

Fresno Chaffee Zoo
894 W. Belmont Avenue
Fresno, CA 93728

Fresno's Chaffee Zoo Corporation
Finance Committee Meeting
Minutes

Wednesday, November 20, 2019 4:00 PM
Education Lab Conference Room

In Attendance

- Mr. Babatunde Ilori
- Ms. Julie Vance – Chair
- Dr. KC Chen
- Mr. Kyle Kirkland

Zoo Staff Present

- Ms. Alisha Anderson
- Mr. Amos Morris
- Ms. Brandy Gamoning
- Mr. Dean Watanabe
- Ms. Katharyn Alexander
- Ms. Laura Martina
- Mr. Scott Barton
- Mr. Steven Gonzales-Warkentin

The meeting began at 4:10 PM.

Item 01: Roll Call

Mr. Gonzales-Warkentin called the roll and established that all members of the committee were present.

Item 02: Public Comment

Ms. Vance called for comment from the members of the public in attendance. With no comments offered, the Finance Committee proceeded with business.

Item 03: Chair Report

Ms. Vance stated she had nothing to report.

Item 04: Receive, review and consider Finance Committee meeting minutes from 10/17/2019

Ms. Vance asked if there were any corrections to the minutes. Hearing none, she asked for a motion to approve the minutes as presented. Mr. Kirkland made a motion to approve the minutes as presented and Dr. Chen seconded. The motion passed unanimously.

Item 05: Receive review and consider Year-to-Date Finance Report

Mr. Barton highlighted some key elements in the report. He stated attendance is down, approximately five percent below budget targets. The zoo is under in revenue, but also under in expenses. The Education department is over in expenses due to a personnel error in the 2019 budget. Fundraising is down. Mr. Kirkland commented that it appeared that events revenue has been trending downward for the past few years. He suggested the Zoo analyze their spending in marketing for events, and possibly spend more to advertise. Mr. Barton stated that one of the Zoo's goals is to drive visitation from area tourism. Dr. Chen asked if the Zoo is able to track how much a member spends during a visit. Mr. Barton confirmed the Zoo

does not have that ability currently. Mr. Jake Pugh, from SSA, stated that his company had recently met with an outside consultant that could provide the ability to track visitor spending.

Mr. Barton stated that the Zoorassic Park exhibit's final revenue had not been calculated, but the initial data showed that the exhibit most likely will not reach budget goals. Ms. Anderson stated that memberships exceeded their goal, but attendance goals were not reached. Mr. Barton explained that the Zoo would like to bring the exhibit back in 2020 during its busiest months as a potential draw to visitors during the construction of several projects occurring throughout the Zoo. Mr. Kirkland requested to see the original goals of the exhibit compared to the actuals obtained.

After further discussion, Mr. Kirkland made a motion to accept the year-to-date financial report as presented and Dr. Chen seconded. The motion passed unanimously.

Item 06: Receive and review updated 2020 Marketing Plan

Mr. Barton discussed the marketing plan's target demographics and his desire to market toward new groups such as adults and senior citizens. Mr. Kirkland mentioned a few housekeeping items to review in terms of the formatting of the report. He noted the lack of actionable items and commented that, in general, senior management should be more focused on marketing. Mr. Kirkland requested the Zoo reach out to other zoos and marketing firms and share best practices. He would like to see a list of possible ways for the Zoo to drive attendance. Mr. Kirkland requested more specific data on the outcome of Zoorassic Park exhibit.

Mr. Kirkland noted that the Zoo had been flat in terms of events revenue and attendance for the past few years. He asked the Zoo staff how they plan to address this concern and boost attendance. He requested to see more advertising of the Zoo's mission.

Mr. Kirkland concluded by stating that the marketing plan should be treated as a draft. He and fellow Director, Rion Morgenstern, plan to meet with the Zoo staff to review the material prior to the January 2020 Board meeting.

Item 07: Receive, review and consider Fresno Chaffee Zoo's 2020 Budget

Mr. Barton highlighted some key element in the budget including that the attendance goal had been raised to 870,000 and that the ticket prices will increase to \$14.95 for adults and \$8.95 for children. There was discussion regarding the potential impact of increased ticket prices. Ms. Martina discussed changes made to the Zoo's benefits package that would result in cost saving. Mr. Illori voiced concern regarding the budget for I.T. He would like to review with Mr. Morris and the Zoo's I.T. Analyst.

After continued discussion, Mr. Kirkland made a motion to accept the 2020 Budget as presented with the note that the marketing plan would be reviewed and adjusted prior to the January Board meeting. Mr. Illori seconded and the motion passed unanimously.

Item 08: Receive, review and consider Capital Projects Change Orders

Mr. Barton discussed the three change orders presented for approval for the Kingdoms of Asia Project. The first, a fee of \$28,000 for CLR to create an animated walk through of the project which can be used in marketing and community presentations. The second, a fee of \$29,640 for CLR/Lawrence Engineering to create a 3D model of the intricate design of the plumbing and electrical needed in the Life Supports Systems basement. The third, a cost of \$68,000 for pre-design work to be done on rockwork for the project. This work would be completed by Cost of Wisconsin.

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Mr. Barton presented the increased cost for the Belmont Basin Relief line resulting from delays on the project. The full cost of \$16,435 was presented, but the project is a shared project with the City of Fresno, which would require the Zoo to pay thirty-four percent of the cost.

Mr. Kirkland asked if the Zoo is happy with their recent hire of an internal project manager. Mr. Barton stated that it has been a positive decision.

Mr. Kirkland referenced that the architect for the Ambassador Building and Zooplex Building had asked for a fee increase. He, along with the Zoo team recently met with Mr. Paul Halajian to discuss. The fee increase will be brought to the Committee at a future meeting.

Mr. Kirkland made a motion to approve the change orders for the Kingdoms of Asia project and the Belmont Basin Relief Line project, and Dr. Chen seconded. The motion passed unanimously.

Item 09: Receive, review and consider SSA's Food Service and Retail Operation Proposal

The SSA proposal, which was previously reviewed by the Board of Directors, was once again discussed. Mr. Barton shared benchmarking research he had collected from other Zoo's and stated that the Zoo staff would like to move forward. Discussion was had on the commission scale. Mr. Kirkland made a motion to approve the Food Service and Retail Operation proposal and Mr. Ilori seconded. The motion passed unanimously.

Item 10: Old Business

Mr. Ilori had previously asked if the Zoo was looking into possible partnerships with local schools to offer ticket packages. Mr. Barton stated that research had not been performed to date. Mr. Kirkland asked for this item to be addressed at the next Finance Committee meeting.

Item 11: New Business

There was no new business.

Ms. Vance asked if there was any further business to discuss. Hearing none, the meeting was adjourned at 5:34 PM.