$6.000
Total Sources of Funding for Capital	\$24.825	\$116.073
Uses of Funds		
Major Construction of \$250K+ (in Millions)	\$22.721	\$104.182
Mid-Level Construction (\$50K - \$249k)	\$1.250	\$9.347
Larger Repair/Maintenance (\$10K - \$49K)	\$0.000	\$0.551
Capital Equipment (\$10K+)	\$0.450	\$1.185
Capital Projects Staff	\$0.404	\$0.808
Total Uses of Funding for Capital	\$24.825	\$116.073

Amounts are in Millions

After some discussion, the board unanimously approved the 2023 Audubon Facilities Operating Budget (Including Development and Public Affairs (Executive/Finance Committees/Box)).

The board then unanimously approved the updated capital projects budget (Executive/Finance Committees/Ewers).

The September year-to-date financial dashboard below was shared with the group ahead of the meeting. Ms. Conkerton stated that the team is watching expenses closely as 2022 comes to an end.

Audubon Nature Institute							
SEPTEMBER YTD 2022 FINANCIAL DASHBOARD							
<i>(AMOUNTS IN THOUSANDS)</i>							
NET OPERATING RESULTS BY FACILITY	YTD	YTD	BUDGET	YTD	PRIOR YEAR	TOTAL	TOTAL
	ACTUAL	BUDGET	VARIANCE	ACTUAL	VARIANCE	FORECAST	BUDGET
	2022	2022		2021		2022	2022
Aquarium	\$3,906	\$3,604	302	\$6,492	(2,586)	2,517	2,215
Zoo & Park	(\$2,127)	(\$1,768)	(359)	\$180	(2,307)	(4,007)	(3,648)
Butterfly Garden & Insectarium	\$0	\$0	0	(\$13)	13	-	-
FMASSC	(\$318)	(\$331)	13	(\$428)	110	(639)	(651)
Louisiana Nature Center	(\$40)	(\$47)	7	\$8	(48)	(105)	(112)
NET OPERATING RESULTS	\$1,421	\$1,458	(\$37)	\$6,239	(\$4,818)	(\$2,234)	(\$2,196)
Excludes capital revenues and expenses.							

Ms. Toni Mobley, Executive Vice President and Chief Service and Inclusion Officer, was then introduced to give an update on Service Initiatives. She started her report with some updated Community Connect numbers for the year. Through this program, the Aquarium has welcomed over 27K guests, and the Zoo has welcomed over 45K. Next, she shared some of the recent community engagement activities. These included November being military appreciation month, the UNCF Walk for Education, Stake Out for Justice Luncheon, and a partnership with NOCCA that offers animal enrichment. She played a wonderful video of NOCCA students playing music for the orangutans at the Zoo. Video can be found here: <HTTPS://WWW.YOUTUBE.COM/WATCH?V=CNW-DXZ2FZI>.

Finally, she updated the group on DEAI (Diversity, Equity, Access, and Inclusion) milestones. Audubon is at 30.5% supplier diversity spending, exceeding its goal of 20% for 2022. Audubon has also conducted business with 29 new diverse suppliers for 2022, exceeding its goal of 15 for the year. Lastly, she explained Audubon's efforts to increase accessibility and recruitment for employees with disabilities.

Dr. Kyle Burks, Executive Vice President and COO, gave some updates on Audubon facilities and mission-based programs. He began by sharing that the Aquarium renovations are going great. The facility will be closing at the end of November and reopening when construction is complete in mid-2023. Out at the Species Survival Center on the west bank, there are two new giraffe calves, and the okapi calf is doing well. Audubon now houses 7 of the 80 okapi in the US. At the Zoo, the three new black bear cubs are doing great. They will be celebrated during Swamp Fete in early December. The Education department is coming back strong and now offering holiday camps at the Zoo. The most recent dolphin rescue attempt was not successful. But the team was able to assess that the dolphins were healthy and there was plenty of food in the area for them to survive. The team will attempt again in January. Finally, avian flu has made its way to Louisiana. Birds are currently off exhibit. However, when the new tropical bird house exhibit is complete, it will be able to open to the public.

At the conclusion of the President's Report, and there being no further business, Mr. Lauscha adjourned the meeting shortly after 9:30.

**WRITTEN MOTION OF THE BOARD OF DIRECTORS OF
AUDUBON NATURE INSTITUTE, INC.**

At a duly called meeting of the Board of Directors of Audubon Nature Institute, Inc. (the “**Institute**”), _____ Peter Moss _____ made the following motion:

WHEREAS, the Board of Directors of the Institute (the “**Board**”) hereby recognizes that the Institute as the Employer maintains the Section 403(b) Retirement Plan for Audubon Institute Inc. (the “**Plan**”) and is the Plan Sponsor of the Plan.

WHEREAS, on January 1, 2019, the Board adopted the Benefits Committee Charter for the Plan which continues to (i) serve as the formal designation in which the Board created the Benefits Committee, (ii) designate the Benefits Committee as the Plan Administrator, (iii) designate the Benefits Committee as the named fiduciary of the Plan for purposes of Section 402(a) of ERISA, and (iv) set forth the rules, responsibilities and duties of the Benefits Committee.

WHEREAS, on January 1, 2019, the Board adopted the Investment Committee Charter for the Plan which continues to (i) serve as the formal designation in which the Board created the Investment Committee, (ii) designate the Investment Committee as the “named fiduciary” pursuant to ERISA with respect to Plan investments, and (iii) set forth the rules, responsibilities and duties of the Investment Committee.

WHEREAS, it is within the power and authority of the Board to amend the Benefits Committee Charter and Investment Committee Charter at any time.

WHEREAS, the Benefits Committee and Investment Committee, pursuant to the above mentioned Charters, are comprised of certain members appointed by the Board.

WHEREAS, the Board desires to amend the Benefits Committee Charter and Investment Committee Charter related to certain technical corrections and clarification.

WHEREAS, the Board desires to amend the Benefits Committee Charter and Investment Committee Charter to remove and appoint certain members of the Benefits Committee and Investment Committee.

NOW THEREFORE, BE IT HEREBY RESOLVED, that the Board hereby amends the Benefits Committee Charter and Investment Committee Charter and adopts the attached amended Benefits Committee Charter and amended Investment Committee Charter.

FURTHER RESOLVED, that the officers of the Institute, any of them acting alone, be and each of them is hereby authorized, empowered and directed to sign, execute, and deliver any other documents necessary, related or desired in connection with the carrying out of the actions hereinabove authorized with respect to the Plan, and such officers are hereby authorized to do such other acts and things as they deem necessary or desirable in connection with such matters.

FURTHER RESOLVED, that actions taken to date in connection with matters hereinabove authorized, by and on behalf of the Institute and in the interest of the Institute, are hereby expressly ratified, adopted and approved.

Dr. Jim Ewers _____ seconded the above Motion. After discussion, the Motion was passed.

The Secretary of the Institute shall file this motion within the Institute's Minute Books.

**WRITTEN MOTION OF THE BOARD OF DIRECTORS OF
AUDUBON NATURE INSTITUTE, INC.**

At a duly called meeting of the Board of Directors of Audubon Nature Institute, Inc. (the “**Institute**”),
Wil Jacobs made the following motion:

WHEREAS, the Board of Directors of the Institute (the “**Board**”) hereby recognizes that the Institute as the Employer maintains the Section 403(b) Retirement Plan for Audubon Institute Inc. (the “**Plan**”) in the form of the Metropolitan Life Insurance Company 403(b) Volume Submitter Plan, most recently amended and restated effective as of January 1, 2010:

WHEREAS, the Board of Directors possesses the authority to amend such Plan, from time to time, and this Board now desires to amend the Plan, on the recommendation of the Benefits Committee, to provide for a safe harbor arrangement within the meaning of Section 401(k)(12) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and Section 9.02 of the Plan permits such amendment;

NOW, THEREFORE, BE IT RESOLVED, that effective as of the plan year commencing January 1, 2023, the Plan shall be designated as a “safe harbor plan” within the meaning of Code Section 401(k)(12) and, in connection therewith, the Plan shall be amended to provide (i) that all accounts maintained thereunder shall be fully vested and nonforfeitable with respect to each participant who is credited with an hour of service on or after such date, and (ii) that in lieu of the matching contribution described therein, the Company shall match each eligible participant’s voluntary deferrals in the amount prescribed under Code Section 401(k)(12)(B).

FURTHER RESOLVED, that the officers of the Institute, any of them acting alone, be and each of them is hereby authorized, empowered and directed to sign, execute, and deliver any other documents necessary, related or desired in connection with the carrying out of the actions hereinabove authorized with respect to the Plan, and such officers are hereby authorized to do such other acts and things as they deem necessary or desirable in connection with such matters.

FURTHER RESOLVED, that actions taken to date in connection with matters hereinabove authorized, by and on behalf of the Institute and in the interest of the Institute, are hereby expressly ratified, adopted and approved.

Dr. Jim Ewers seconded the above Motion. After discussion, the Motion was passed.

The Secretary of the Institute shall file this motion within the Institute’s Minute Books.