

DRAFT

Finance Committee Meeting Minutes

August, 15, 2018

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, CA 93728

The meeting of the Fresno Chaffee Zoo's Finance Committee convened on August 15, 2018 at 4:07 PM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Members Present: Kyle Kirkland – Committee Chair
Ms. Julie Vance
Mr. Ed Gonzalez
Mr. Tom Richards
Mr. K.C. Chen

Advisors Present: Mr. Scott Barton – CEO
Dr. Rick Treach – CFO

FCZC Staff Present: Mr. Amos Morris – COO
Ms. Laura Martina – Chief HR Officer
Mr. Steven Gonzales-Warkentin – Executive Assistant

Guests Present: Mr. Chris Comstock – Client Advisor Regency Investments
Mr. Judson Myers – Chief Investment Officer Regency Investments

Agenda Item #2: Chair Update

Director Kirkland stated that he did not have anything to report beyond the current agenda items.

Agenda Item #3: June Meeting Minutes

The Finance Committee voted to approve the draft minutes. Director Gonzalez moved for approval and Director Chen seconded. The motion was approved (5-0).

Agenda Item #4: South Corridor Infrastructure Project

CEO Barton stated that the project will update the utility infrastructure within the older sections of the Zoo. Due to medical issue with a sub-contractor, the general contractor asked to be relieved of the project. Mr. Barton recommended the Zoo proceed with Ryan Liggett Project Management & Consulting overseeing the project.

Director Richards advised that since Mr. Liggett is not a licensed General Contractor, the Zoo should monitor the project and suggested either COO Morris or CFO Treatch assume this responsibility. Director Kirkland noted that delays with the infrastructure project could affect other proposed capital projects and agreed that the project should proceed under Mr. Barton's recommendation.

Director Kirkland noted that in a prior Finance Committee meeting he suggested that projects with financial implication be reviewed by the Committee prior to presentation to the Board. Director Richards noted that he thought the practice made sense.

Director Kirkland asked that a map be added to materials when discussing projects on Zoo grounds.

Agenda Item #5: The General Fund and Endowment

Mr. Comstock of Regency Investments then provided the Finance Committee with an overview of the Fresno Chaffee Zoo Endowment and General Fund, fund performance to date and allocation changes in the preceding period. He also confirmed that the Endowment and General Fund asset allocations are in compliance with the IPS allocation guidelines and proposed no additional changes.

Director Kirkland offered suggestions on the presentation of the quarterly and year-to-date performance. Director Richards suggested that Regency provide a draft report before the next review.

Director Chen commented that given the current political climate Regency should be proactive in thinking about the Zoo's investment management.

Director Kirkland stated that he would like quarterly updates on Zoo performance; other committee members agreed that quarterly updates were sufficient.

Agenda Item #6: 2018 June Financial Report

Dr. Treatch reported that Zoo attendance exceeded budget until July, when extended period of hot days and poor air quality limited attendance to the lowest reported since 2013. He added that August was trending lower than budget, but expected attendance to improve with cooler weather and events scheduled in the fall.

Despite the attendance shortfall, Dr. Treatch reported that self-generated revenue is up by almost seven percent year-to-date. The group then discussed reasons for the improvement (memberships, events, etc.), per capita spending (trending upward) and areas for possible improvement to move toward the Zoo's goal of sustainability.

Mr. Kirkland then asked for a motion to approve the Financial report as presented. Director Gonzales moved for approval and Director Richards seconded. The motion was approved (5-0).

Agenda Item #7: Schedule of Approved Funds Transfers

Dr. Treatch presented a list of restricted investments including the recent purchase of 705 W. Belmont.

Agenda Item #8: Temporary Restricted Funds

Dr. Treach presented a list of restricted funds, including monies received from donors with restrictions.

Agenda Item #9: Bird Show Contract

CEO Barton informed the Committee of efforts to provide continuity of the Winged Wonders Bird Show with long-time operator Ross Laird's anticipated retirement. Mr. Barton stated that the current best option was for the Zoo to purchase the show for approximately one year's worth of revenue and recruit and train new staffers to present the show with Mr. Laird's help and consultation. Mr. Barton stated that contract was under review with some discussion on the terms of indemnification.

Director Richards stated that he did not believe approval of the actual contract is necessary, just action on the amount to be paid to Mr. Laird. No action was taken at this time.

Agenda Item #10 (New Business) and #11 (Old Business)

Mr. Kirkland then asked if anyone had any new or old business for consideration. Hearing none, he adjourned the meeting at 5:14 PM.