



Audubon Nature Institute
Celebrating the Wonders of Nature

November 17, 2020

The annual meeting of the Audubon Nature Institute Board was held on Tuesday, November 17, at 12:00 PM by video conference, Chairman Poco Sloss presiding.

In attendance: Poco Sloss, Chris Bardell, Tommy Westfeldt, Ludovico Feoli, Hunter Cazes, Mark Romig, Nolan Marshall, Bernard Van der Linden, Anne Long, Bart Farris, Peter Moss, Qi Wiggins, Joe Jaeger, Wil Jacobs, Leah Brown, Steve Kupperman, Dennis Lauscha, Beau Box, John Payne, Edgar Chase, Linda Baum

Excused: Julie Quinn, Nathalie Simon, Vincent Palumbo, John Nickens, Henry Coaxum, Willard Dumas, Caroline Calhoun, Leslie Gottsegen, Steve Perry, Quentin Messer, Susu Stall

Mr. Sloss began the meeting by welcoming the new board members, John Payne, Beau Box, Edgar Chase, and Linda Baum.

The minutes of the September 2020 annual meeting were unanimously accepted as distributed (Moss/Westfeldt).

Ms. Laurie Conkerton, EVP and CAO, was then introduced to give a presentation of the proposed 2021 operating budget.

2021 BUDGET (AMOUNTS IN THOUSANDS) PROPOSED				
NET OPERATING RESULTS BY FACILITY:				
FACILITY	BUDGET 2021	BUDGET 2020	BUDGET VARIANCE	ACTUAL 2019
Aquarium	334	7,492	<i>(7,158)</i>	7,493
Zoo & Park	(3,535)	(6,344)	<i>2,809</i>	(6,726)
Butterfly Garden & Insectarium	0	368	<i>(368)</i>	523
FMASSC	(599)	(615)	<i>16</i>	(594)
Louisiana Nature Center	0	(551)	<i>551</i>	(335)
TOTAL	(\$3,800)	\$350	<i>(\$4,150)</i>	\$361
Excludes capital revenues and expenses.				

During the presentation, Ms. Conkerton explained that a hybrid version of zero-based budgeting was used. Back in April, the budget was cut by over 50%. That got us down to the most essential expenses. Current operating trends to be considered were smaller footprint, 5-days/week operations, capacity limitations for facilities and private events, no groups or field trips. We made the decision to keep Community Connect and Taylor programs active.

Another goal for the future is build back better using purpose-driven budgeting. A more detailed presentation on Audubon's purpose will be presented at a later meeting but budget planning incorporated principles developed through the purpose design process. Living wage implementation was also taken into consideration, with \$375k included in the salary budget to ensure all positions pay a living wage for Orleans Parish (Audubon currently exceeds State and Federal minimum wage standards). Diversity and inclusion initiatives are also a top priority for 2021. Staff was asked to rethink everything when putting together their team's budgets. The Aquarium/BGI construction project was also a consideration when developing the budget.

Guiding principles for 2021 include Louisiana being in phase III until a vaccine is widely available, having a conservative baseline budget with target dates for revisions, flexibility, and managing financing options for long-term viability.

Audubon Nature Institute's 2021 budget revenue is based on 71% being from earned revenue generated by operations. The other 29% is from non-operating revenue such as fundraising, endowment distribution and millage. This budget relies more heavily on the non-operating revenue than in years past. Using only Aquarium and Zoo, attendance is conservatively projected to be 45% lower in 2021 than in 2019, with 53% of the 2021 budgeted revenue coming from attendance-related activities.

Admissions revenue from only the Aquarium and Zoo is projected to be down 45% from 2019. Admissions and membership pricing will not change for 2021. If timed-ticketing ends, combo tickets can be added. If groups are allowed there will be discounts for bulk tickets. Budgeted total net loss for 2021 is \$3.8M, with earned revenue down 52%, non-salary expenses down 33% and salaries down 39% from 2019. Ms. Conkerton then explained that Audubon usually operates on only 5 months (March through July) of positive net. 2021 will continue to track that trend line. Ms. Conkerton then briefly mentioned expected capital assets for upcoming projects. After Board and Commission approval, the budget will be submitted to the Mayor and City Council by December 1. Budget will then be rolled out to staff in December.

After some brief discussion, Mr. Sloss asked for a motion to approve the Audubon 2021 operating budget as presented. Budget was unanimously approved (Romig/Baum).

Mr. Forman, President and CEO, then gave the President's report. He started off by thanking everyone on the board and Audubon staff for all their work and leadership. He then reminded everyone that health and safety are still the number one priority. As tough as the year has been, he is still optimistic about the future of the organization. Attendance numbers are getting better, especially on the weekends. Mr. Forman then recapped the steps that Audubon has taken since March to keep operating. He also went over projected losses and possible sources of funding through the end of 2021. He is hopeful that 2022 will see some return to normalcy and Audubon will come back stronger and better than ever.

Mr. Forman then introduced Ms. Rebecca Dietz, EVP of Public Affairs and General Counsel. Ms. Dietz welcomed the new board members and gave an update on the Audubon Nature Institute and Audubon Commission management agreement. It will be reviewed by both parties. Any recommended changes will come before the Board and Commission for approval. She then gave an update on development and thanked everyone who supported Audubon's fundraising efforts and recovery fund. To date, the recovery

fund has raised \$675K. They have also been able to redirect \$1.2M from dedicated sponsorships to the recovery fund. The end of year giving campaign is underway, with a goal of 100% giving by our Board and Commission members. Audubon is using this time to thank all our supporters and ask one final time for any final donations for the year. Zoo-to-Do possibilities are also being considered for 2021. Membership sales have been doing very well lately, almost reaching the goal of \$2.5M by the end of the year. Finally, advocacy continues for federal recovery dollars.

After some discussion, Mr. Sloss introduced Dr. Kyle Burks, EVP and COO, to give a facilities update. Despite having such a hard year, Audubon's conservation efforts and great animal care have continued. One of the biggest successes of the year has been the Coastal Wildlife Network. Audubon has taken over marine mammal rescue along the Louisiana coast. This has been a busy year for the team given the large number of storms that have hit the region. The Aquarium has released a pair of troupials, an Amazon basin bird species. Sea horse births are also doing very well this year. At the Zoo, there are several sloths in quarantine for Jaguar Jungle. There is also a massive effort to increase flamingo breeding by swapping out groups. In the Park, all of the facilities are reopened after storm clean up. The Westbank facilities were hit the hardest by hurricane Zeta. A tornado is suspected of causing the large amount of damage to trees and fences. Luckily there were no major animal issues, only one Okapi with a small cut. They are still working to remove debris. Despite the storm challenges, a giraffe calf was born there on Halloween. The crane conservation and breeding programs are still underway, with a group of Mississippi sandhill cranes being released into the wild just last week.

There being no further business, the meeting was adjourned at 1:10 PM.