

Audubon Commission and Audubon Nature Institute Board Joint Executive/Finance/Audit Committees Meeting

Tuesday, November 10, 2020 9:00 am
Video Conference

President Kelly Duncan from the Audubon Commission called the meeting to order. In attendance from the Commission were Sally Shushan, Brent Wood, and Ashley Francis. From the Audubon Nature Institute Board were Poco Sloss, Willard Dumas, Wil Jacobs, Quentin Messer, Bart Farris, Peter Moss, Mark Romig, Bernard Van der Linden, Chris Bardell, Leslie Gottsegen, and Tommy Westfeldt.

Mr. Duncan explained that this is a public meeting and is being held by video conference because of Section 4 of the Governor’s [Proclamation 30 JBE 2020](#) and Section 4(E) of [Proclamation 41 JBE 2020](#). Mr. Duncan then asked for comments from any attending members of the public. Mr. Keith Hardie thanked the Commission for making the meeting open to the public.

Ms. Laurie Conkerton, EVP and CAO, was introduced to present the proposed 2021 Audubon Nature Institute 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)	2,809	(6,726)
Butterfly Garden & Insectarium	0	368	<i>(368)</i>	523
FMASSC	(599)	(615)	16	(594)
Louisiana Nature Center	0	(551)	551	(335)
TOTAL	(\$3,800)	\$350	(\$4,150)	\$361
Excludes capital revenues and expenses.				

During the presentation, Ms. Conkerton explained that they used a hybrid version of zero-based budgeting. 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.

Other 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. After this meeting, the budget will go to the full board and commission for approval before being submitted to the Mayor and City Council by December 1. Budget will then be rolled out to staff in December.

Mr. Ron Forman, President and CEO, briefly commented that this proposed budget would allow Audubon to continue serving the public in a positive way at the highest level possible. This budget is also a working budget that may need to be adjusted and revised throughout the year. Mark Romig also gave a brief update on the 2021 tourism and marketing projections for New Orleans. It may be a couple of years before the city is back to where it was before.

On behalf of the Commission, Mr. Duncan asked for a motion to approve the proposed 2021 Operating Budget as presented. Motion carried (Wood/Shushan/Unanimous). The proposed budget will go to the full Commission on November 19 for final approval.

On behalf of the Audubon Nature Institute, Mr. Sloss asked for a motion to adopt the proposed 2020 Operating Budget as presented. Motion carried (Messer/Romig/Unanimous). The proposed budget will go to the full Board on November 17 for final approval.

Mr. Forman asked if anyone had any questions or input and reminded that Audubon staff is always available if needed. He went on to discuss updates to the Riverfront and his optimism for

future. Ms. Rebecca Dietz, EVP of Public Affairs and General Counsel, was introduced and gave a quick reminder and overview of the Audubon Nature Institute and Audubon Commission management agreement. In order to remain committed to best practices, the agreement will be reviewed in 2021. Any revisions will be presented to both the Board and Commission for approval.

Mr. Forman then asked Dr. Kyle Burks, EVP and COO, to give an update on our dolphin rescue program. Audubon recently took over the local rescue program. Dr. Burks said that this has been a busy year with the large number of storms affecting our coastline. With the help of other facilities, our team has rescued and released five stranded dolphins.

There being no further business, the meeting was adjourned at 9:45.