



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

Minutes

Thursday, June 09, 2022 4:00 PM
1250 W. Olive Ave, Fresno, CA 93728
333 O'Farrell Street, San Francisco, CA 94102

Committee Members Present

Mr. Rob Bell, joined at 4:28 PM
Mr. Kyle Kirkland
Mr. Rion Morgenstern, Chair
Mr. Ross Parnagian

Committee Members Absent

Ms. Emilia Reyes

Guest Speakers Present

Mr. Judson Myers, Regency Investments

Zoo Staff Present

Ms. Nora Crow – Chief Financial Officer
Mr. Jon Forrest Dohlin – Chief Executive Officer
Mr. Steven Gonzales-Warkentin – Chief of Staff
Mr. Brian Haverkamp – Guest Services Manager
Mr. Jesse Santiago – Capital Projects Manager
Mr. Terry Skoda – Chief Financial Officer

Item 01: Call to Order & Roll Call

Mr. Morgenstern called the meeting to order at 4:07 PM. Mr. Gonzales-Warkentin took the roll and established 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 on items not on the agenda. Hearing none, he proceeded with the meeting.

Item 03: Approve Minutes

Mr. Morgenstern called the Committee's attention to the draft minutes from the March 3, 2022 Finance Committee meeting and asked if any members had comments or revisions. Mr. Kirkland made a motion to accept the minutes as presented, and Mr. Parnagian seconded. The motion passed unanimously.

Item 04: Chair Report

Mr. Morgenstern stated it was nice to meet in person and congratulated everyone on the passing of Measure Z.



Item 05: Receive Quarterly Regency Investment Report

Mr. Myers reported that equity markets have been hurt by rising inflation and uncertainty surrounding global economic growth. He stated that fixed income markets are experiencing historic declines as the Federal Reserve raises rates and shrinks its balance sheet to combat inflation. Regarding the Zoo's funds, Mr. Myers said that the JP Morgan Core Bond Fund had been removed and Baird Aggregate Bond Fund added. He warned of a possible recession and stated the next 6-12 months will be challenging.

Item 06: Approve Altru Recommendation

Ms. Crow stated that the Zoo's current point-of-sale and customer relationship management system, Centaman, needed to be replaced for a variety of issues. After soliciting proposals from eight vendors and speaking with other organizations that use similar products, Ms. Crow said that the Zoo would like to move forward with Altru and Xtrulink. Mr. Skoda discussed how the Development Department could benefit from Altru, and Mr. Haverkamp did the same for Guest Services.

Ms. Crow pointed out that there would be some gaps including the lack of ability for Altru to interface with our food and retail partner's sales system. She stated another drawback would be that the Zoo would need to pay for both Centaman and Altru until the latter is able to go live.

Mr. Morgenstern suggested that an estimate of 60% of the hard costs total be applied to soft costs. He also asked if an audit of the Zoo's technology be performed to ensure the Zoo can run the new system.

Ms. Crow asked for approval for the Zoo to purchase and implement Altru. She stated that the budget impact for 2022 would be roughly \$136,800, including Mr. Morgenstern's suggestion of an additional 60% for soft costs. She said that annually Altru/Xtrulink would cost approximately \$138,792.

After further discussion, Mr. Parnagian made a motion to recommend to the Board the request for the Zoo to move forward with the implementation of Altru and Xtrulink, and Mr. Kirkland seconded. The motion passed unanimously.

Mr. Dohlin then requested that the Finance Committee move to Item 08 before discussing the financial report.

Item 08: Approve Change Orders

Mr. Dohlin reviewed the capital construction change order requests for Kingdoms of Asia totaling \$41,821. He stated that the project is approximately 80% complete with \$1.5 million left in contingency. He then reviewed the change order requests for Zooplex totaling \$18,841.33. After further discussion Mr. Parnagian made a motion to recommend to the Board the approval of change order requests for these two projects, and Mr. Morgenstern seconded. The motion passed unanimously.

Item 07: Approve Year-to-Date Financial Report

Ms. Crow provided an overview of the Zoo's financial health through April 2022. She stated that attendance for the month of April was the second highest for April since the corporation took over



operations of the Zoo. She said that the Zoo's self-generated revenue was 26% above budget and total expenses were 15% below. Nora stated that the Zoo Conservation expense will exceed budgeted amounts due to the successful breeding of the Blunt Nosed Leopard Lizard and the need to move them to a larger facility.

Mr. Morgenstern commented that he would like to see the Conservation budget expand year over year. After further discussion Mr. Parnagian made a motion to recommend the Year-to-Date financial Report to the Board, and Mr. Morgenstern seconded. The motion passed unanimously.

Item 09: Approve SLC Chillers Costs

Mr. Dohlin stated that due to supply chain issues and significant cost increases, the Zoo would not meet their deadline of installation of the new chillers for Sea Lion Cove this summer. He stated that the Zoo has been using swamp coolers since the inception of the project and the health of the animals in the exhibit is not at risk. Mr. Dohlin stated that the Zoo received bids from New England Sheet Metal and Strategic Mechanical, Inc., and the Zoo selected New England Sheet Metal for the project. Mr. Dohlin said the project cost includes construction contingency, project costs, stocking and staffing resulting in a total of \$1,409,982.40 to be requested from Measure Z.

After further discussion Mr. Kirkland made a motion to recommend to the Board the approval of \$1,409,982.40 from Measure Z for the Sea Lion Cove Chillers project and Mr. Parnagian seconded. Mr. Bell abstained from the vote. The motion passed unanimously.

Item 10: Approve Mixed Species Demolition Costs

Mr. Dohlin stated that the Asian Rhino exhibit was inadvertently left out of the Kingdoms of Asia project. He said that the Zoo would like to repurpose this exhibit into a mixed species habitat which would connect in theme to Kingdoms of Asia. He stated that the Zoo received two proposals for demolition, one from HD Matthews Demolition and Excavation and one from CENCAL Services, Inc. The Zoo selected to move forward with HD Matthews for a total cost of \$53,790. Mr. Dohlin said that the Zoo was seeking permission to request funds from Measure Z.

After further discussion Mr. Morgenstern made a motion to recommend to the Board the approval of \$53,790 from Measure Z for the demolition of the mixed species exhibit and Mr. Parnagian seconded. The motion passed unanimously.

Item 11: Approve Release of CLR Retention

Ms. Crow stated that CLR Designs is seeking payment of their retention of \$2,765.00 for the completion of design for the rhino lift station, 3D LSS basement modeling and the orangutan station. Mr. Morgenstern made a motion to recommend to the Board the release of retention and Mr. Parnagian seconded. The motion passed unanimously.

Item 12: Receive Energy Efficiency Upgrade Update

Mr. Dohlin reminded the Committee that the Energy Efficiency project was approved by the Board at a prior meeting. When presented to the Zoo Authority Board, Mr. Dohlin stated that they requested the



Zoo meet with ENGIE, an alternate energy efficiency company, and compare proposals for the work. Mr. Dohlin stated that their proposal was a higher cost than the original received from Alliance. He stated that the Zoo will be moving forward with Alliance.

Item 13: Old Business

Mr. Morgenstern asked if any member of the Committee had old or new business for discussion. No old business was presented.

Item 14: New Business

None was presented.

With no further business to discuss, Mr. Morgenstern adjourned the meeting at 6:25 PM.