



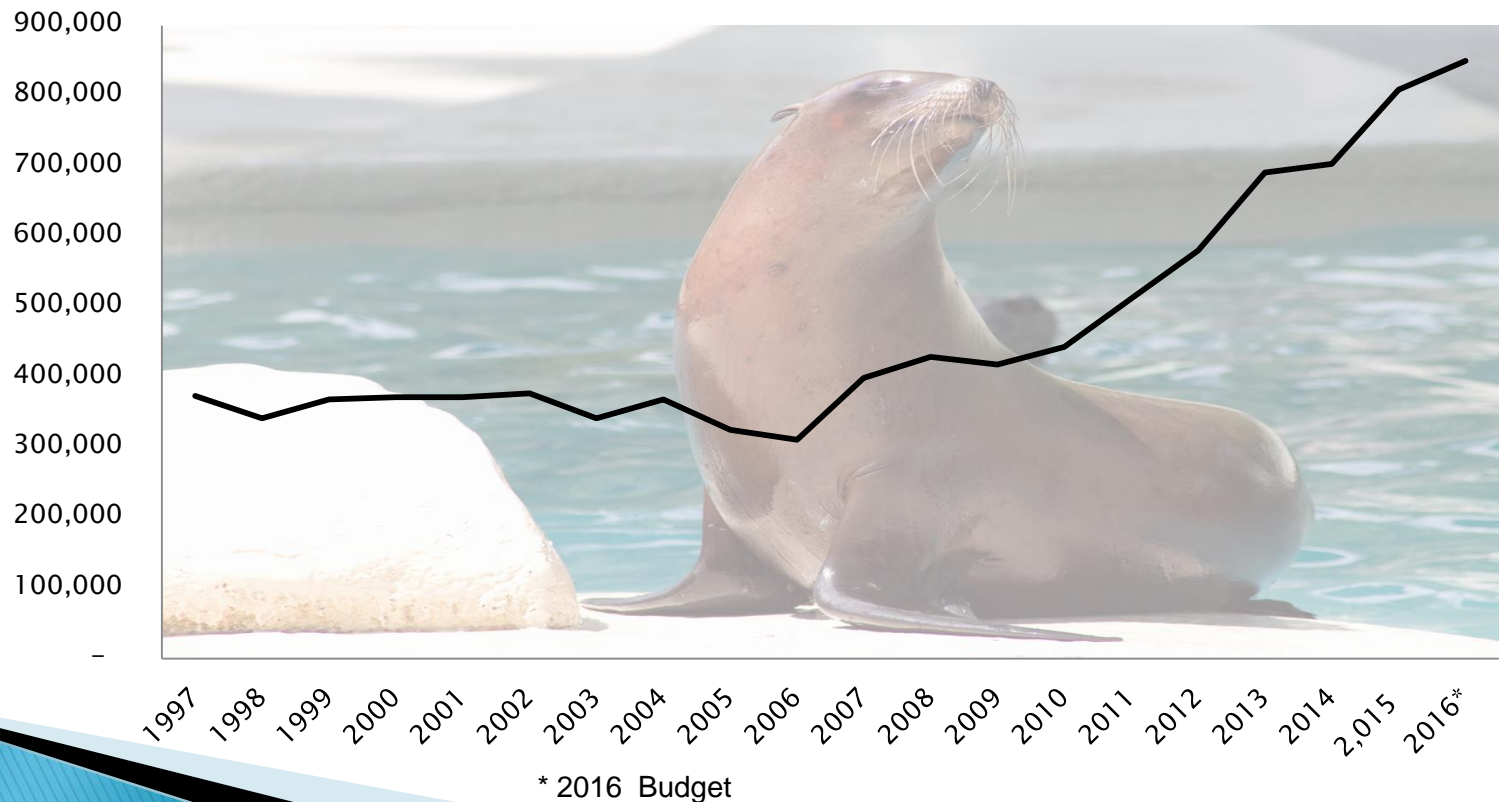
FY16 Budget Request
Fresno County Zoo Authority
February 24, 2016

Highlights for 2015

- ▶ African Adventure opened October 15, 2015 to the general public.
- ▶ October – December 2015 attendance was 233,620 compared to 133,431 for October – December 2014, an increase of 75%.
- ▶ 2015 attendance was 808,914 compared to 703,325 for 2014, an increase of 15%.
- ▶ Implemented new point-of-sale system allowing for online sales of admissions, education classes, and special events. Also captures member visitation, utilizes a virtual membership card, and barcodes tickets purchased online allowing for faster entry at the front gate.

Attendance

- ▶ 2016 budgeted attendance of 850,000
- ▶ 2015 budget of 700,000 visitors
- ▶ Historical attendance figures:
 - 2015 - 808,914 + 15%
 - 2014 - 703,325 + 2%
 - 2013 - 691,320 + 18%
 - 2012 - 585,226 + 14%



2016 Budget Assumptions

- ▶ 2016 projected attendance of 850,000.
- ▶ African Adventure adds 13 acres increasing the zoo by 72%. The entire expansion area adds 21 acres for a total of 39 acres.
- ▶ 2016 will add 15 full time staff. Including proposed positions, there will be a total of 131 full time positions and 87 part time positions in 2016.
- ▶ Substantial increase to operating expenses related to African Adventure.
- ▶ Admission prices increase with adults going from \$7 to \$10 and seniors and children going from \$3.50 to \$5.50. Family memberships increase to \$75 with a \$10 discount for Fresno County residents.
- ▶ Giraffe feeding, Stingray Bay and school group pricing remain the same.
- ▶ Newly created Deputy Director position for 2016.

Fresno's Chaffee Zoo Corporation

Income Statement

2016 Budget

	<u>FY16 Budget</u>	<u>FY15 Budget</u>	<u>FY15 Actual @ 12/30/15</u>	<u>FY14 Audited</u>
REVENUE				
Self-Generated Revenue				
Admissions	\$3,854,100	\$2,261,000	\$2,433,628	\$2,176,323
Adopt an Animal	\$40,000	\$40,000	\$32,690	\$38,377
Board Designated for Endow	\$50,000	\$50,000	\$12,829	\$215,863
Education	\$394,600	\$288,600	\$348,164	\$308,287
Food Services	\$450,500	\$319,000	\$410,571	\$288,513
Gift Shop	\$450,500	\$371,000	\$440,843	\$357,104
Giraffe Feeding	\$263,000	\$196,000	\$204,558	\$185,653
Grants/Fundraising	\$227,500	\$1,108,500	\$683,475	\$388,661
Group Event/Facility Rental	\$327,000	\$250,000	\$374,585	\$233,267
Interest Income	\$352,500	\$286,000	\$234,614	\$418,991
Investment Income	\$0	\$0	\$138,683	(\$61,179)
Membership	\$1,100,000	\$820,000	\$986,884	\$830,803
Special Events	\$736,000	\$630,000	\$625,955	\$575,942
Stingray Exhibit	\$357,000	\$287,000	\$304,133	\$284,447
Other	\$66,500	\$54,500	\$55,026	\$59,656
Total Self-Generated Revenue	<u>\$8,669,200</u>	<u>\$6,961,600</u>	<u>\$7,286,639</u>	<u>\$6,300,708</u>
Measure Z-Capital Funds	\$20,200	\$23,250	\$21,247,629	\$31,938,372
Measure Z Operating Funds	\$4,250,120	\$4,500,120	\$4,287,523	\$3,547,371
TOTAL REVENUE	<u>\$12,939,520</u>	<u>\$11,484,970</u>	<u>\$32,821,792</u>	<u>\$41,786,451</u>

Fresno's Chaffee Zoo Corporation
Income Statement

2016 Budget

	<u>FY16 Budget</u>	<u>FY15 Budget</u>	<u>FY15 Actual @ 12/30/15</u>	<u>FY14 Audited</u>
EXPENSES				
OPERATING EXPENSES				
Personnel Expenses				
Administration	\$824,768	\$727,278	\$701,632	\$686,628
Animal	\$3,185,826	\$2,256,665	\$2,207,644	\$1,819,693
Education	\$835,606	\$788,645	\$770,220	\$624,496
Maintenance/Horticulture	\$941,729	\$667,149	\$566,093	\$512,239
Mem/Dev/Marketing	\$679,859	\$623,994	\$574,591	\$488,570
Operations	\$212,341	\$0	\$0	\$0
Veterinary	\$353,984	\$271,093	\$271,945	\$207,620
Visitor Services	\$773,667	\$690,153	\$655,665	\$633,027
Total Personnel Expenses	<u>\$7,807,780</u>	<u>\$6,024,977</u>	<u>\$5,747,789</u>	<u>\$4,972,273</u>
Other Expenses				
Advertising	\$364,100	\$315,300	\$260,242	\$321,971
Animal Services	\$410,175	\$361,500	\$583,985	\$332,912
Computer/Software	\$60,685	\$53,750	\$39,149	\$46,800
Conservation	\$125,000	\$70,000	\$83,410	\$80,053
Contracted Services	\$528,650	\$528,400	\$497,415	\$502,215
Depreciation Expense	\$396,546	\$346,380	\$325,728	\$893,313
Dues	\$42,800	\$39,105	\$45,354	\$35,840
Equipment	\$207,529	\$179,350	\$203,843	\$174,966
Fleet	\$49,579	\$33,220	\$37,678	\$20,012
Food/Catering	\$193,050	\$134,000	\$213,102	\$128,759
Insurance	\$170,000	\$155,000	\$162,892	\$150,755
Miscellaneous Business	\$56,425	\$89,668	\$50,282	\$56,086
Office Supplies	\$27,270	\$26,150	\$29,801	\$22,767
Postage	\$65,946	\$61,160	\$55,849	\$50,357
Printing	\$155,340	\$137,100	\$181,013	\$126,859
Professional Services	\$225,500	\$191,000	\$211,961	\$302,470
Repairs and Replacements	\$372,400	\$255,900	\$341,022	\$244,185

Fresno's Chaffee Zoo Corporation

Income Statement

2016 Budget

	<u>FY16 Budget</u>	<u>FY15 Budget</u>	<u>FY15 Actual @ 12/30/15</u>	<u>FY14 Audited</u>
Service/Bank/Credit Card Fees	\$146,820	\$127,230	\$138,841	\$124,799
Signage	\$16,500	\$21,050	\$14,952	\$14,045
Specialized Services	\$27,500	\$30,500	\$32,183	\$23,606
Staff Development	\$110,587	\$90,550	\$66,095	\$73,412
Supplies	\$416,725	\$421,070	\$480,956	\$359,858
Telephone	\$44,550	\$40,500	\$48,079	\$40,042
Uniforms	\$40,230	\$34,900	\$42,089	\$31,185
Utilities	\$695,000	\$560,000	\$489,271	\$452,793
Other	\$27,125	\$26,075	\$27,725	\$20,544
Total Other Expenses	<u>\$4,976,032</u>	<u>\$4,328,858</u>	<u>\$4,662,919</u>	<u>\$4,630,603</u>
TOTAL OPERATING EXPENSES	<u>\$12,783,812</u>	<u>\$10,353,835</u>	<u>\$10,410,708</u>	<u>\$9,602,876</u>
Expansion/Nonoperating Exp.				
Expansion/Nonoperating Exp.	\$0	\$100,000	\$7,683	\$106,180
Total Expansion/Nonoperating Exp.	<u>\$0</u>	<u>\$100,000</u>	<u>\$7,683</u>	<u>\$106,180</u>
TOTAL EXPENSES	<u>\$12,783,812</u>	<u>\$10,453,835</u>	<u>\$10,418,392</u>	<u>\$9,709,056</u>
BEGINNING FUND BALANCE	\$82,214,259	\$59,810,858	\$59,810,858	\$27,733,463
NET SURPLUS/(DEFICIT)	\$155,708	\$1,031,135	\$22,403,400	\$32,077,395
ENDING FUND BALANCE	\$82,369,967	\$60,841,993	\$82,214,259	\$59,810,858

Notes:

Beginning fund balance made up of cash, investments, accounts receivable, and other assets less accounts payable, line of credit, and accrued liabilities.

2015 operating surplus projection of approximately \$900,000 (excludes unrealized gain on investments, capital fundraising and related expenditures, depreciation, and Measure Z capital reimbursements for capital projects.

2016 Budget Revenue Increase Support

- ▶ Admissions, concessions, giraffe feeding, retail and Stingray Bay per caps all increase with the opening of African Adventure.
- ▶ Education: increase in Adventure camp revenue, Zoomobile presentations, behind-the-scenes, and lab programs.
- ▶ Group events/facility rental: revenue increase of \$77k over 2015 budget and \$21k over 2015 year end projection.
- ▶ Membership prices increase with admission prices going up. The opening of African Adventure will result in an increase in household members. Fresno County residents will receive \$10 off a family membership.
- ▶ Special Events revenue increase of \$107k. Zoo Lights (\$55k), Zoo Boo (\$25k), Safari Night (\$13k), and Frogs and Fairytales (\$5k) all increase over 2015.
 - 2015 Zoo Lights budget of \$160k was approved prior to the 2014 event which brought in \$191k. 2016 budget is \$218k.

2016 Budget Expense Increase Support

- ▶ Advertising: increase of \$49k.
- ▶ Animal Services: increase of \$49k includes animal feed increase of \$60k and animal shipping decrease of \$15k.
- ▶ Conservation: increase of \$55k. AZA set a goal for zoos and aquariums to contribute 3% of their operating budget to conservation projects, and the Fresno Chaffee Zoo is committed to reach that goal by 2023.
- ▶ Depreciation: increase of \$50k. Does not include depreciation of major exhibits (Sea Lion Cove, Africa) and infrastructure improvements. Those are done at year end so not to show multimillion dollar deficits.
- ▶ Food/Catering: increase of \$49k. Group event/facility rental revenue increase of \$77k.
- ▶ Repair and Replacement: increase of \$117k include general repair and replacement (\$54K), exhibit renovations and maintenance (\$35k), construction (\$19k), and building supplies and materials (\$10k).
- ▶ Utilities: increase of \$245k which is a 50% increase over the 2015 projected year end total.

Expenses

Personnel

- ▶ 2016 Salaries and Benefits: 61% of total operating expenses are salary and benefits (industry benchmark of 58% – 63%). 2015 budget was 58% and projected year-end is 57%.
- ▶ 2016 benefits (insurance, retirement, payroll taxes and workers' compensation) is 32% of total salaries. 2015 budget was 32% and projected year-end is 28%. Received onetime workers' compensation rebate of \$92,346 in 2015.
- ▶ 2016: Health insurance premium increase originally quoted at 13.9%. Insurance brokers went to market for competitive pricing. Blue Shield came back with a revised increase of 8.5% which we accepted.
- ▶ Other benefits: Excluding health insurance, benefit premiums increased slightly over 2015 rates and have very little impact on the budget.
- ▶ Includes minimum wage increase of \$1 /hour.

Staffing Changes

Deputy Director – Board has asked staff to come up with a succession plan which includes a Deputy Director position.

Assistant Curator of Birds – This position will allow a more focused oversight of our growing bird collections. It also allows for a reorganization of animal care management while adding the Valley Farms and Program Animals back to the animal department.

Zookeeper- Elephants – This position allows for the appropriate coverage for our Asian Elephants.

Veterinarian – This position allows for more coverage for our hospital staff with our growing collection due to African Adventure.

Custodial (2) – An additional 2 custodians will provide the appropriate coverage to make sure pathways are clean and neat, bathrooms are attended to and trash is dumped.

Horticulture – As the landscape in Africa matures it will require more resources. Also allows for appropriate coverage as the staff acquire more time off.

Facilities Lead – This position will provide better communication, provide additional support for staff when the facilities manager is busy or off, and to provide consistency in organizational structure.

Staffing Changes

Interpretive Guide – The Interpretive Guide will provide an additional resource in the zoo to answer questions while monitoring an exhibit to insure the safety of our guests. This position is similar to the interpretive guides currently staffed at Stingray Bay, Tropical Treasures and giraffe feeding.

Pathway Interpretive Guides (2) – The pathway interpretive guides will be responsible for educating and interacting with guests on the pathways in African Adventure. Pathway Interpretive Guides will be required to be Certified Interpretive Guides and demonstrate their talents daily while monitoring the pathways to insure the safety of our guests.

Educator – As education programs grow, we are in need of an additional instructor to provide programs as well as assist with Behind the Scenes experiences.

HR Generalist – This position will allow the HR department to keep up with required policies, trainings, staff engagement, investigations and development. The HR generalist will also work with our Safety and Security Manager to understand safety at the zoo and maintain all documents.

Administrative Coordinator – This position will act as a utility for all administrative functions for all departments. Work will include operational projects, animal care projects, education projects, administrative projects, and act as a lead for the administrative staff.

Controller – The controller will oversee day-to-day accounting, assist in developing the annual budget, oversee the general ledger, assist with financial reporting, and help with the annual audit.

2015 Measure Z Request

▶ **2016 Measure Z Operating Support Request:** (2015 request was \$4,500,120)

• Personnel Expenses:	
Animal	\$3,036,016
Veterinary Services	\$ 353,984
• Operating Expenses:	
Animal Food	\$ 360,000
Utilities	\$ 500,000
Bank Fees	\$ <u>120</u>
Total 2016 Operating Request	\$4,250,120

▶ **Measure Z Capital Support:**

Animal Acquisition/Transportation	\$ 20,000
Bank Fees	\$ <u>200</u>
Total 2016 Capital Request	\$ 20,200

▶ **Projected 2016 Measure Z Funding (excluding interest):**

	2016 FCZ
	Projected Revenue
Capital	\$ 8,476,533
Operating	\$ 4,238,204
Administration	\$ <u>259,484</u>
2016 Projected Proceeds	\$12,794,221

Measure Z continued

- 2016 Measure Z Operating Support Request:

2016 request:	\$ 4,250,120	Percent of 2016 operating budget:	33%
2015 request:	<u>\$ 4,500,120</u>	Percent of 2015 operating budget:	43%
Increase/(Decrease):	(\$250,000)		

- 2015 Projected Measure Z Operating:

Projected receipts to be collected – \$4,063,846
Projected total claims – \$4,416,460
Projected funds available – (\$352,614)

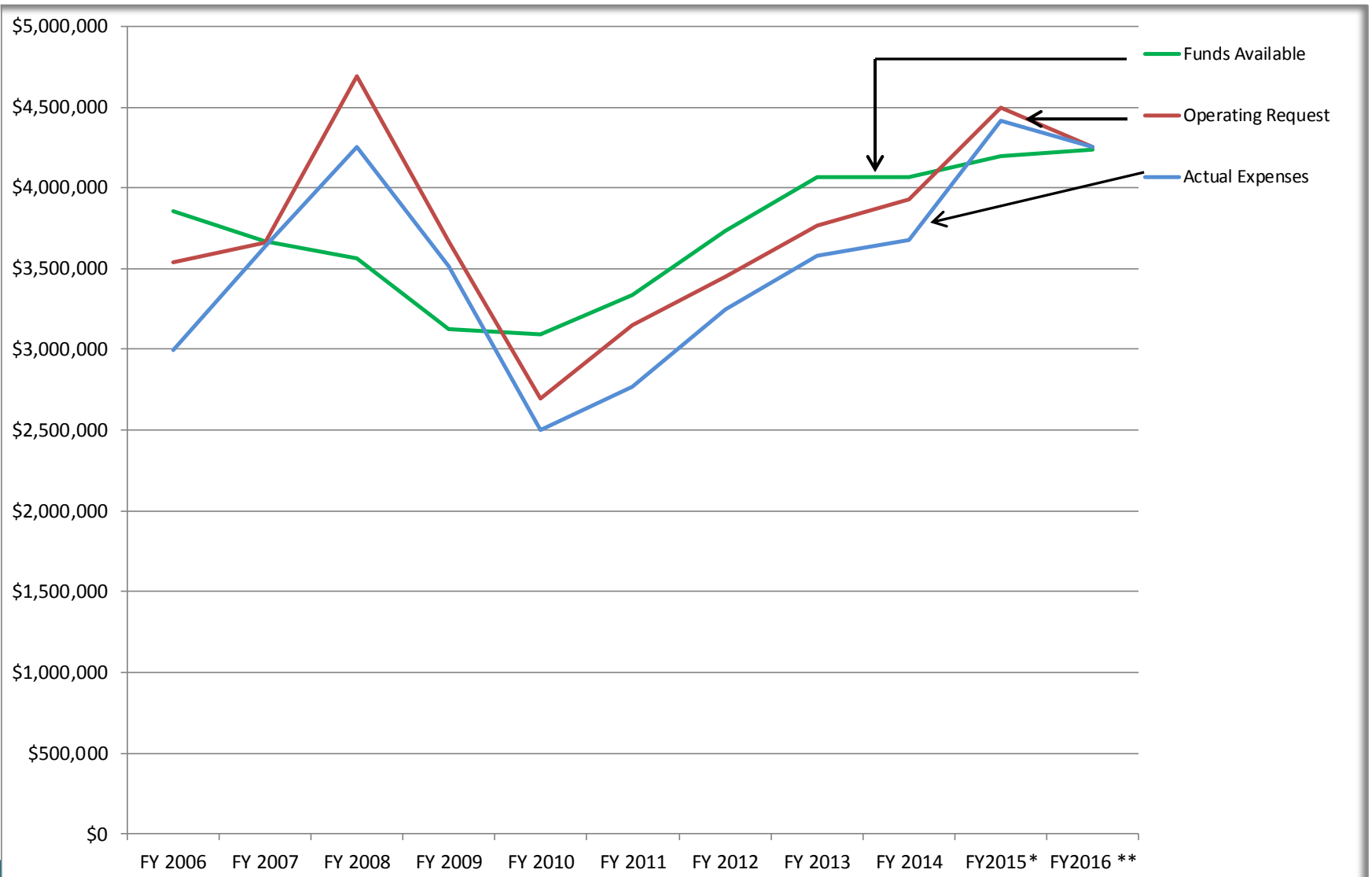
- 2014 Measure Z Operating recap:

Receipts collected – \$4,063,849
Total claims – \$3,547,371
2014 funds available – \$516,478

- Measure Z operating fund surplus of approximately \$5.9 million as of 8/31/2015.

All figures based on Zoo's fiscal year (January – December).

Measure Z Operating Funds



* 2015 projected expenses
** 2016 budgeted expenses.