



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

Thursday, November 19, 2020 4:00 PM
Zoom: Meeting ID 922 8865 8749 Passcode 687852

Committee Members Present

- Dr. K.C. Chen
- Mr. Kyle Kirkland
- Mr. Rion Morgenstern, Chair

Committee Members Absent

- Mr. Babatunde Ilori

Guest Speakers Present

- Mr. Chris Comstock, Regency Investments
- Mr. Judson Myer, Regency Investments

Zoo Staff Present

- Mr. Scott Barton
- Mr. Steven Gonzales-Warkentin
- Ms. Laura Martina
- Mr. Amos Morris
- Ms. Lyn Myers
- Dr. Shannon Nodolf
- Dr. Lily Wachter

Mr. Morgenstern called the meeting to order at 4:02 PM

Item 01: Roll Call

Mr. Gonzales-Warkentin took the role and confirmed a quorum was present.

Item 02: Public Comment

Mr. Morgenstern asked if any members of the public present wished to comment. Hearing none, he proceeded with the meeting.

Item 03: Consider for approval Finance Committee Meeting minutes from 10/22/2020

Mr. Kirkland made a motion to accept the minutes as presented, and Dr. Chen seconded. The motion passed unanimously.



Item 04: Chair Report

Mr. Morgenstern stated he had met with the Executive Team for a second presentation of the 2021 Budget. He acknowledged the hard work that went into the budget and was looking forward to discussing it with the Finance Committee.

Item 05: Receive quarterly update from Regency Investments

Mr. Myer stated that in the third quarter equity and fixed income markets were recovering from the March sell-off. The fixed income markets continue to receive federal support with large cap and foreign equity allocations being large contributors. Mr. Myer continued by stating there were no asset allocation or fund changes during the third quarter. Regency will review all holdings at the end of the year and bring any changes to the Finance Committee for review.

Item 06: Consider for approval construction contingency items

Mr. Barton reviewed the proposed contingency items for the Zooplex Building and Ambassador Animal projects. He stated many of these changes were recommended by the City and project architects. Mr. Barton stated that the Zoo had no reason to push back on these requests.

Mr. Kirkland made a motion to approve the items presented and Dr. Chen seconded. The motion passed unanimously.

Item 07: Consider for approval the release of Design Retention for Studio Hansen Roberts, African River Project

Mr. Barton stated that Studio Hansen Roberts had completed schematic designs for the African River project and have requested the release of their design retention. He reminded the Committee that \$3.6 million was previously approved for the design of the project.

Mr. Kirkland advised that the Board consider pausing the project until the new CEO could have an opportunity to weigh in. He stated that the project as a whole would require \$15-20 million in fundraising in order to complete or would require use of Measure Z funds through 2026. Mr. Morgenstern agreed that pausing the project may be the right move at this time.

Mr. Kirkland made a motion to release the design retention and Mr. Morgenstern seconded. The motion passed unanimously.

Item 08: Consider for approval Financial Report

Dr. Wachter provided an update on the Zoo's financial performance and position through October, 2020. She started by saying the Zoo had reached \$6.5 million in self-generated revenue, 38% below budget. In October, the Zoo generated \$1.5 million exceeding 2019's October revenue. Dr. Wachter continued by stating expenses were 20% below budget, and operating income was 40% below budget. Admissions are 51% below budget, Membership 12%, and Food Services/Gift Shop are 39% below budget. Zoorassic Park, however, was now only 1% below budget due to the exhibit being extended through the end of 2020 at no additional cost.



Dr. Wachter then stated that the annual Zoo Boo event was well attended with strong per capita spending.

After further discussion Mr. Kirkland made a motion to accept the Financial Report as presented, and Dr. Chen seconded. The motion passed unanimously.

Item 09: Consider for approval 2021 Budget

Dr. Wachter presented the 2021 budget by stating the Zoo's strategy for 2021 is to increase marketing of memberships and the "Total Experience" ticket. A key driver will be webstore sales allowing for spontaneous purchasing, add-ons, and events. The webstore will also add an additional feature giving visitors the ability to donate to the Zoo or to supported Conservation projects. The attendance goal is set at 652,050 excluding programs and events. Revenue and support for operations is \$17.6 million, twelve percent above 2019's goal with expenses at \$17.5 million.

Dr. Wachter stated that the board-designated funds will be focused on mission driven priorities such as conservation, development, veterinary equipment and animal exhibit improvements.

After further discussion of personnel expenses and other expense savings, Mr. Kirkland made a motion to accept the 2021 Budget as presented and Dr. Chen seconded. The motion passed unanimously.

Item 10: Consider for approval a change to Finance Committee meeting schedule and frequency of reporting

Mr. Morgenstern asked if the Finance Committee should meet less frequently. He stated that per the Corporation's bylaws, the Finance Committee could meet quarterly.

Mr. Kirkland suggested scheduling the Finance Committee much like the new format for scheduling the Board meetings, i.e. schedule meetings monthly, and at the end of each meeting, the Committee will vote on if the next month's meeting is required.

Mr. Kirkland suggested the Committee present this to the Board for consideration.

Item 11: Consider for approval old business

No old business was presented.

Item 12: Consider for approval New Business

No new business was presented.

Mr. Morgenstern adjourned the meeting at 5:22 PM.