



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

Wednesday, September 8, 2021 4:00 PM  
Zoom.com Meeting ID 865 6486 1576  
Passcode 876987

**Committee Members Present**

- Mr. Rob Bell
- Mr. Babatunde Ilori
- Mr. Kyle Kirkland
- Mr. Rion Morgenstern, Chair

**Advisors Present**

- Mr. Jon Forrest Dohlin, Chief Executive Officer

**Guest Speakers Present**

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

**Zoo Staff Present**

- Ms. Nora Crow, Interim Chief Financial Officer
- Mr. Steven Gonzales-Warkentin, Executive Assistant
- Ms. Laura Martina, Chief People Officer
- Mr. Terry Skoda, Chief Development Officer
- Mr. Dean Watanabe, Chief Conservation Interpretation Officer

Mr. Morgenstern called the meeting to order at 4:03 PM.

**Item 01: Roll Call**

Mr. Gonzales-Warkentin called the roll and established that a quorum was present. The Committee then proceeded with business.

**Item 02: Public Comment**

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

**Item 03: Chair Report**

Mr. Morgenstern reported that he and Ms. Crow had met prior to the meeting to review all items to be presented.



**Item 04: Receive Quarterly Update from Regency Investments**

Mr. Comstock stated that emerging market stocks struggled during the second quarter due to rising fears of a global economic slowdown. Fixed income investments performed well as inflation concerns waned and interest rates declined from their recent highs.

Mr. Morgenstern asked if the Zoo should consider a more conservative approach to the investment portfolio. Mr. Myers advised that no changes be made at this time and offered to share research on bond performance with the Committee. Mr. Morgenstern asked for a special Finance Committee meeting to be called in November to review investment strategy.

**Item 05: Approve June 10, 2021 Finance Committee Meeting Minutes**

Mr. Morgenstern asked if the Committee had comments or revisions to the minutes. Hearing none, Mr. Kirkland made a motion to accept the minutes as presented, and Mr. Ilori seconded. The motion passed unanimously.

**Item 06: Approve Capital Change Order Requests**

Mr. Dohlin presented the construction contingency logs and requested approval of the contingency items for Kingdoms of Asia totaling \$234,120.00 and the Zooplex Building project totaling \$44,873.93. After discussion, Mr. Kirkland made a motion to recommend payment of the change orders to the Board of directors and Mr. Morgenstern seconded. The motion passed without objection.

**Item 07: Approve Release of Retention for Ambassador Animal Building**

Mr. Dohlin stated that the Zoo was seeking approval to request a payment of \$285,344.57 for the retention due from the completion of the Ambassador Animal Building. He stated the retention would be released when all punch list items have been completed and verified. Mr. Kirkland made a motion to allow the Zoo to request approval from the Corporation Board to request the release of retention from the Zoo Authority once all required punch list items have been completed, and Mr. Bell seconded. The motion passed unanimously.

**Item 08: Approve Year-to-Date Financial Report**

Ms. Crow provided an update on the Zoo's financials through July 2021. She stated self-generated revenue was 32% above budget and total expenses were down by 5%. She indicated that attendance was softening most likely due to high temperatures Fresno has experienced since June. She stated that the second round of the Payment Protection Plan covered period ended in August, the Zoo was working on submitting the application for forgiveness and anticipates forgiveness of the full balance of the loan. She concluded by stating that the Zoo was over budget in repairs and maintenance mainly due to repairs needed for the upcoming Association of Zoos and Aquariums accreditation costs.

After further discussion of the various items contributing to the results, Mr. Kirkland made a motion to recommend the Year-to-Date Financial report to the Board as presented, and Mr. Ilori seconded. The motion passed unanimously.



**Item 09: Approve Year End Thank You / Signing Bonus**

Mr. Dohlin stated that the Zoo has a history of providing a small year-end bonus to employees in years of prosperity. He said the last bonus of this nature given to employees was in 2019. He added that the Executive Team would like to distribute bonuses to employees who have remained with the organization through the COVID-19 pandemic.

Next, Mr. Dohlin referenced the challenge the Zoo, like many other businesses in the Valley, is facing with hiring quality people. He said the Executive Team would like to provide a signing and retention bonuses to aid in recruiting qualified candidates, as well as provide an employee referral bonus. In total, the Zoo was requesting \$205,900 for all employee, signing and retention bonuses combined.

Mr. Ilori stated that maintain and attracting high quality employees is in the best interest of the organization and suggested considering performance-based compensation plans.

After further discussion, Mr. Kirkland made a motion to recommend to the Board to approve the implementation of the bonus program for 2021 at a total cost of \$205,900.00 and Mr. Ilori seconded. The motion passed unanimously.

**Item 10: Receive Wage Evaluation Presentation**

Ms. Martina began by stating that the Zoo's compensation plan is designed to attract, motivate, and retain talented employees who drive the success of the organization. She reported that her research suggests that Zoo staff compensation is currently 15-20% below market based on 2021 wage ranges and that the Zoo seeks to make a living wage the minimum compensation offered.

Mr. Dohlin stated that the zoo industry historically undercompensated staff relative to other industries and suggested that the Zoo take steps to correct this inequity.

**Item 11: Approve Allocation of Excess Cash Holdings**

Ms. Crow stated that as of August 31, 2021, the Zoo holds approximately \$7,020,000 in cash in non-interest bearing or minimal interest-bearing accounts. Analysis of upcoming and ongoing cash needs suggests the Zoo holds surplus cash of approximately \$3,011,000 including \$937,069 associated with donor restrictions. She concluded by requesting approval to invest \$937,069 into the general investment account and \$2,075,000 into the board designated endowment.

Mr. Kirkland agreed that the excess cash should be invested. He requested the Zoo research what other non-profits are doing with their surplus.

Mr. Morgenstern then made a motion to allow the Zoo to seek approval from the Board for investing excess cash funds of \$937,069 into the general investment account and \$2,075,000 into the Board Designated endowment account and Mr. Kirkland seconded. The motion passed unanimously.

**Item 12: Receive 2021 Annual Fund Report**



Mr. Skoda reviewed the 2021 Annual Fund, which captured the funds being raised this year through pledged and received donations. He stated that the goal for this year is to raise \$3.9 million. He continued by stating that special events have been removed from the Annual Fund and placed into Earned Income. Restricted and unrestricted funds are included within the numbers shown, including the approximate \$800,000 grant that General Curator Lyn Myers secured for the Conservation Building.

**Item 13: Receive Kingdoms of Asia endowment Campaign Update**

Next, Mr. Skoda reviewed the Kingdoms of Asia naming opportunities booklet. Mr. Kirkland suggests the Zoo reach out to the Asian community for ideas on possible benefactors.

**Item 14: Approve Utilization of endowment Funds**

Ms. Crow stated the Zoo has permanent endowment funds and quasi-endowment funds which are Board designated and noted that the Zoo's investment policy states the spending policy shall be 5% of the prior twelve quarters-end average market value of those funds. Ms. Crow said that if utilized, the Board designated fund payout could generate operational support for the Zoo and requested utilization of the Endowment Payout Policy for fiscal years 2022-2024.

Mr. Dohlin stated that this money would help support the upkeep and maintenance of the Zoo's equipment among other things. Mr. Morgenstern agreed and made a motion to approve utilization of the 5% endowment payout policy to provide operational support for the Zoo for fiscal years 2022-2024 to be withdrawn on a quarterly basis and Mr. Kirkland seconded. The motion passed without objection.

**Item 15: Approve Funding for 2022 Dinosaur Exhibit**

Mr. Watanabe reviewed the performance of the Zoorassic Park exhibit which has exceeded expectations. He stated that the Zoo would like to repeat Zoorassic Park in 2022 but with a different vendor offering bigger and better animatronics. He added that the new vendor, Dino Don, required payment in three phases, including an upfront rental fee of \$330,000.

After discussion, Mr. Kirkland made a motion to approve a rental fee of \$330,000 for the 2022 dinosaur exhibit and Mr. Morgenstern seconded. The motion passed unanimously.

**Item 16: Old Business**

None was presented.

**Item 17: New Business**

Mr. Morgenstern requested that a special Finance meeting be scheduled in November with Regency Investments to review the investment strategy.

With no other business to discuss, Mr. Morgenstern adjourned the meeting at 7:14 PM.