

**FRESNO'S CHAFFEE ZOO CORPORATION**  
**Minutes for the Finance Committee of the Board of Directors**  
**Fresno Chaffee Zoo Education Building**  
**Wednesday, October 19<sup>th</sup>, 2016 at 4:00 pm**  
**DRAFT**

**Present**

John Valentino  
Colin Dougherty  
Shari Rainwater  
Craig Saladino  
Sharon Levy

**Staff**

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

**Public**

Stephen Guinn, Regency  
Chris Comstock, Regency

**Call to Order:** 4:02 pm.

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

**Discuss and consider minutes:** Director Saladino made a motion to accept the Finance committee minutes from September 21, 2016. Director Rainwater so moved. Director Dougherty seconded. All in favor. None opposed. Motion carried.

**Presentation from Regency Investment Advisors:** Stephen Guinn and Chris Comstock presented the 3<sup>rd</sup> quarter investment results to the FCZ Finance Committee. Mr. Guinn stated that asset class returns YTD have improved since the first quarter. The large caps are at 8% increase, as well as a 5.8% increase for fixed income. The worst performing assets last year, are now the better performing ones this year. This is a surprising reversal comparatively. The gross performance shows the general fund having an 8% increase YTD. Mr. Guinn stated he compared the numbers from the first quarter, where the general fund was at a -1%. This short term percent has increased substantially. The general fund has a moderate fund of 40/60 compared to the Zoo Board Endowment aggressive rate at 70/30. Director Saladino asked if Regency believed it was best to have such an aggressive rate for the endowment account. Mr. Guinn stated that they could adjust the rate as requested by the FCZ Board. Director Saladino asked if it was best to be heavy in equities. Mr. Guinn stated that they have researched the market extensively, and looking at the data available, the equities are fairly reasonable as they stand now. Director Rainwater stated that the fund should not be as aggressive, as this pertains to public funding. Regency agreed that a 50/50 endowment is a reasonable alternative. Mr. Guinn presented the Finance committee with a fiduciary score breakdown report. This report shows the individual data and analysis of how each fund is performing. These items are not equally funded and most are performing very well. Director Saladino stated there should be a meeting with the trustees of the 401k committee for discussion before the end of the year and create a presentation for the Finance committee. Director Saladino made a motion to approve the 3<sup>rd</sup> quarter Investment report. Director Dougherty so moved. Director Rainwater seconded. All in favor. None opposed. Motion carried.

**Chair Report:** Director Saladino stated that the 2017 Budget was not ready for the October meeting and would be presented at the November meeting. The November meeting has been moved from the 16<sup>th</sup> to the 9<sup>th</sup>. Director Saladino asked CFO Goldman for clarification on the \$100,000 salary compensation review line item. CFO Goldman stated it was in response to the FCZ staff survey. Director Saladino asked if there was a process in place for the compensation review, and that it seemed to be a very low number. CFO Goldman stated there is a process in place and this would be outlined in the budget. Director Rainwater asked if the zoo offered tiered promotions. CFO Goldman stated there were positions available for upward mobility within the organization. Director Rainwater asked which positions we underpaid. CEO Barton stated there is a metric system currently in place. Human Resources Manager, Laura Martina, stated that the positions are staggered and allow for promotions within the organization. Director Saladino stated that the zoo had three skype interviews for the Deputy Director position. He stated that of those three interviews, the zoo will host an in-person interview with only one candidate at this time.

**Review financial report:** CFO Goldman reviewed the 2016 September Financial report with the committee. CFO Goldman stated that he met with all zoo departments in preparation of the 2017 budget. The attendance is currently at 720K, compared to a projected 613k. CFO Goldman stated that the new event space in Africa Adventure has earned \$49,800 for the year so far. Director Rainwater asked if the zoo would increase the pricing for the event space. CEO Barton stated it was being considered in the future budget. CFO Goldman stated that most of the line revenue items are at or ahead of budget, and most expenses continue to stay under projection. The membership purchases are now 50% ahead of budget. CFO Goldman shared with the committee that the workers compensation mod rate for next year will be at .65, compared to 1.62 in years past. This will be a significant savings in the following years. Director Saladino asked if this would lead to a higher deductible for workers compensation. CFO Goldman stated he would look into it. Director Dougherty asked if the zoo would also consider redesigning the huts at both park

entrances. CEO Barton stated that the hut design is currently in the works and will be presented to Fresno City Parks for review and approval. Director Valentino stated it would be an option to consider taking over the management of the park entrances. Director Saladino made a motion to accept the financial report as presented and for recommendation to the Board. Director Dougherty so moved. Director Rainwater seconded. All in favor. None opposed. Motion carried.

**Review, Discuss and Consider Yamabe & Horn Contracts for Profession Services:** CFO Goldman submitted a request for a capital budget of \$27,000. This amount will cover the contract for the civil engineering of the Belmont Avenue crosswalk. This contract will help to create a design for a safe walkway to the zoo from Belmont Avenue. The idea is that with the security of this walkway there will be an additional 213 parking spaces. Director Saladino asked if this was proposed for approval from the Finance committee or for recommendation to the full Board for approval. CEO Barton stated it would be either way, but if they did wait to approve the design, it would stall the project and hinder its projected completion date in the spring of 2017. Director Saladino asked if there were any other bids for this project. CEO Barton stated that they have not put this out for bid yet, but did select Yamabe and Horn based on recommendation. Director Valentino and Director Dougherty stated they were ok with the moving forward with the Finance committee's direct approval. Director Saladino made a motion to approve the Yamabe and Horn proposal. Director Valentino so moved for approval. Director Dougherty seconded. All in favor. None opposed. Motion carried.

**Finance Committee Members questions and comments:** Director Dougherty asked what the current status is for the African Adventure construction dispute. CEO Barton stated the situation was recently publicized on various media outlets, including the Fresno Bee. Director Valentino stated the zoo is currently looking into mediation for the first week of December. Director Saladino stated he would like the names of the mediators once it is available.

**Public comments:** None.

**Meeting Adjourned:** at 5:21 pm

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