

FRESNO'S CHAFFEE ZOO CORPORATION
Minutes for the Finance Committee of the Board of Directors
Fresno Chaffee Zoo Education Building
Wednesday, June 15th, 2016 at 4:00 pm
DRAFT

Present

John Valentino
Colin Dougherty
Shari Rainwater

Staff

Scott Barton, CEO
Brian Goldman, CFO
Jessica Revis, Executive Assistant
Laura Martina, PHR

Public

None

Absent

Craig Saladino
Sharon Levy

Call to Order: 4:03 pm.

Roll Call: Directors Rainwater, Valentino, and Dougherty present. Directors Saladino and Levy absent.

Discuss and consider minutes: Director Valentino made a motion to accept the finance committee minutes from May 18, 2016. Director Rainwater so moved. Director John Valentino seconded. All in favor. None opposed. Motion carried.

Chair Report: Director Valentino stated that he had nothing to report in the absence of Finance Chair Saladino.

Review financial report: CFO Goldman reviewed the 2016 May Financial report with the committee. CFO Goldman stated that the current surplus is \$1.4 million over budget and total expenses are 9.7% lower than anticipated. The capital Measure Z funds were approximately \$15 million at the end of March 2016 and should be close to \$17 million for the end of May 2016. CFO Goldman also mentioned per caps continue to exceed the budget. The attendance is 24% ahead of projection for the month, with a total increase of 43% comparatively from 2015. CFO Goldman stated that they have paid off the line of credit. CFO Goldman included a new chart in the financial statement showing the anticipated payment of receivables. He also mentioned that they did receive their first payment of shared cost from the City of Fresno in the amount of \$1.5 million. CFO Goldman stated that Moore Grider will present at the upcoming Audit Committee on June 15th, and then bring to the full Board on June 21st. Director Rainwater made a motion to accept the financial report as presented. Director Dougherty seconded. All in favor. None opposed. Motion carried.

Review, Discuss and Consider Capital Budget Increase for Dino Dig Expansion: CFO Goldman submitted a request for the capital budget increase of \$195,000 for the expansion of Dino Dig. Once reviewed by the Finance Committee, would then recommend to the full Board for approval. Director Rainwater stated that the cost breakdown is very rounded and seems highly over-estimated. CEO Barton stated that the budget is a not-to-exceed estimation. CEO Barton also mentioned that the project would be done in-house. Director Rainwater asked if instead of the Dino Dig expansion, they would alternatively add a shaded jungle gym or water structure for the children to play on. CEO Barton replied that they did have plans already in place for a water structure, but postponed the project due to the recent drought in California. Director Rainwater requested a revision to the budget estimate and a conceptual design of the proposed Dino Dig expansion to be brought to the Board for approval. Director Dougherty stated he would like to see the fencing upgraded near Dino Dig. CEO Barton stated they are currently looking to update all fencing and would make sure to put together a conceptual drawing of Dino Dig for the Board to review. Director Dougherty made a motion for recommendation to the Board. Director Valentino seconded. All in favor. None opposed. Motion carried.

Review, Discuss and Consider Service Systems Associates Contract Extension: CFO Goldman presented the contract extension for Service Systems Associates (SSA). This extension will be for the retail contract with the Fresno Chaffee Zoo expiring on October 31, 2016. CFO Goldman would like to see the extension to the contract for four years. This extension would create a combined RFP for retail and concessions in 2020. CFO Goldman stated the combined RFP would allow for better terms on the future contract. CFO Goldman also stated that with the extension SSA proposed eliminating the first commission tier, 25% on the first \$80,000. This would mean that the Zoo would receive 30% on the first \$1,300,000. CFO Goldman also stated that by SSA eliminating the first tier it would generate an additional \$40,000 a year for commission. SSA also proposed to include \$100,000 of capital towards retail operations. Director Rainwater stated she is extremely happy with SSA and the services they

provide. Director Rainwater so moved for recommendation to the Board. Director Dougherty seconded. All in favor. None opposed. Motion carried.

Review, Discuss, and Consider Ross Laird Contract: CFO Goldman presented the renewal contract for Ross Laird stating there is a \$40,000 increase from the previous extension. He stated this increase is due to the addition of shows and for the minimum wage increase of his employees. With the recommendation of the Finance committee this extension would then be presented to the Board for approval. Director Rainwater expressed concerns regarding the amount requested by Ross Laird stating it seemed unusually high comparatively. CFO Goldman responded that he did negotiate the pricing with Ross Laird. CFO Goldman also stated that the contract designates insurance, maintenance, labor, and other general expenses will be covered by Ross Laird. The Fresno Chaffee Zoo does house the birds and buy their food. Director Rainwater inquired about obtaining sponsors for the Winged Wonders show. CEO Barton stated that his Chief of Marketing & Development is currently looking into those types of opportunities, as well as other liked ventures. Director Dougherty so motioned. Director Valentino seconded. All in favor. None opposed. Motion carried.

Review, Discuss, and Consider Studio Hansen Roberts Contract: CFO Goldman presented the Studio Hansen Roberts contract for conceptual design of African River. The budget was previously approved for \$100,400. CFO Goldman stated this contract is only for conceptual design and will help streamline the process for further progress. CFO Goldman also stated that these funds will be presented to the Zoo Tax Authority towards capital funds, therefore causing no impact to the zoo budget. Director Dougherty motioned to approve for recommendation to the Board. Director Rainwater seconded. All in favor. None opposed. Motion carried.

Finance Committee Members questions and comments: Director Valentino would like to table the bank option topic for the next committee meeting, when Director Saladino will be present. Director Rainwater stated she would like to see further development of the children's water play area and would like for CEO Barton to present this idea to the Board for further discussion. CFO Goldman distributed the proposed 2017 budget timeline. He asked for the committee members to review and respond to Jessica Revis regarding their availability.

Public comments: No public in attendance.

Meeting Adjourned: at 4:52 pm

Respectfully submitted by: Jessica Revis, Executive Assistant to CEO/Zoo Director
Fresno's Chaffee Zoo Corporation