

Fresno's Chaffee Zoo Board of Directors Finance Committee Meeting Minutes

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, CA 93728

November 15, 2018

The meeting of the Fresno's Chaffee Zoo's Finance Committee convened on November 15, 2018 at 4:05 PM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Committee Members Present: Mr. Kyle Kirkland – Committee Chair
Ms. Julie Vance
Mr. Ed Gonzalez
Dr. KC Chen

Committee Advisors Present: Mr. Scott Barton
Dr. Rick Treach

Fresno's Chaffee Zoo Staff Present: Mr. Amos Morris
Ms. Laura Martina
Mr. Dean Watanabe
Mr. Steven Gonzales-Warkentin – Scribe

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

Public Comment

None

Agenda Item #2: Chair Update

Mr. Kirkland stated that he had no items to cover and proceeded with the next agenda item.

Agenda Item #3: October Meeting Minutes

After a review of the draft minutes from the October 17th meeting, Mr. Kirkland asked for a motion to approve the minutes as presented. Dr. Chen motioned to approve; Mr. Gonzalez seconded. The motion was unanimously approved.

Agenda Item #4: Quarterly Review from Regency Investments

Mr. Comstock of Regency Investments provided the Finance Committee with an overview of the Fresno's Chaffee Zoo Endowment and General Fund performance, reporting from the end of last quarter through

September 30, 2018. No changes have been made to the asset allocation or to the general fund. Accounts are within the guidelines set forth by the Finance Committee.

Agenda Item #5: September Financial Report

Dr. Treatch provided an update on the financial performance to date. Attendance is below budget, but November is showing improvements. Self-generated revenue is above budget with gift shop, special events and membership performing well. Operations costs are under budget. With year-end approaching, the Zoo expects to borrow approximately \$800,000 against its line of credit.

Mr. Kirkland asked for a motion to approve the Financial Report as presented. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #6: Zooplex Facility change in Project Management fees

Dr. Treatch explained that the Zooplex project started over a year ago with a different project manager (Soltek) than the current project manager (Ryan Liggett Project Management and Consulting). The project is now in its second phase of design, resulting in an increase in project management fees. The Zoo would like approval to request Measure Z Capital funds for the increase in project management fees.

Mr. Kirkland asked for a motion to approve the increase in project management costs. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #7: Belmont Basin Relief Line change in Project Management fees

Dr. Treatch explained that the project has changed project managers from Soltek to Ryan Liggett Project Management and Consulting. The project has also extended beyond the originally anticipated timeframe for completion resulting in an increase in project management fees. The Zoo would like approval to request additional funding for the increase in project management fees.

Mr. Gonzalez requested further clarification on the increase in fees. Mr. Barton stated that the original cost for Soltek was for the design phase and the increased cost for Ryan Liggett Project Management and Consulting reflects the construction phase of the project.

Mr. Kirkland requested greater examination of the cost increase as the project's scope has remained the same, and recommended the item be tabled and discussed at the board meeting.

Agenda Item #8: Fresno's Chaffee Zoo Corporation 2019 Budget

Dr. Treatch reviewed the changes that have been made from suggestions stated in the October Finance Committee meeting. An increase in surplus to move the Zoo closer to sustainability. A proposal to outsource sponsorship to increase development funding. An increase in membership fees.

Dr. Treatch stated that the cash flow summary indicates that the Zoo should be cash positive in October of 2019.

As funding becomes available the Zoo will request money for Winged Wonders Bird Show improvements, upgrades to animal holdings, shelters, fencing, IT upgrades including new servers, webstore upgrades, point-of-sale stations and payment kiosk amongst other various requests.

Mr. Kirkland asked for a motion to approve the 2019 Budget in its current state be presented to the Fresno's Chaffee Zoo Corporation's Board of Directors. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #9: New Business

Mr. Gonzales-Warkentin requested the 2019 Finance Committee Meetings be scheduled on the third Thursday of every month at 4:00 PM with the option to cancel meetings as needed.

Mr. Barton gave a brief overview of current projects at the Zoo such as the Warthogs exhibit and the South Corridor Infrastructure project.

Mr. Kirkland then asked if there was any other business for consideration. Hearing none, he adjourned the meeting at 5:20 PM.