

FRESNO COUNTY ZOO AUTHORITY

9:00 AM, Wednesday, June 24, 2015

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

AGENDA

1. Call to Order

2. Public Comments

This time is made available to receive comments from the public on matters within the Board's jurisdiction that are not on the Agenda. Attention is called to the fact that the Board is prohibited from taking any action on matters that are not on the Agenda. Members of the public are limited to three minutes to speak during Public Comments as well as for each item on the agenda. In order to accurately record the minutes, members of the public are asked to speak only from the podium. Before beginning comments, please state for the record your name and affiliation, if any.

3. Consent Agenda

These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to remove any item from the Consent Calendar. Items removed from the Consent Calendar may be heard immediately following approval of the Consent Calendar.

a. Review and approve minutes of April 27, 2015

b. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$62,199.76 for March and April 2015

c. Receive Treasurer's Reports for April and May 2015

4. Receive presentation of Fresno Chaffee Zoo Corporation 2014 annual audit from Moore Grider and Company

5. Receive Fresno Chaffee Zoo Director's report

6. Receive Fresno Chaffee Zoo Corporation Chief Financial Officer's report

7. Approve and authorize the estimated Administrative revenues and appropriations for the 2015-2016 budget year
8. Receive staff report on Measure Z Administrative Fund balance and provide direction to staff
9. Conduct second reading of proposed amendments to Bylaws, and approve amendments
10. Discuss policy for requirements for approval of Capital Project agreements and management of Retention funds for Measure Z funded projects, and direct staff to return with a draft for consideration,
Or
Discuss and approve Retention Policy for Capital Projects agreements, and direct staff to incorporate it the next revision of the Authority's Procedures for Approving and Administering Measure Z Funds
11. Staff Reports
 - a. Provide direction to staff to begin 14-15 annual report
 - b. Provide direction for recognition of outgoing Board and staff members
12. Confirm next meeting date(s)
Adopted meeting dates include:
July 29, 2015
August 26, 2015
September 30, 2015
October 28, 2015
13. Chair's comments
14. Board Member comments
15. Adjourn

All supporting documentation is available for public review in the office of the Fresno County Zoo Authority, 2220 Tulare Street, 6th Floor, Fresno, 93721, during regular business hours.

For further information, please contact Catherine Crosby, Zoo Authority Coordinator, at 600-4305, email zooauthority@co.fresno.ca.us, or visit www.zooauthority.org. Requests for disability-related modification or accommodation needed in order to participate in the meeting must be made to the Zoo Authority Coordinator no later than 9:00 a.m. on the day prior to the meeting.



FRESNO COUNTY ZOO AUTHORITY

9:00 AM, Wednesday, April 29, 2015

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

ACTION SUMMARY MINUTES

1. Call to Order

CHAIRMAN HERZOG CALLED THE MEETING TO ORDER AT 9:00 AM. A QUORUM OF FIVE MEMBERS WAS PRESENT, INCLUDING THE CHAIRMAN, JOHN GRAY, GERALD LYLES, PAUL TOSTE, AND RALPH WATERHOUSE.

01:11

2. Public Comments

This time is made available to receive comments from the public on matters within the Board's jurisdiction that are not on the Agenda. Attention is called to the fact that the Board is prohibited from taking any action on matters that are not on the Agenda. Members of the public are limited to three minutes to speak during Public Comments as well as for each item on the agenda. In order to accurately record the minutes, members of the public are asked to speak only from the podium. Before beginning comments, please state for the record your name and affiliation, if any.
HELD; NONE OFFERED.

01:56

3. Consent Agenda

These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to remove any item from the Consent Calendar. Items removed from the Consent Calendar may be heard immediately following approval of the Consent Calendar.

02:28

a. Review and approve minutes of February 25, 2015

b. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$19,522.54 for January and February 2015

c. Receive Treasurer's Reports for February and March 2015

APPROVED UNANIMOUSLY – GL/PT; MEMBERS STRATFORD AND SWEARENGIN ABSENT

02:45

4. Receive Fresno Chaffee Zoo Director's report
RECEIVED; DIRECTOR SCOTT BARTON REPORTED ON STRONG ATTENDANCE AND THE LIKELIHOOD OF BREAKING LAST YEAR'S APRIL ATTENDANCE OF 100,000. HE ALSO EXPECTS ATTENDANCE FOR THE END OF THE YEAR TO BE STRONG AS WELL, WITH THE OPENING OF AFRICAN ADVENTURE IN OCTOBER. CONSTRUCTION IS ON SCHEDULE AND EXPECTED TO FINISH IN AUGUST. DESIGN OF THE NEW TIGER EXHIBIT HAS BEGUN. OTHER FUTURE PLANS INCLUDE AN EDUCATION ANIMAL FACILITY, COMMISSARY UPGRADE, AND SMALL EXPANSION OF DINO DIG. RESPONDING TO BOARD MEMBER INQUIRIES, MR BARTON REPORTED THAT NO FUNDS, STAFF OR RESOURCES FROM THE ZOOCORP, THE ZOO OR MEASURE Z WILL BE USED FOR THE RESTORATION OR MANAGEMENT OF STORYLAND AND PLAYLAND. MR. BARTON AND ZOO CORPORATION CHAIRMAN VALENTINO ARE VOLUNTEERING THEIR TIME TO ASSIST THE TRANSITION OF THE ORGANIZATION'S NEW BOARD.

13:23

5. Receive Fresno Chaffee Zoo Corporation Chief Financial Officer's report
RECEIVED; CHIEF FINANCIAL OFFICER BRIAN GOLDMAN REPORTED THAT THE EXPECTED 100,000 VISITORS IN APRIL WILL BE THE SECOND BUSIEST MONTH IN THE ZOO'S HISTORY. YEAR-TO-DATE, ATTENDANCE IS 4% LESS THAN LAST YEAR, BUT WITH THE OPENING OF AFRICAN ADVENTURE, THE LAST THREE MONTHS OF THE YEAR SHOULD BE VERY BUSY. OPERATING EXPENSES ARE 10% UNDER BUDGET, WITH AN OPERATING SURPLUS OF \$177,674. FIRST QUARTER COMBO TICKET SALES ARE 89% AHEAD OF, AND ALMOST DOUBLE LAST YEAR'S. THE AUDIT IS IN PROCESS AND SHOULD BE AVAILABLE BY THE JUNE MEETING.

21:21

6. Approve an increase to the Zoo Authority's Professional and Specialized Services appropriations by \$27,389.65
**AFTER DISCUSSION THE INCREASE WAS APPROVED UNANIMOUSLY - GL/PT;
MEMBERS STRATFORD AND SWEARENGIN ABSENT**

25:30

7. Payment/Reimbursement of Measure Z Election Costs
 - a. Approve payment of \$72,389.65 from the Zoo Authority's 2014-15 Administrative Budget for Professional and Specialized Services to the Fresno County Clerk/Registrar of Voters for the direct (add-on) costs to place Measure Z on the November 4, 2014 Statewide General Election ballot.
 - b. Adopt Resolution 2015-01 accepting donation of \$72,389.65 from Fresno Chaffee Zoo Corporation for the cost to place Measure Z on the November 4, 2014 State-wide General Election ballot.**WITHOUT DISCUSSION BOTH ACTIONS WERE APPROVED UNANIMOUSLY - PT/GL;
MEMBERS STRATFORD AND SWEARENGIN ABSENT**

27:00

8. Conduct first reading of amendments to bylaws, and waive reading in its entirety
**AFTER CLARIFICATION ON PUBLIC COMMENT AND THE ACTION, A QUORUM OF FIVE MEMBERS APPROVED UNANIMOUSLY TO HOLD A SECOND READING OF THE BYLAWS -
- GL/RW; MEMBERS STRATFORD AND SWEARENGIN ABSENT.**

31:00

9. Confirm next meeting date(s)

Adopted meeting dates include: May 27, 2015
June 24, 2015
July 29, 2015

AFTER DISCUSSION, MEMBERS VOTED UNANIMOUSLY TO STRIKE THE MAY 27 MEETING DATE AND AFFIRM THE NEXT MEETING DATES OF JUNE 24 AND JULY 29 – PT/GL; MEMBERS STRATFORD AND SWEARENGIN ABSENT.

33:40

10. Chair's comments

THE CHAIRMAN THANKED MR BARTON FOR A RECENT TOUR OF THE AFRICAN ADVENTURE SITE AND PRAISED HIM FOR OVERSIGHT OF THE COMPLEX PROJECT, NOTING THE IMPACT IT WILL HAVE ON THE COMMUNITY AND FOR SUBSEQUENT GENERATIONS. HE ALSO THANKED MR. BARTON FOR HIS VOLUNTEER SERVICE IN THE REVITALIZATION OF STORYLAND AND PLAYLAND.

11. Board Member comments

NONE OFFERED.

35:12

12. Adjourn

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, THE CHAIRMAN ADJOURNED THE MEETING AT 9:35 AM.

All supporting documentation is available for public review in the office of the Fresno County Zoo Authority, 2220 Tulare Street, 6th Floor, Fresno, 93721, during regular business hours.

For further information, please contact Catherine Crosby, Zoo Authority Coordinator, at 600-4305, email zooauthority@co.fresno.ca.us, or visit www.zooauthority.org. Requests for disability-related modification or accommodation needed in order to participate in the meeting must be made to the Zoo Authority Coordinator no later than 9:00 a.m. on the day prior to the meeting.



Invoice for Professional Services in Support of the Zoo Authority
Billing Hours and Expenses for March, April and May 2015

Invoice Number 0304-ZOO-62415

June 24, 2015

TO: Zoo Authority Board
c/o County of Fresno
2220 Tulare St, 6th Floor MS 214
Fresno, CA 93721

Department / Title	Hours	Rate	Cost	Fiscal Year 14-15
<i>Financial Reporting & Audits</i>				
<i>Division Chief</i>	1.50	\$104.36	\$156.54	
<i>Supervising Accountant</i>	7.75	\$89.40	\$692.85	
<i>Senior Accountant</i>	114.75	\$88.57	\$10,163.41	
<i>Accountant II</i>	82.50	\$80.30	\$6,624.75	
<i>Accountant I</i>	146.15	\$65.80	\$9,616.67	
<i>Public Works & Planning</i>				
<i>Analyst III</i>	352.70	\$73.01	\$25,750.63	
<i>County Counsel</i>				
<i>Deputy County Counsel</i>	24.50	\$113.00	\$2,768.50	
Professional Services Total	729.85		\$55,773.34	\$171,028.61
<i>Audit Services-Brown Armstrong</i>			\$3,110.00	
<i>Annual Report-Graphics</i>			\$3,258.75	
<i>Postage</i>			\$29.76	
<i>Office Supplies</i>			\$24.31	
<i>Copies</i>			\$0.00	
<i>Transportation</i>			\$3.60	
Office Expense Total			\$6,426.42	\$7,558.60
			\$62,199.76	\$178,587.21
			Invoice Total	FY 14-15 Total



**Fresno County Zoo Authority
Treasurer's Report
Unaudited Cash Basis
For the Month Ended April 30, 2015**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
	- Measure Z - Sales Tax Proceeds		\$ 804,100.00
	Total Proceeds Received:		\$ 804,100.00
Tax Proceeds Allocated:			
	- Allocation to Zoo Authority Fund (2%)		16,082.00
	- Allocation to Trust Fund for Operations and Capital Projects (98%)		788,018.00
	Total Proceed Allocations		\$ 804,100.00
Cash Balance by Fund			
Zoo Authority Fund	>> Administrative Fund	2%	
	Beginning Cash Balance		\$ 1,123,508.45
Receipts:	- Measure Z Sales Tax Proceeds		16,082.00
	- Interest Received		665.42
	- Measure Z Ballot Proceeds		72,389.65
Disbursements:	- PeopleSoft Charges		(54.88)
	- Measure Z Ballot Proceeds Paid		(72,389.65)
	Net Increase/(Decrease) to Cash		16,692.54
	Ending Cash Balance - Zoo Authority Administrative Fund		\$ 1,140,200.99
Trust Fund for FCZC Operations and Capital Projects	98%		
	Beginning Cash Balance		\$ 31,915,625.16
	>> Operations Fund		
	Beginning Cash Balance		6,291,679.27
Receipts:	- Measure Z Sales Tax Proceeds		262,672.67
	- Interest Received		3,596.65
Disbursements:	- FCZC Operations Claim # 2014-12		(339,541.18)
	- FCZC Operations Claim # 2015-03		(308,168.19)
	Net Increase/(Decrease) to Cash		(381,440.05)
	Ending Cash Balance - Available for Operations		\$ 5,910,239.22
	>> Capital Facilities Project Fund		
	Beginning Cash Balance		\$ 25,623,945.89
Receipts:	- Measure Z Sales Tax Proceeds		525,345.33
	- Interest Received		16,882.36
	Net Increase/(Decrease) to Cash		542,227.69
	Ending Cash Balance - Available for Capital Projects		26,166,173.58
	Ending Balance Available for Operations and Capital Projects		\$ 32,076,412.80
	Total Interest Received During the Month		21,144.43

By Staff _____

Date _____

Accepted _____

Date _____

* Interest receipts are recorded in the month received rather than in the month earned and were calculated on an annual percentage rate of 1.378 as of December 31, 2014



Fresno County Zoo Authority

SUMMARY OF MEASURE Z SALES TAX PROCEEDS

	PRIOR FISCAL YEARS				CURRENT FISCAL YEAR			
	2010-2011		2011-2012		2012-2013		2013-2014	
	ACTUAL	RECEIPTS	ACTUAL	TAX RECEIPTS	ACTUAL	TAX RECEIPTS	ACTUAL	TAX RECEIPTS
	RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS
July	\$ 659,300	\$ 719,800	\$ 826,000	\$ 903,500	\$ 894,465	\$ 864,900	\$ (29,565)	-3.31%
August	857,600	921,200	1,033,100	1,106,000	1,106,000	1,149,600	\$ 43,600	3.94%
September	895,691	1,057,603	1,028,369	1,097,605	1,097,605	1,199,226	\$ 101,621	9.26%
October	677,000	694,100	850,500	857,400	874,548	879,100	\$ 4,552	0.52%
November	879,500	878,500	1,056,800	1,143,200	1,131,788	1,172,100	\$ 40,332	3.56%
December	932,350	1,240,028	1,083,021	1,076,977	1,109,286	1,147,219	\$ 37,933	3.42%
January	710,700	770,100	799,900	836,700	845,067	884,100	\$ 39,033	4.62%
February	919,900	978,600	1,086,700	1,101,200	1,123,224	1,178,800	\$ 55,576	4.95%
March	821,858	1,006,649	1,021,734	1,113,584	1,102,448	1,087,121	(15,327)	-1.39%
April	618,400	716,100	846,500	788,000	804,100 *	804,100	-	0.00%
May	876,500	897,100	1,493,700	1,050,600				
June	963,040	1,191,689	1,015,391	1,139,360				
Total	\$ 9,811,839	\$ 11,071,469	\$ 12,141,715	\$ 12,214,126	\$ 10,088,511	\$ 10,366,266	\$ 277,755	4.47%

* Amounts were not budgeted for FY 14-15 because accountants calculations were made following a conservative approach.

TOTAL MEASURE Z PROCEEDS FROM INCEPTION \$ 109,762,928



**Fresno County Zoo Authority
Receipt of Interest
Unaudited Cash Basis
For the Month Ended
April 30, 2015**

Summary of Quarter Four Interest Receipts				
Fund	Subclass	Description	1st Alloc. April	Interest Received
4845	10000	Zoo Authority	\$ 665.42	\$ 665.42
4850	10000	FCZC - Operations	3,596.65	3,596.65
4850	42700	FCZC - CP	16,882.36	16,882.36
Total			\$ 21,144.43	\$ 21,144.43



**Fresno County Zoo Authority
Capital Projects Fund Cash Flow
For the Quarter Ended April 30, 2015**

Cash Balance as of 04/30/2015

\$ 26,166,174

DEDUCTIONS (earmarked projects, paid through claim 2015-1C):

2015 Utility Design-March 2015	310,142
2015 Animal Acquisition-February 2015	23,000
2014 Graphics-2011	33,598
2014 Reptile Plaza-2011	50,000
2014 Entrance/Vault-2011	85,000
2014 Cobra Exhibit-2011	171,829
2014 Animal Acquisition-January 2013	20,000
2014 Utility Design-May 2013	151,213
2014 African Project-December 2013	19,402,462
2013 Animal Acquisition	20,000
2012 Tropical Treasures-January 2012	64,937
2012 Exploration Station-January 2012	100,000

Total Deductions:

\$ (20,432,181)

TOTAL:

\$ 5,733,993



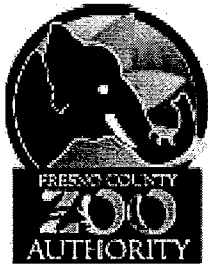
**Fresno County Zoo Authority
Operations Fund Cash Flow
For the Quarter Ended April 30, 2015**

Cash Balance as of 04/30/2015

\$ 5,910,239

DEDUCTIONS (Remaining budgets, paid through claim 2015-3):

2015 Visitor Services	554,610	
2015 Animal	1,836,984	
2015 Veterinary	223,694	
2015 Maintenance	541,782	
2015 Utilities	282,575	
2015 Animal Feed	238,994	
2015 Interest/Bank Charges	340	
2014 Visitor Services	7,022	
2014 Animal	89,673	
2014 Maintenance	156,222	
2014 Education	128,394	
2014 Interest/Bank Charges	90	
Total Deductions:		<u><u>\$ (4,060,380)</u></u>
TOTAL:		<u><u>\$ 1,849,859</u></u>



**Fresno County Zoo Authority
Administration Fund Cash Flow
For the Quarter Ended April 30, 2015**

Cash Balance as of 04/30/2015

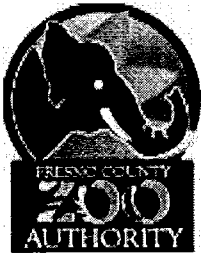
\$ 1,140,201

DEDUCTIONS (Remaining budgets, paid through claim 1112-ZOO-22515):

2015 Telephone Charges	500	
2015 Memberships	1,000	
2015 Office Expense	5,441	
2015 Postage	1,397	
2015 PeopleSoft Financials Charges	260	
2015 Professional Services	117,392	
2015 Data Processing Services	3,000	
2015 Publications & Legal Notices	1,000	
2015 Trans, Travel & Education	5,000	
Total Deductions:		<u>\$ (134,990)</u>

TOTAL:

\$ 1,005,211



**Fresno County Zoo Authority
Treasurer's Report
Unaudited Cash Basis
For the Month Ended May 31, 2015**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
- Measure Z - Sales Tax Proceeds		\$	1,072,100.00
Total Proceeds Received:		\$	1,072,100.00
Tax Proceeds Allocated:			
- Allocation to Zoo Authority Fund (2%)			21,442.00
- Allocation to Trust Fund for Operations and Capital Projects (98%)			1,050,658.00
Total Proceed Allocations		\$	1,072,100.00
Zoo Authority Fund >> Administrative Fund 2%			
Beginning Cash Balance		\$	1,140,200.99
Receipts:	- Measure Z Sales Tax Proceeds		21,442.00
Disbursements:	- PeopleSoft Charges		(70.56)
	- Professional Services		(19,510.65)
	- Postage		(5.95)
Net Increase/(Decrease) to Cash			1,854.84
Ending Cash Balance - Zoo Authority Administrative Fund		\$	1,142,055.83
Trust Fund for FCZC Operations and Capital Projects 98%			
Beginning Cash Balance		\$	32,076,412.80
>> Operations Fund			
Beginning Cash Balance			5,910,239.22
Receipts:	- Measure Z Sales Tax Proceeds		350,219.33
Disbursements:	- Wire Fees		(30.00)
Net Increase/(Decrease) to Cash			350,189.33
Ending Cash Balance - Available for Operations		\$	6,260,428.55
>> Capital Facilities Project Fund			
Beginning Cash Balance		\$	26,166,173.58
Receipts:	- Measure Z Sales Tax Proceeds		700,438.67
Disbursements:	- FCZC Capital Projects Claim #2015-2C		(2,538,830.93)
	- FCZC Capital Projects Claim #2015-3C		(2,280,958.74)
	- FCZC Capital Projects Claim #2015-4C		(301,780.66)
Net Increase/(Decrease) to Cash			(4,421,131.66)
Ending Cash Balance - Available for Capital Projects			21,745,041.92
Ending Balance Available for Operations and Capital Projects		\$	28,005,470.47
Total Interest Received During the Month			

By Staff _____

Date _____

Accepted _____

Date _____

* Interest receipts are recorded in the month received rather than in the month earned and were calculated on an annual percentage rate of 1.378 as of December 31, 2014



Fresno County Zoo Authority

SUMMARY OF MEASURE Z SALES TAX PROCEEDS

	PRIOR FISCAL YEARS				CURRENT FISCAL YEAR			
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015		BUDGET TO ACTUAL VARIANCE	
	ACTUAL RECEIPTS	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	BUDGETED TAX RECEIPTS	ACTUAL TAX RECEIPTS		
July	\$ 659,300	\$ 719,800	\$ 826,000	\$ 903,500	\$ 894,465	\$ 864,900	\$ (29,565)	-3.31%
August	857,600	921,200	1,033,100	1,106,000	1,106,000	1,149,600	\$ 43,600	3.94%
September	895,691	1,057,603	1,028,369	1,097,605	1,097,605	1,199,226	\$ 101,621	9.26%
October	677,000	694,100	850,500	857,400	874,548	879,100	\$ 4,552	0.52%
November	879,500	878,500	1,056,800	1,143,200	1,131,768	1,172,100	\$ 40,332	3.56%
December	932,350	1,240,028	1,083,021	1,076,977	1,109,286	1,147,219	\$ 37,933	3.42%
January	710,700	770,100	799,900	836,700	845,067	884,100	\$ 39,033	4.62%
February	919,900	978,600	1,086,700	1,101,200	1,123,224	1,178,800	\$ 55,576	4.95%
March	821,858	1,006,649	1,021,734	1,113,584	1,102,448	1,087,121	(15,327)	-1.39%
April	618,400	716,100	846,500	788,000	804,100 *	804,100	-	0.00%
May	876,500	897,100	1,493,700	1,050,600	1,072,100 *	1,072,100	-	0.00%
June	963,040	1,191,689	1,015,391	1,139,360				
Total	\$ 9,811,839	\$ 11,071,469	\$ 12,141,715	\$ 12,214,126	\$ 11,160,511	\$ 11,438,366	\$ 277,755	4.47%

* Amounts were not budgeted for FY 14-15 because accountants calculations were made following a conservative approach.

TOTAL MEASURE Z PROCEEDS FROM INCEPTION \$ 110,835,028



**Fresno County Zoo Authority
Capital Projects Fund Cash Flow
For the Month Ended May 31, 2015**

Cash Balance as of 05/31/2015

\$ 21,745,042

DEDUCTIONS (earmarked projects, paid through claim 2015-4C):

2015 Utility Design-March 2015	310,142
2015 Animal Acquisition-February 2015	23,000
2014 Graphics-2011	33,598
2014 Reptile Plaza-2011	50,000
2014 Entrance/Vault-2011	85,000
2014 Cobra Exhibit-2011	171,829
2014 Animal Acquisition-January 2013	20,000
2014 Utility Design-May 2013	148,360
2014 African Project-December 2013	14,283,744
2013 Animal Acquisition	20,000
2012 Tropical Treasures-January 2012	64,937
2012 Exploration Station-January 2012	100,000

Total Deductions:

\$ (15,310,610)

TOTAL:

\$ 6,434,432



**Fresno County Zoo Authority
Operations Fund Cash Flow
For the Month Ended May 31, 2015**

Cash Balance as of 05/31/2015

\$ 6,260,429

DEDUCTIONS (Remaining budgets, paid through claim 2015-3):

2015 Visitor Services	554,610	
2015 Animal	1,836,984	
2015 Veterinary	223,694	
2015 Maintenance	541,782	
2015 Utilities	282,575	
2015 Animal Feed	238,994	
2015 Interest/Bank Charges	330.00	
2014 Visitor Services	7,022	
2014 Animal	89,673	
2014 Maintenance	156,222	
2014 Education	128,394	
2014 Interest/Bank Charges	70	
Total Deductions:		<u><u>\$ (4,060,350)</u></u>
TOTAL:		<u><u>\$ 2,200,079</u></u>



**Fresno County Zoo Authority
Administration Fund Cash Flow
For the Month Ended May 31, 2015**

Cash Balance as of 05/31/2015

\$ 1,142,056

DEDUCTIONS (Remaining budgets, paid through claim 1112-ZOO-22515):

2015 Telephone Charges	500
2015 Memberships	1,000
2015 Office Expense	5,441
2015 Postage	1,391
2015 PeopleSoft Financials Charges	260
2015 Professional Services	97,881
2015 Data Processing Services	3,000
2015 Publications & Legal Notices	1,000
2015 Trans, Travel & Education	5,000

Total Deductions:

\$ (115,473)

TOTAL:

\$ 1,026,583

FRESNO'S CHAFFEE ZOO CORPORATION

FINANCIAL STATEMENTS

**YEAR ENDED DECEMBER 31, 2014,
WITH COMPARATIVE TOTALS FOR 2013**

DRAFT

FRESNO'S CHAFFEE ZOO CORPORATION

FINANCIAL STATEMENTS

**YEAR ENDED DECEMBER 31, 2014,
WITH COMPARATIVE TOTALS FOR 2013**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Fresno's Chaffee Zoo Corporation
Fresno, California

We have audited the accompanying financial statements of Fresno's Chaffee Zoo Corporation, which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements:

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fresno's Chaffee Zoo Corporation as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the organization's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 17, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

June 15, 2015

DRAFT

FRESNO'S CHAFFEE ZOO CORPORATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014, WITH COMPARATIVE TOTALS FOR 2013

	UNRESTRICTED		TEMPORARILY RESTRICTED		PERMANENTLY RESTRICTED		TOTALS	
	FCZC	MEASURE Z					2014	2013
ASSETS								
CURRENT ASSETS								
Cash	\$ (72,660)	\$ 0	\$ 428,703	\$ 0	\$ 356,043	\$ 1,113,061		
Accounts receivable (Note 2)	7,122,028	0	0	0	7,122,028	1,392,807		
Pledges receivable, current portion (Note 3)	0	0	102,662	0	102,662	12,500		
Prepaid expenses	123,746	0	0	0	123,746	63,572		
TOTAL CURRENT ASSETS	7,173,114	0	531,365	0	7,704,479	2,581,940		
PLEDGES RECEIVABLE, net of current portion reflected above (Note 3)	0	0	34,500	0	34,500	35,000		
CONSTRUCTION IN PROGRESS	35,212,433	0	0	0	35,212,433	4,788,109		
EQUIPMENT AND FACILITIES, net of accumulated depreciation of \$2,505,657 in 2014 and \$1,612,663 in 2013	14,124,242	0	0	0	14,124,242	12,578,167		
INVESTMENT IN SECURITIES (Note 4)	9,322,364	0	0	50,430	9,372,794	9,039,157		
TOTAL ASSETS	65,832,153	0	565,865	50,430	66,448,448	29,022,373		
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Margin loan (Note 5)	248,085	0	0	0	248,085	0		
Accounts payable	6,082,384	0	0	0	6,082,384	1,027,531		
Accrued expenses	302,417	0	0	0	302,417	257,694		
Deferred revenue	1,019	0	0	0	1,019	0		
TOTAL CURRENT LIABILITIES	6,633,905	0	0	0	6,633,905	1,285,225		
COMMITMENTS AND CONTINGENCIES (Note 8)	0	0	0	0	0	0		
NET ASSETS								
Permanently restricted (Note 6)	0	0	0	50,430	50,430	47,952		
Temporarily restricted (Note 9)	0	0	565,865	0	565,865	399,034		
Unrestricted (Note 10)	59,198,248	0	0	0	59,198,248	27,290,162		
TOTAL NET ASSETS	59,198,248	0	565,865	50,430	59,814,543	27,737,148		
TOTAL LIABILITIES AND NET ASSETS	\$ 65,832,153	\$ 0	\$ 565,865	\$ 50,430	\$ 66,448,448	\$ 29,022,373		

FRESNO'S CHAFFEE ZOO CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014, WITH COMPARATIVE TOTALS FOR 2013

	UNRESTRICTED		TEMPORARILY	PERMANENTLY	TOTALS	
	FCZC	MEASURE Z	RESTRICTED	RESTRICTED	2014	2013
REVENUE AND SUPPORT						
Measure Z operating funds (Note 11)	\$ 0	\$ 3,547,371	\$ 0	\$ 0	\$ 3,547,371	\$ 3,560,746
Measure Z capital funds (Note 12)	0	31,938,372	0	0	31,938,372	2,821,588
Admissions income	2,176,323	0	0	0	2,176,323	2,180,254
Gift shop sales	357,104	0	0	0	357,104	350,319
Donations	292,954	0	308,514	0	601,468	345,491
Concessions commission	288,513	0	0	0	288,513	274,610
Membership income	830,803	0	0	0	830,803	779,897
Donated materials and services (Note 14)	110,387	0	0	0	110,387	134,071
Stingray Bay Exhibit income	284,447	0	0	0	284,447	272,757
Education income	301,807	0	6,535	0	308,342	255,587
Event income	551,530	0	24,412	0	575,942	478,738
Investment income, net of expenses of \$54,775 in 2014 and \$55,105 in 2013 (Note 4)	361,618	0	0	2,237	363,855	211,115
Unrealized gain (loss) (Note 4) on securities	(61,420)	0	0	241	(61,179)	876,054
Facility rental income	233,267	0	0	0	233,267	240,221
Giraffe feeding income	185,653	0	0	0	185,653	167,450
Adopt-an-Animal income	38,377	0	0	0	38,377	36,582
Interest income	360	0	0	0	360	373
Other income	59,250	0	3,409	0	62,659	55,730
Net assets released from restrictions:						
Satisfaction of program restrictions (Note 9)	176,039	0	(176,039)	0	0	0
TOTAL REVENUE AND SUPPORT	6,187,012	35,485,743	166,831	2,478	41,842,064	13,041,583
EXPENSES						
Program services	4,500,117	35,485,743	0	0	39,985,860	10,539,490
Management and general	649,287	0	0	0	649,287	607,387
Fundraising	405,585	0	0	0	405,585	379,617
TOTAL EXPENSES	5,554,989	35,485,743	0	0	41,040,732	11,526,494
INCREASE IN NET ASSETS BEFORE GAAP ADJUSTMENTS	632,023	0	166,831	2,478	801,332	1,515,089
GAAP ADJUSTMENTS (NOTE 1)						
Capitalized construction in progress purchased with Measure Z funds	31,856,149	0	0	0	31,856,149	1,896,604
Capitalized facilities purchased with Measure Z funds	82,063	0	0	0	82,063	924,904
Depreciation on capitalized facilities purchased with Measure Z funds	(662,149)	0	0	0	(662,149)	(593,460)
INCREASE IN NET ASSETS	31,908,086	0	166,831	2,478	32,077,395	3,743,137
NET ASSETS, beginning of year	27,290,162	0	399,034	47,952	27,737,148	23,994,011
NET ASSETS, end of year	\$ 59,198,248	\$ 0	\$ 565,865	\$ 50,430	\$ 59,814,543	\$ 27,737,148

FRESNO'S CHAFFEE ZOO CORPORATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2014, WITH COMPARATIVE TOTALS FOR 2013

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTALS	
		MANAGEMENT AND GENERAL	FUNDRAISING	2014	2013
Advertising (Note 1)	\$ 321,971	\$ 0	\$ 0	\$ 321,971	\$ 310,400
Animal services	332,912	0	0	332,912	325,589
Bank and credit card fees	60,371	5,551	3,470	69,392	62,045
Business expense	48,795	4,487	2,804	56,086	30,348
Computer/software expense	40,716	3,744	2,340	46,800	47,008
Conservation	69,646	6,404	4,003	80,053	66,650
Contracted services	393,266	33,721	0	448,062	442,402
Consultant fees	64,567	0	0	64,567	169,816
Depreciation	201,113	18,493	1,558	231,164	165,882
Dues	31,181	2,867	1,792	35,840	33,627
Equipment	155,399	14,290	8,931	178,620	142,466
Fleet	17,410	1,600	1,001	20,012	29,848
Food/catering expense	195,253	17,954	1,221	224,429	228,313
Insurance - liability	131,157	12,060	7,538	150,755	138,967
Interest expense	0	351	0	351	0
Miscellaneous	23,502	2,161	1,351	27,014	52,397
Office supplies	19,807	1,821	138	22,767	27,671
Postage	43,811	0	0	50,357	50,295
Printing	122,586	11,273	7,045	140,904	169,424
Professional services	278,983	25,655	16,034	320,670	211,654
Repairs and replacements	244,185	0	0	244,185	285,322
Salaries and benefits	1,425,022	397,782	248,614	1,425,022	1,086,760
Specialized services	83,509	7,878	4,799	95,977	152,456
Staff development	63,868	5,873	3,671	73,412	71,964
Supplies	31,593	29,572	18,482	369,647	320,279
Telephone	36,837	3,203	2,002	40,042	38,447
Uniforms	27,113	2,495	1,559	31,185	31,311
Utilities	393,930	36,223	22,640	452,793	452,819
	<u>5,801,117</u>	<u>649,287</u>	<u>405,585</u>	<u>5,554,989</u>	<u>5,144,160</u>
Measure Z operating funds (Note 11)	3,547,371	0	0	3,547,371	3,560,746
Measure Z capital funds (Note 12)	<u>31,938,372</u>	<u>0</u>	<u>0</u>	<u>31,938,372</u>	<u>2,821,588</u>
SUBTOTAL BEFORE GAAP ADJUSTMENTS	39,985,860	649,287	405,585	41,040,732	11,526,494
GAAP ADJUSTMENTS (NOTE 1)					
Capitalized construction in progress purchased with Measure Z funds	(31,856,149)	0	0	(31,856,149)	(1,896,604)
Capitalized facilities purchased with Measure Z funds	(82,063)	0	0	(82,063)	(924,904)
Depreciation on facilities purchased with Measure Z funds	662,149	0	0	662,149	593,460
	<u>\$ 8,709,797</u>	<u>\$ 649,287</u>	<u>\$ 405,585</u>	<u>\$ 9,764,669</u>	<u>\$ 9,298,446</u>

FRESNO'S CHAFFEE ZOO CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 32,077,395	\$ 3,743,137
Adjustments to reconcile increase in net assets to net cash provided from operating activities:		
Depreciation	893,313	759,342
Contributions restricted for long-term purpose - endowment	(83,224)	(31,298)
Unrealized (gain) loss on securities	61,179	(876,054)
Changes in:		
Accounts receivable	(5,729,221)	758,900
Pledges receivable	(89,662)	(29,200)
Prepaid expenses	(60,174)	203,151
Accounts payable	3,054,853	(29,537)
Accrued expenses	1,723	(50,040)
Deferred revenue	1,723	(950)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	<u>32,170,201</u>	<u>4,447,451</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and facilities	(673,731)	(1,658,991)
Proceeds from sale of equipment	3,175	0
Increase in construction in progress	(32,193,156)	(1,896,604)
Acquisition of securities	(394,816)	(247,349)
NET CASH USED BY INVESTING ACTIVITIES	<u>(33,258,528)</u>	<u>(3,802,944)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in margin loan	248,085	0
Contributions restricted for long-term purpose - endowment	83,224	31,298
NET CASH PROVIDED FROM FINANCING ACTIVITIES	<u>331,309</u>	<u>31,298</u>
NET INCREASE (DECREASE) IN CASH	<u>(757,018)</u>	<u>675,805</u>
CASH, beginning of year	<u>1,113,061</u>	<u>437,256</u>
CASH, end of year	<u>\$ 356,043</u>	<u>\$ 1,113,061</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	\$ 351	\$ 0
Non-cash transactions:		
Donated materials and services	\$ 110,387	\$ 134,071
Transfer of construction in progress to equipment and facilities	\$ 1,768,832	\$ 0

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 1: ORGANIZATION/SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fresno's Chaffee Zoo Corporation is a non-profit organization incorporated under the laws of the State of California. The organization was formed to operate, maintain and control zoological gardens, and collections and specimens of animals for the education, recreation and pleasure of the general public. The organization is supported primarily through Measure Z operating funds.

The following are the significant accounting policies of the organization:

Method of accounting – The financial statements are prepared using the accrual basis of accounting, in which support and revenue are recognized when earned or due and expenses are recognized when incurred.

Recognition of donor restrictions – Support that is restricted by the donor is reported as an increase in temporarily restricted net assets. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets.

Restrictions on assets – Restricted funds are reported as follows:

Permanently restricted net assets – consist of endowment fund investments to be held indefinitely. The investment income may be used for operations.

Temporarily restricted net assets – represent resources that have been designated by donors for specific projects and programs.

Accounts receivable – Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through provisions for bad debt expense based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2014 and 2013 the organization considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

Pledges receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are normally recorded at the present value of the expected future cash flows. Management has determined the discount rate and present value calculation reflect a nominal amount, therefore, long-term pledges receivable are recorded at net realizable value. Conditional promises to give are not included as support until the conditions are substantially met. At December 31, 2014 and 2013, the organization considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 1: ORGANIZATION/SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Equipment and facilities – Equipment and facilities acquired by the organization are recorded at cost. Assets donated to the organization are recorded at their fair market value at the date of the donation. The organization's policy is to capitalize all expenditures for equipment and facilities in excess of \$1,500 and \$30,000, respectively. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

Investment in securities – Investment in securities represents investments in marketable equity securities. The securities are classified as "available for sale" and carried on the financial statements at fair value. The permanent endowment principal may not be expended; the earnings may be used for operations in accordance with the endowment policy adopted by the organization's Board of Directors.

Measure Z funds – In November 2004, the voters of Fresno County approved Measure Z, a transactions and use tax (sales tax) at the rate of 0.1% proposed by the Fresno County Zoo Authority, to support the Fresno Chaffee Zoo. In 2014, the voters approved the extension of Measure Z for an additional ten years.

The Fresno County tax ordinance allows up to one-third of the tax revenues to be used for operations and maintenance of the Fresno Chaffee Zoo and requires a minimum of two-thirds of the funds to be used for capital improvement projects at the Fresno Chaffee Zoo (see Notes 10 and 11).

The Fresno County Zoo Authority is charged with oversight of the administration of the Measure Z funds and approves all funding requests for operations and capital improvement projects.

Donated materials and services – The organization receives various donated materials and services. The estimated fair value of the donation is recorded as support and expense in the period received.

Unpaid volunteers make significant contributions of their time to assist the organization in its programs and special events. The value of volunteer time is not reflected in these statements because it is not susceptible to objective measurement or valuation.

Accounting estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Expense allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 1: ORGANIZATION/SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Expense allocation (Continued)

functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income taxes – Fresno's Chaffee Zoo Corporation is incorporated as a nonprofit California corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701d.

Tax returns are filed in U.S. federal and state of California jurisdictions. Tax returns remain subject to examination by the U.S. federal jurisdiction for three years after the return is filed and for four years by the California jurisdiction. There are currently no tax years under examination. The organization classifies interest and penalties on tax assessments as an expense when incurred. For the years ended December 31, 2014 and 2013, interest and penalties totaled \$0.

Generally accepted accounting principles provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state tax returns are more likely than not to be sustained upon examination.

Advertising costs – Advertising costs are expensed as incurred and totaled \$321,971 and \$310,400 in 2014 and 2013, respectively.

Comparative financial information – The financial statements include certain prior-year summarized comparative information in total, but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

GAAP adjustments – The Statement of Activities presents financial data in conformity with generally accepted accounting principles (GAAP). The Measure Z column on the Statement of Activities presents expenditures according to Measure Z reporting requirements for which expenditures for construction in progress and facilities are expensed when incurred. However, for GAAP, such expenditures are capitalized and depreciated over the life of the asset. To address such reporting differences, the Statement of Activities includes GAAP adjustments.

The Statement of Functional Expenses presents financial data in conformity with GAAP. The Measure Z capital funds line includes \$31,938,372 and \$2,821,508 expended for construction in progress and facilities for 2014 and 2013, respectively. For GAAP reporting purposes, these expenditures are capitalized and depreciated over the life of the asset.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 1: ORGANIZATION/SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Reclassification -- Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements. The reclassification had no impact on previously-reported increase in net assets or cash flow information.

NOTE 2: ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2014 and 2013, consists of the following:

	2014				2013
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
Measure Z Operating	\$ 339,531	\$ 0	\$ 0	\$ 339,531	\$ 301,161
Measure Z Capital	6,534,767	0	0	6,534,767	827,091
City of Fresno	159,568	0	0	159,568	204,905
Various	88,162	0	0	88,162	59,650
Total	\$ 7,122,028	\$ 0	\$ 0	\$ 7,122,028	\$ 1,392,807

NOTE 3: PLEDGES RECEIVABLE

Pledges receivable at December 31, 2014 and 2013 are as follows:

	2014				2013
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
Less than one year	\$ 0	\$ 102,662	\$ 0	\$ 102,662	\$ 12,500
One to four years	0	34,500	0	34,500	35,000
Total	\$ 0	\$ 137,162	\$ 0	\$ 137,162	\$ 47,500

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See next page for continuation of notes.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 4: INVESTMENT IN SECURITIES

Investment in securities as of December 31, 2014 and 2013, is summarized below:

	2014	
	Quoted Market Value	Unrealized Gain
Unrestricted:		
Bond mutual funds	\$ 3,675,181	\$ 620,034
Equity mutual funds	4,306,118	230,817
Corporate securities	1,229,585	236,100
Real estate investment trusts	27,377	2,222
Money market funds	84,103	0
	<u>9,322,364</u>	<u>1,089,173</u>
Permanently Restricted:		
Bond mutual funds	14,528	2,307
Equity mutual funds	35,382	2,719
Money market funds	520	0
	<u>50,430</u>	<u>5,026</u>
	<u>\$ 9,372,794</u>	<u>\$ 1,094,199</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 4: INVESTMENT IN SECURITIES (Continued)

	<u>2013</u>	
	<u>Quoted Market Value</u>	<u>Unrealized Gain</u>
Unrestricted:		
Bond mutual funds	\$ 3,370,801	\$ 642,144
Equity mutual funds	4,297,920	264,710
Corporate securities	1,96,248	241,399
Real estate investment trusts	383	2,340
Money market funds	110,833	0
	<u>8,991,205</u>	<u>1,150,593</u>
Permanently Restricted:		
Bond mutual funds	11,760	2,237
Equity mutual funds	35,988	2,548
Money market funds	204	0
	<u>47,952</u>	<u>4,785</u>
	<u>\$ 9,039,157</u>	<u>\$ 1,155,378</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2014, with comparable totals for 2013:

	<u>2014</u>				<u>2013</u>
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>	<u>TOTAL</u>
Investment return:					
Investment income	\$ 361,618	\$ 0	\$ 2,237	\$ 363,855	\$ 211,115
net of expenses	(61,420)	0	241	(61,179)	876,054
Unrealized gain(loss)					
	<u>\$ 300,198</u>	<u>\$ 0</u>	<u>\$ 2,478</u>	<u>\$ 302,676</u>	<u>\$ 1,087,169</u>

NOTE 5: MARGIN LOAN

During 2014, the organization obtained a margin loan account with Charles Schwab. Management can withdrawal a maximum of 25% of the total account value. Interest is calculated at the daily margin interest rate; at December 31, 2014 the interest rate was 1.80%. The account is collateralized by securities owned by the organization and matures August 1, 2017. At December 31, 2014, the outstanding balance was \$248,085.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 6: ENDOWMENTS

Effective January 1, 2009 the organization adopted the provisions established by accounting literature for Endowments of Not-for-Profit Foundations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds. The accounting literature provides guidance for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2009 (UPMIFA) and also required disclosures about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The organization's endowment assets consist of individual funds established to provide financial support to the organization. The endowment assets include both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The organization has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate the donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the organization.
7. The investment policies of the organization.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 6: ENDOWMENTS (Continued)

Return Objectives and Risk Parameters

The organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include funds restricted by donors that the organization must retain permanently as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to meet or exceed the Policy Index, as defined as 65% S&P 500, 30% Lehman Aggregate Bonds, and 5% Cash while assuming a moderate level of investment risk. The organization expects its endowment funds, over time, to provide an average nominal rate of return of approximately 8.5% annually. Additionally, the organization expects its endowment funds, over time, to provide an average real rate of return (after inflation) of approximately 5% annually. Actual returns in any given year may vary from this amount; therefore compliance with performance expectations is evaluated over a three to five year time horizon.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the organization seeks investment returns through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The organization targets a diversified asset allocation that includes equity and debt investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The organization uses a method based upon the total return on assets to determine the amounts appropriated for expenditure for endowments under which the organization is the income beneficiary in conformity with the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA).

The Board of Directors has a spending policy on all endowments, such that distribution amounts will be determined prior to the new fiscal year based on the previous twelve (12) quarters-end average market value, whenever possible. In any given year, the distribution of an individual endowment or endowments may be less than 5% if the total return is not enough to preserve the purchasing power of the fund.

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See next page for continuation of notes.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 6: ENDOWMENTS (Continued)

Endowment Net Asset Composition by Type of Fund

Endowment net assets consist of the following at December 31, 2014 and 2013:

	2014		
	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 0	\$ 50,430	\$ 50,430
Board-designated endowment funds	4,119,118	0	4,119,118
Total endowment net assets	\$ 4,119,118	\$ 50,430	\$ 4,169,548

	2013		
	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 0	\$ 47,952	\$ 47,952
Board-designated endowment funds	3,887,689	0	3,887,689
Total endowment net assets	\$ 3,887,689	\$ 47,952	\$ 3,935,641

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See next page for continuation of notes.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 6: ENDOWMENTS (Continued)

Changes in Endowment Net Assets

The following schedules shows changes in endowment net assets for the years ended December 31, 2014 and 2013:

	2014		
	Unrestricted	Permanently Restricted	Total
Endowment net assets, January 1, 2014	\$ 3,887,689	\$ 47,952	\$ 3,935,641
Investment return			
Investment income,	187,387	2,237	189,624
net of expenses	(39,182)	241	(38,941)
Unrealized gain(loss)			
Net investment return	148,205	2,478	150,683
Contributions	83,224	0	83,224
Amounts appropriated for expenditure	0	0	0
Endowment net assets December 31, 2014	<u>\$ 4,119,118</u>	<u>\$ 50,430</u>	<u>\$ 4,169,548</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 6: ENDOWMENTS (Continued)

Changes in Endowment Net Assets (Continued)

	2013		
	Unrestricted	Permanently Restricted	Total
Endowment net assets, January 1, 2013	<u>\$ 3,287,798</u>	<u>\$ 40,851</u>	<u>\$ 3,328,649</u>
Investment return			
Investment income,			
net of expenses	110,960	1,598	112,558
Unrealized gain	<u>457,632</u>	<u>5,503</u>	<u>463,136</u>
Net investment return	568,593	7,101	575,694
Contributions	31,298	0	31,298
Amounts appropriated for expenditure	<u>0</u>	<u>0</u>	<u>0</u>
Endowment net assets, December 31, 2013	<u>\$ 3,887,689</u>	<u>\$ 47,952</u>	<u>\$ 3,935,641</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the organization to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were \$0, as of both December 31, 2014 and 2013.

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 7: FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of fair value hierarchy under FASB ASC 820 are described below:

- | | |
|---------|--|
| Level 1 | Quoted prices for identical assets or liabilities traded in active markets. |
| Level 2 | Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; quoted prices that are observable for the asset or liability or inputs that are derived principally from or corroborated by observable market data by correlation or other means. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset's or fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Pledges receivable: For pledges receivable that are due within one year, carrying amount is a reasonable estimate of fair value. For pledges receivable that are due in more than one year, fair value is estimated at the present value of estimated future cash flows, using a discount rate reflective of current interest rates. Management considers the current discount rate as minimal and the resulting discount to be nominal.

Mutual funds: Valued at net asset value of share held by the organization at year-end.

Corporate securities: Valued at closing price reported on the active market in which the individual equities are traded.

Real estate investment trusts: Valued at the closing price reported on the active or observable market on which the individual securities are traded.

Money market funds: Valued at authorized cost, which approximates fair value.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 7: FAIR VALUE MEASUREMENTS (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The table below presents the level within the hierarchy at which assets are measured at December 31, 2014:

	2014			
	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Nonrecurring				
Pledges receivable	\$ 137,162	\$ 0	\$ 0	\$ 137,162
Recurring				
Available for sale				
marketable securities:				
Bond mutual funds	3,689,709	3,689,709	0	0
Equity mutual funds	4,341,500	4,341,500	0	0
Corporate securities	1,229,585	1,229,585	0	0
Real estate investment trusts	27,377	27,377	0	0
Money market funds	84,623	84,623	0	0
Total available for sale marketable securities	\$ 9,372,794	\$ 9,372,794	\$ 0	\$ 0
Total	\$ 9,509,956	\$ 9,372,794	\$ 0	\$ 137,162

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See next page for continuation of notes.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 7: FAIR VALUE MEASUREMENTS (Continued)

The table below presents the level within the hierarchy at which assets are measured at December 31, 2013:

2013				
	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Nonrecurring				
Pledges receivable	\$ 47,500	\$ 0	\$ 0	\$ 47,500
Recurring				
Available for sale				
marketable securities:				
Bond mutual funds	3,382,561	3,382,561	0	0
Equity mutual funds	4,333,908	4,333,908	0	0
Corporate securities	1,196,248	1,196,248	0	0
Real estate investment trusts	15,383	15,383	0	0
Money market funds	111,057	111,057	0	0
Total available for sale marketable securities	9,039,157	9,039,157	0	0
Total	9,086,657	9,039,157	\$ 0	\$ 47,500

A summary of changes in the fair value of the organization's Level 3 assets for the year ended December 31, 2014 and 2013 is presented below:

	2014	2013
Pledges receivable		
Balance, beginning of year	\$ 47,500	\$ 18,000
Additions to pledges receivable	191,823	40,000
Payments on pledges receivable	(102,161)	10,500
Balance, end of year	\$ 137,162	\$ 47,500

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See next page for continuation of notes.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 8: COMMITMENTS AND CONTINGENCIES

Operating Leases

The organization leases the following equipment under operating leases that have the following expiration dates:

Postage machine	January 31, 2018
Copier Lanier LD525SPF	October 4, 2015
Copiers Ricoh RI MPC2551 (2)	August 9, 2017
Copier Toshiba 4555C	June 30, 2019
Zoo land and facilities	December 31, 2036

Future minimum lease payments are as follow:

YEAR ENDING DECEMBER 31,	Postage Machine	Copier	Zoo Land and Facilities	Total
2015	\$ 1,848	\$ 6,200	\$ 1	\$ 8,049
2016	1,848	4,740	1	6,589
2017	1,848	3,844	1	5,693
2018	154	2,054	1	2,209
2019	0	1,026	1	1,027
Thereafter	0	0	17	17
	<u>\$ 5,698</u>	<u>\$ 17,864</u>	<u>\$ 22</u>	<u>\$ 23,584</u>

Lease expense for the years ended December 31, 2014 and 2013, was \$7,808 and \$8,375, respectively and is included in equipment expense.

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 9: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2014 and 2013, are available for the following purposes:

	2014	2013
Africa	\$ 323,170	\$ 128,511
Australian bird purchase	12,221	12,221
Australian exhibit	62,758	65,257
Bat exhibit	562	562
Benches	4,238	4,238
Change for Cheetahs	9,923	1,978
Haron Jaguar zoo fund	1,080	1,080
Keeper Lounge Restoration	50,000	50,000
Kids Zone	0	6,000
Lorikeet exhibit	1,850	1,850
Orangutan/tiger exhibit	70,912	73,412
Radin Scholarship Fund	1,000	1,000
Sea Lion	13,566	34,755
Small Wonders	0	3,586
Wells Fargo Wednesdays	14,583	14,584
	<u>\$ 565,863</u>	<u>\$ 399,034</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes:

Australian exhibit	\$ 2,500
Conservation	1,219
Education	6,535
Hospital fund	580
Kids Zone	6,000
Orangutan/tiger exhibit	2,500
Safari Night	24,412
Sea Lion	21,667
Small Wonders	3,586
Stingray Bay	40
Valley Farms	50,000
Wells Fargo Wednesdays	25,000
Zoomobile	32,000
	<u>\$ 176,039</u>

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 10: UNRESTRICTED NET ASSETS

Unrestricted net assets at December 31, 2014 and 2013, consist of the following:

	2014	2013
Board-designated endowment	\$ 4,119,118	\$ 3,887,689
Undesignated net assets	<u>55,079,130</u>	<u>23,402,473</u>
	<u>\$ 59,198,248</u>	<u>\$ 27,290,162</u>

NOTE 11: MEASURE Z OPERATING FUNDS

For the years ended December 31, 2014 and 2013, Measure Z operating funds were used as follows:

	2014	2013
Salaries and benefits:		
Animal	\$ 1,788,612	\$ 1,559,918
Education	630,260	776,211
Maintenance	500,236	456,459
Veterinary services	0	212,661
Visitor services	628,143	555,367
Bank charges	<u>120</u>	<u>130</u>
	<u>\$ 3,547,371</u>	<u>\$ 3,560,746</u>

NOTE 12: MEASURE Z CAPITAL FUNDS

For the years ended December 31, 2014 and 2013, Measure Z capital funds were used as follows:

	2014	2013
Architectural services	\$ 1,252,355	\$ 893,633
Capital projects	82,063	849,712
Construction in progress	29,848,732	142,625
Utility improvements	755,062	935,538
Bank charges	<u>160</u>	<u>80</u>
	<u>\$ 31,938,372</u>	<u>\$ 2,821,588</u>

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 13: MANAGEMENT TRANSITION

The City of Fresno transferred management for the Fresno Chaffee Zoo to the organization during the year ended December 31, 2006. The agreement was effective January 1, 2006 and expires December 31, 2036 with a conditional option to extend the agreement for an additional 25-year period. In the event the conditions for this extension are not met, the organization has an option to extend the initial agreement for ten years with an additional ten-year extension available. The ten-year extensions shall be granted at the sole discretion of the Fresno City Council based upon the same terms and conditions of the initial agreement.

NOTE 14: DONATED MATERIALS AND SERVICES

Donated materials and services for the years ended December 31, 2014 and 2013, were received for the following purposes:

	2014		2013
Breakfast with the Animals	4,636	\$	4,500
Dream Night/Zoobilation	1,932		3,366
Frogs and Fairytales	4,633		5,040
Ice Cream Zoofari	41,221		42,108
Miscellaneous	625		4,466
Mother's Day Picnic	0		5,375
Safari Night	27,405		48,756
Zoo Boo	22,068		20,460
Zoolights	7,867		0
	<u>\$ 110,387</u>	\$	<u>134,071</u>

NOTE 15: PENSION PLAN

The organization has a 401(k) defined contribution plan that covers all employees who have attained age 21 and have completed a year of service. The plan allows eligible employees to defer compensation up to the maximum annual deferral limit. The plan provides an employer match of 100% for the first 3% of the employee contribution and a 50% match for the next 2% of the employee contribution, up to a maximum employer match of 4% of pay.

The organization may make an additional, discretionary contribution to the plan. The Board of Directors determines each year if such a contribution will be made and, if so, the amount to be contributed. This contribution will be allocated among eligible participants, who have completed 1,000 hours of service, based upon compensation received during the plan year.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 15: PENSION PLAN (Continued)

There were no discretionary contributions to the plan during the years ended December 31, 2014 and 2013.

The total contribution expense related to the plan, for the years ended December 31, 2014 and 2013, was \$71,537 and \$58,843, respectively. The expense is included in salaries and benefits.

NOTE 16: CONCENTRATION OF CREDIT RISK

The organization maintains its cash balances in one financial institution located in Fresno, California. At times during the year, the organization maintained balances that exceeded the federally insured limit of \$250,000. The organization believes that there is no significant risk with respect to these deposits.

NOTE 17: LITIGATION

The organization is a defendant in two lawsuits filed by two former employees. The organization believes the suits are without merit and intends to vigorously defend its position. The ultimate outcome of each litigation cannot presently be determined.

NOTE 18: SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 15, 2015 (date financial statements available to be issued) and determined no events have occurred subsequent to December 31, 2014 that would require adjustment to, or disclosure in the financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS**

To the Board of Directors
Fresno's Chaffee Zoo Corporation
Fresno, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of Fresno's Chaffee Zoo Corporation, which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 15, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fresno's Chaffee Zoo Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fresno's Chaffee Zoo Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fresno's Chaffee Zoo Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

June 15, 2015

DRAFT

Draft



FY15 April Financial Report

Board of Directors

Agenda Item 6.a

Discussion of Financial Results

As of April 30, 2015

- **Key Facts & Figures*:**

- Self generated revenue is 3.6% over budget.
- Personnel expenses are 3.6% under budget and total operating expenses are 8.8% under budget.
- Operating surplus of \$482,055 compare to budgeted surplus of \$336,667.
- 2015 YTD attendance is 4% over budget and 3% behind the same time last year.
- May attendance on track to reach goal of 85,000.
- Combo ticket sales 74% ahead of same time last year.
- Receivables of \$6,312,731 compared to \$4,365,077 at the end of March. Zoo Authority will have processed 5 claims by the end of May totaling almost \$6,000,000.
- Audit: Moore Grider will be onsite May 12th to do their fieldwork and begin 2014 financial statements.

* Excludes investment income (unrealized gain/loss on investments), capital fundraising, depreciation and capital expenditures.

Discussion of Financial Results

Liquid Assets:

	04/30/2015	03/31/2015	2014 Unaudited
Cash	\$154,987	\$458,508	\$300,917
Short-term Investments	\$0	\$0	\$52,125
Long-term Investments	\$5,319,923	\$4,463,520	\$5,203,245
Endowment/Board Designated	<u>\$4,284,932</u>	<u>\$4,241,352</u>	<u>\$4,169,549</u>
	\$9,759,842	\$9,163,380	\$9,725,836

Accounts Receivable:

	\$6,312,731	\$4,365,077	\$7,126,199
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Liabilities

Accounts Payable	\$4,849,154	\$2,820,553	\$6,064,207
Accrued Liabilities	\$162,805	\$223,661	\$301,469
Line of Credit	<u>\$500,000</u>	<u>\$312,534</u>	<u>\$248,085</u>
	\$5,511,959	\$3,356,748	\$6,613,761

Net Assets:

Unrestricted	\$67,002,540	\$64,363,375	\$59,148,062
Temporarily Restricted	\$877,566	\$576,368	\$565,863
Permanently Restricted	<u>\$51,699</u>	<u>\$51,250</u>	<u>\$50,431</u>
	\$67,931,805	\$64,990,993	\$59,764,356

Measure 2 Balance @ 3/31/2015

Operating	\$6,291,679
Capital Funds	<u>\$25,623,946</u>
	\$31,915,625

April 2015

MTD Attendance			Increase/ Decrease
	2015	2014	
Attendance	100,977	103,417	-2%
Paid	56,974	58,468	-3%
Members	16,806	19,774	-15%
Group	19,320	17,519	10%
Other	7,877	7,656	3%
Giraffe Feeding	13,572	12,228	11%
Capture Rate	13%	12%	14%
Stingray Bay	36,001	33,320	8%
Capture Rate	36%	32%	11%
Combo Tickets	5,119	3,539	45%

YTD Revenue

	2015	2014	Increase/ Decrease
Admissions	\$351,397	\$366,280	-4%
Per Cap	\$3.48	\$3.54	-2%
Giraffe Feeding	\$27,007	\$27,161	-1%
Per Cap	\$0.27	\$0.26	2%
Stingray Bay	\$48,127	\$46,883	3%
Per Cap	\$0.48	\$0.43	5%
Membership	\$98,725	\$101,154	-2%

YTD Attendance			Increase/ Decrease
	2015	2014	
Attendance	238,787	267,570	-3%
Paid	150,591	157,940	-5%
Members	58,828	64,290	-8%
Group	28,477	25,923	10%
Other	20,891	19,417	8%
Giraffe Feeding	39,929	30,688	30%
Capture Rate	15%	11%	35%
Stingray Bay	86,839	81,381	7%
Capture Rate	34%	30%	10%
Combo Tickets	16,547	9,532	74%

YTD Revenue

	2015	2014	Increase/ Decrease
Admissions	\$873,493	\$917,673	-5%
Per Cap	\$3.38	\$3.43	-2%
Giraffe Feeding	\$79,976	\$67,480	19%
Per Cap	\$0.31	\$0.25	23%
Stingray Bay	\$112,378	\$110,774	1%
Per Cap	\$0.43	\$0.41	5%
Membership	\$313,148	\$334,960	-7%

	2015	2014	Increase/ Decrease
Contracted Services			
Concessions	\$45,820	\$41,507	10%
Per Cap	\$0.43	\$0.40	13%
Gift Shop	\$56,427	\$53,583	5%
Per Cap	\$0.56	\$0.52	8%

	2015	2014	Increase/ Decrease
Contracted Services			
Concessions	\$106,619	\$108,336	-2%
Per Cap	\$0.41	\$0.40	2%
Gift Shop	\$138,419	\$137,067	1%
Per Cap	\$0.53	\$0.51	4%

	2014	Unaudited
	703,325	
	371,843	
	153,659	
	74,159	
	101,664	
	86,107	
	12%	
	212,857	
	30%	
	24,826	
	\$2,176,323	
	\$3.09	
	\$185,653	
	\$0.26	
	\$284,447	
	\$0.40	
	\$830,803	
	\$288,513	
	\$0.41	
	\$357,104	
	\$0.51	

Key:

Equal to or ahead of 2014
2% or less behind 2014
More than 2% behind 2014

Fresno's Chaffee Zoo Corporation
Balance Sheet
 April 2015

	FY15 @ 4/30/15	FY15 @ 3/31/15	2014 Unaudited
ASSETS			
Cash	\$154,987	\$458,508	\$303,917
Short Term Investments	\$0	\$0	\$52,125
Long Term Investments	\$9,604,856	\$8,705,872	\$9,372,794
Accounts Receivable	\$6,312,731	\$4,365,077	\$7,259,190
Prepaid Expenses	\$331,505	\$340,857	\$123,746
Inventory	\$0	\$0	\$0
Building, Equipment, Vehicle and Furniture (net)	\$3,054,601	\$3,046,163	\$2,869,788
Construction in Progress	\$42,730,631	\$40,176,811	\$35,215,037
Exhibits	\$11,254,454	\$11,254,454	\$11,254,454
TOTAL ASSETS	\$73,443,764	\$68,347,741	\$66,451,052
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts Payable/Accrued Liabilities	\$5,011,959	\$3,044,213	\$6,388,701
Line of Credit	\$500,000	\$312,534	\$248,085
Total Liabilities	\$5,511,959	\$3,356,748	\$6,636,786
Net Assets			
Fund Balance-Unrestricted	\$67,002,540	\$64,363,375	\$59,197,972
Fund Balance-Temporarily Restricted	\$877,566	\$576,368	\$565,863
Fund Balance-Permanently Restricted	\$51,699	\$51,250	\$50,431
Total Net Assets	\$67,931,805	\$64,990,993	\$59,814,266
TOTAL LIABILITIES AND NET ASSETS	\$73,443,764	\$68,347,741	\$66,451,052

Fresno's Chaffee Zoo Corporation
Income Statement

@ April 30, 2015

EXPENSES	Current Month			Year-to-Date			FY14 Unaudited
	FY15 Budget	Month-to-Date Budget @ 4/30/2015	Variance	Year-to-Date Budget @ 4/30/2015	Actual @ 4/30/2015	Variance	
OPERATING EXPENSES							
Personnel Expenses							
Administration	\$727,278	\$58,841	\$51,267	(12.9)%	\$212,075	\$205,385	(3.2)%
Animal	\$2,256,665	\$157,442	\$139,716	(11.3)%	\$583,278	\$567,286	(2.7)%
Education	\$788,645	\$60,473	\$54,927	(9.2)%	\$217,925	\$217,534	(0.2)%
Maintenance/Horticulture	\$667,149	\$49,646	\$40,069	(19.3)%	\$178,692	\$170,730	(4.5)%
Mem/Dev/Marketing	\$623,994	\$51,374	\$40,433	(21.3)%	\$181,694	\$172,450	(5.1)%
Veterinary	\$271,093	\$21,859	\$15,023	(31.3)%	\$71,366	\$63,607	(10.9)%
Visitor Services	\$690,153	\$56,435	\$50,645	(10.3)%	\$194,861	\$183,989	(5.6)%
Total Personnel Expenses	\$6,024,977	\$456,070	\$392,081	(14.0)%	\$1,639,890	\$1,580,980	(3.6)%
Other Expenses							
Advertising	\$315,300	\$26,567	\$25,421	(4.3)%	\$96,767	\$97,732	(61.0)%
Animal Services	\$361,500	\$32,125	\$50,232	56.4%	\$118,500	\$126,215	6.3%
Computer/Software	\$53,750	\$15,937	\$6,811	(57.3)%	\$28,710	\$13,234	(53.9)%
Conservation	\$70,000	\$0	\$0	0.0%	\$5,000	\$114	(97.7)%
Contracted Services	\$528,400	\$42,250	\$45,673	8.1%	\$159,250	\$139,868	(12.2)%
Depreciation Expense	\$346,380	\$27,286	\$26,797	(1.8)%	\$109,143	\$107,187	(1.8)%
Dues	\$39,105	\$634	\$933	47.3%	\$16,435	\$12,955	(21.2)%
Equipment	\$179,350	\$16,954	\$9,698	(42.8)%	\$47,016	\$42,471	(9.7)%
Fleet	\$33,220	\$9,852	\$5,540	(43.8)%	\$17,907	\$13,433	(25.0)%
Food/Catering	\$134,000	\$4,075	\$3,860	(5.3)%	\$15,050	\$38,567	156.3%
Insurance	\$155,000	\$10,000	\$12,397	24.0%	\$94,400	\$59,774	(36.7)%
Miscellaneous Business	\$89,668	\$6,906	\$4,299	(37.7)%	\$22,849	\$8,322	(63.6)%
Office Supplies	\$26,150	\$2,337	\$2,527	8.1%	\$8,050	\$9,551	18.7%
Postage	\$61,160	\$5,832	\$43	(99.3)%	\$22,453	\$9,274	(58.7)%
Printing	\$137,100	\$7,742	\$7,036	(9.1)%	\$37,367	\$37,494	0.3%
Professional Services	\$191,000	\$16,170	\$15,510	(4.1)%	\$55,110	\$57,569	4.5%
Repairs and Replacements	\$255,900	\$44,783	\$45,117	0.7%	\$114,717	\$129,125	12.6%
Service/Bank/Credit Card	\$127,230	\$7,832	\$7,116	(9.1)%	\$41,077	\$38,637	(5.9)%

@ April 30, 2015

Measure Z Revenue Summary of Tax Proceeds

	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual
July	\$700,400	\$671,500	\$819,900	\$813,500	\$671,700	\$659,300	\$719,800	\$826,000	\$903,500	\$864,900
August	933,800	895,400	1,093,200	1,084,700	885,300	857,600	921,200	1,033,100	\$1,106,000	\$1,149,600
September	764,524	1,453,498	1,060,279	930,087	810,940	895,691	1,057,603	1,028,369	\$1,097,605	\$1,199,226
October	705,400	679,300	853,500	792,200	678,000	677,000	694,100	850,500	\$857,400	\$879,100
November	940,500	1,471,000	1,138,000	1,056,300	743,300	879,500	878,500	1,056,800	\$1,143,200	\$1,172,100
December	1,324,459	1,047,118	827,112	872,815	971,061	932,350	1,240,028	1,083,021	\$1,076,977	\$1,147,219
January	676,000	813,700	831,200	766,900	719,900	710,700	770,100	799,900	\$836,700	\$884,100
February	901,300	1,081,800	1,108,200	841,000	944,000	919,900	978,600	1,086,700	\$1,101,200	\$1,178,800
March	1,319,000	905,577	762,907	959,801	628,563	821,858	1,006,649	1,021,734	\$1,113,584	\$1,087,121
April	678,900	748,000	699,000	652,000	594,300	618,400	716,100	846,500	\$788,000	
May	905,200	997,300	932,000	860,800	847,200	876,500	897,100	1,493,700	\$1,050,600	
June	1,113,269	900,178	1,026,580	730,781	821,511	963,040	1,191,689	1,015,391	\$1,139,360	
Total	\$10,962,752	\$11,664,370	\$11,151,879	\$10,360,883	\$9,315,775	\$9,811,839	\$11,071,469	\$12,141,715	\$12,214,126	\$9,562,166
Total received from inception										\$108,958,828

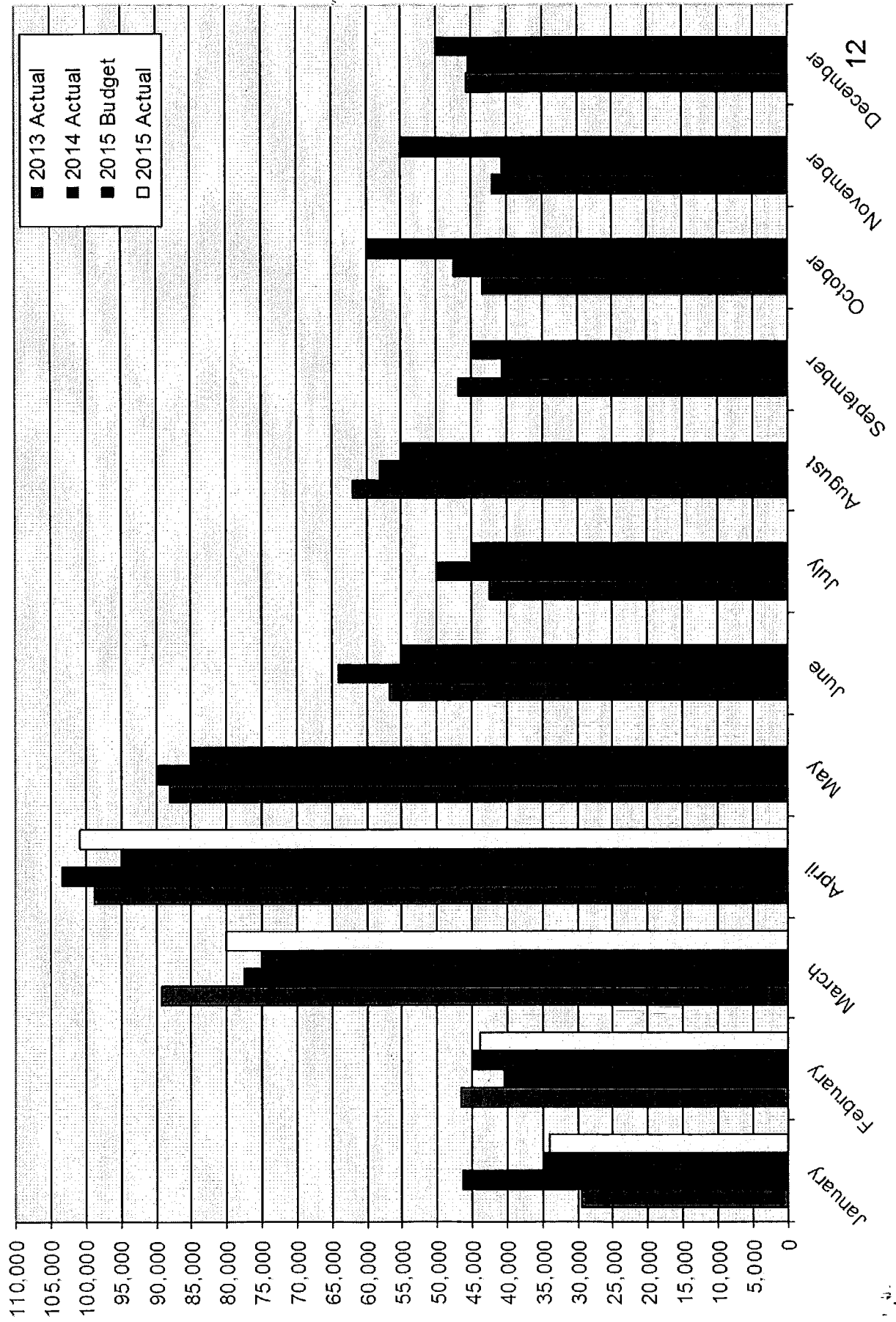
	2015 Measure Z <u>Operating Request</u>	<u>YTD Actual</u>
<u>Revenue:</u>		
Measure Z - Operating Funds	\$4,500,120	\$1,142,184
<u>Expenses:</u>		
Animal Department	\$2,256,665	\$571,962
Maintenance Department	\$667,149	\$169,122
Veterinary Services Department	\$271,093	\$63,859
Visitor Services Department	\$690,153	\$190,611
Animal Food	\$300,000	\$91,149
Utilities	\$314,940	\$55,441
Service Charges	<u>\$120</u>	<u>\$40</u>
	\$4,500,120	\$1,142,184

* YTD totals based on claims submitted to the Zoo Authority, and excludes accrual of salary and benefits.

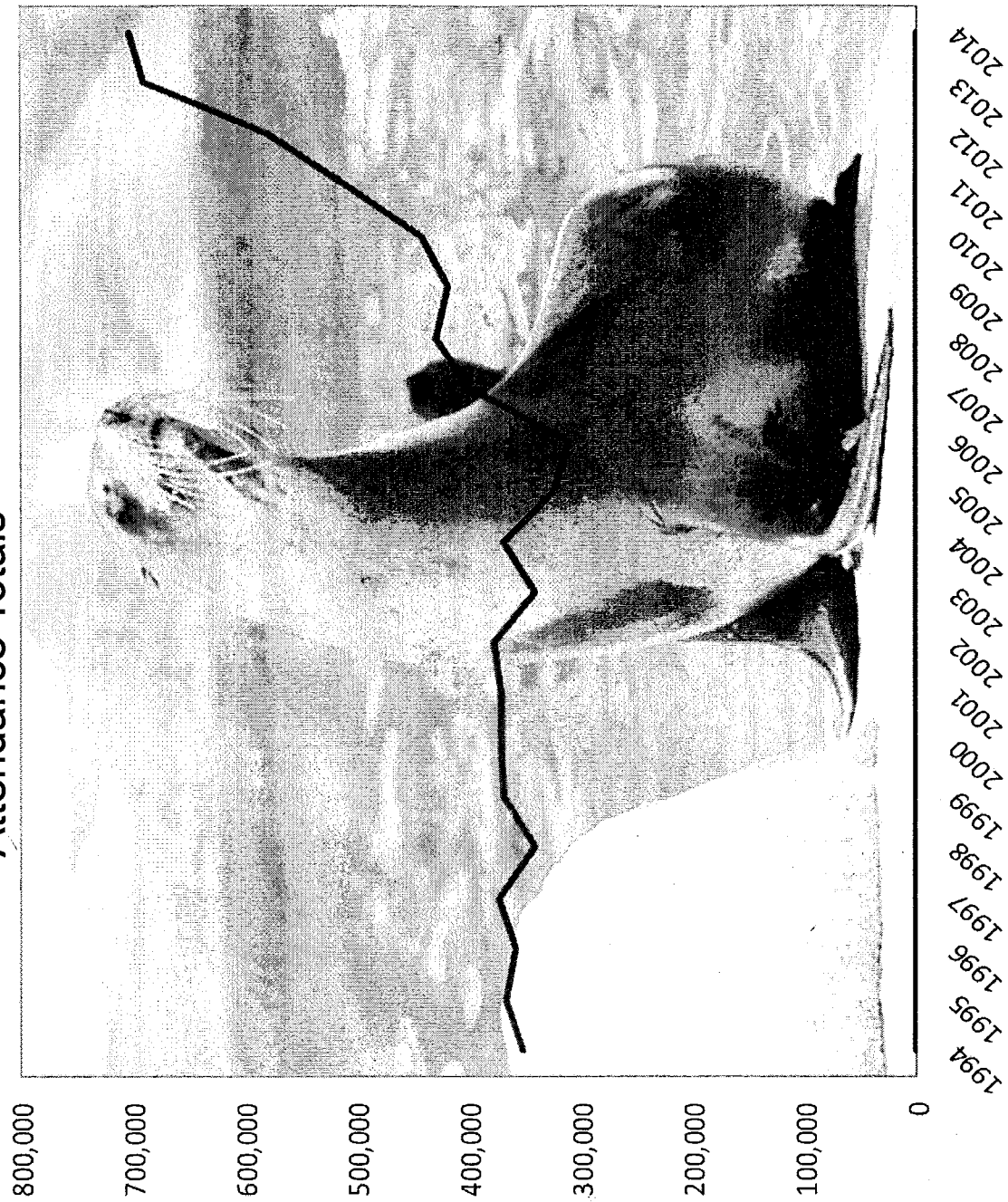
Accounts Receivable as of April 30, 2015

•Fresno County Zoo Authority	\$ 5,960,252
•City of Fresno	\$ 124,562
•3 rd party concessionaire	\$ 102,529
•Sponsorships/Donations	\$ 100,199

Fresno Chaffee Zoo Attendance Comparison 2013 - 2015



Fresno Chaffee Zoo Attendance Totals



1994	351,373
1995	367,014
1996	359,444
1997	373,501
1998	341,498
1999	368,556
2000	371,911
2001	371,967
2002	377,174
2003	341,559
2004	368,782
2005	325,224
2006	311,247
2007	398,820
2008	429,272
2009	418,285
2010	443,251
2011	511,788
2012	580,226
2013	691,320
2014	703,325

Draft



FY15 May Financial Report

Board of Directors

Agenda Item6b

Discussion of Financial Results As of May 31, 2015

- **Key Facts & Figures*:**

- Self generated revenue is 2.6% over budget.
- Personnel expenses are 3.9% under budget and total operating expenses are 8.0% under budget.
- Operating surplus of \$636,729 compare to budgeted surplus of \$463,671
- 2015 YTD attendance is 5% ahead of budget and 2% behind the same time last year.
- Moore Grider will present the audit report for 2014 to the Audit Committee on June 15, to the Board of Directors on June 17, and to the Fresno County Zoo Authority on June 24.

* Excludes investment income (unrealized gain/loss on investments), capital fundraising, depreciation and capital expenditures.

Discussion of Financial Results

	2014	
Liquid Assets:	Unaudited	
Cash	\$300,917	
Short-term Investments	\$52,125	
Long-term Investments	\$5,203,245	
Endowment/Board Designated*	<u>\$4,169,549</u>	
	\$9,725,836	
Accounts Receivable:		\$7,259,190
Liabilities		
Accounts Payable		\$6,084,351
Accrued Liabilities		\$301,469
Line of Credit		<u>\$248,085</u>
		\$6,633,905
Net Assets:		
Unrestricted		\$59,198,249
Temporarily Restricted		\$565,863
Permanently Restricted		<u>\$50,431</u>
		\$59,814,543
Measure 2 Balance @ 3/31/2015		
Operating		\$6,291,679
Capital Funds		<u>\$25,623,946</u>
		\$31,915,625

* May endowment reports not received by the time the Board financial report was generated

May 2015

MTD Attendance			Increase/ Decrease
	2015	2014	
Attendance	91,218	89,612	2%
Paid	44,514	39,810	12%
Members	14,489	14,324	1%
Group	27,040	30,454	-11%
Other	5,175	5,024	3%
Giraffe Feeding	13,390	10,659	26%
Capture Rate	15%	12%	23%
Stingray Bay	36,847	36,005	2%
Capture Rate	40%	40%	1%
Combo Tickets	4,541	2,898	57%

YTD Revenue

	2015	2014	Increase/ Decrease
Admissions	\$307,956	\$299,508	3%
Per Cap	\$3.38	\$3.34	1%
Giraffe Feeding	\$26,349	\$23,387	13%
Per Cap	\$0.29	\$0.26	11%
Stingray Bay	\$48,696	\$50,244	-3%
Per Cap	\$0.53	\$0.56	-5%
Membership	\$73,033	\$63,240	15%

YTD Attendance			Increase/ Decrease
	2015	2014	
Attendance	351,020	357,182	-2%
Paid	195,106	197,750	-1%
Members	73,317	78,614	-7%
Group	56,531	56,377	0%
Other	26,066	24,441	7%
Giraffe Feeding	53,319	41,347	29%
Capture Rate	15%	12%	31%
Stingray Bay	123,686	117,386	5%
Capture Rate	35%	33%	7%
Combo Tickets	21,088	12,390	70%

YTD Revenue

	2015	2014	Increase/ Decrease
Admissions	\$1,181,520	\$1,217,180	-3%
Per Cap	\$3.37	\$3.41	-1%
Giraffe Feeding	\$106,325	\$90,867	17%
Per Cap	\$0.30	\$0.25	19%
Stingray Bay	\$161,074	\$161,018	0%
Per Cap	\$0.46	\$0.45	2%
Membership	\$389,416	\$400,199	-3%

	2015	2014	Increase/ Decrease
Contracted Services	\$42,947	\$33,122	30%
Concessions	\$0.47	\$0.37	27%
Gift Shop	\$57,826	\$44,521	30%
Per Cap	\$0.63	\$0.50	28%

	2015	2014	Increase/ Decrease
Contracted Services	\$149,366	\$141,438	6%
Concessions	\$0.43	\$0.40	8%
Gift Shop	\$196,246	\$181,588	8%
Per Cap	\$0.56	\$0.51	10%

2014	Unaudited
703,325	
371,843	
155,659	
74,159	
101,664	
86,107	
12%	
212,857	
30%	
24,826	
\$2,176,323	
\$3.09	
\$185,653	
\$0.26	
\$284,447	
\$0.40	
\$830,803	
\$288,513	
\$0.41	
\$357,104	
\$0.51	

Key:

Equal to or ahead of 2014
2% or less behind 2014
More than 2% behind 2014

Fresno's Chaffee Zoo Corporation
Balance Sheet
May 2015

	FY15 @ 5/31/15	FY15 @ 4/30/15	2014 Unaudited
ASSETS			
Cash	\$217,350	\$158,932	\$303,917
Short Term Investments	\$0	\$0	\$52,125
Long Term Investments	\$9,606,380	\$9,604,856	\$9,372,794
Accounts Receivable	\$4,833,492	\$9,235,104	\$7,259,190
Prepaid Expenses	\$66,880	\$313,988	\$123,746
Inventory	\$0	\$0	\$0
Building, Equipment, Vehicle and Furniture (net)	\$3,081,455	\$3,070,642	\$2,869,788
Construction in Progress	\$46,987,010	\$42,730,631	\$35,212,433
Exhibits	\$11,254,454	\$11,254,454	\$11,254,454
TOTAL ASSETS	\$76,047,020	\$76,368,606	\$66,448,448

LIABILITIES AND NET ASSETS			
Liabilities			
Accounts Payable/Accrued Liabilities	\$3,237,876	\$5,017,966	\$6,385,820
Line of Credit	\$1,050,492	\$500,000	\$248,085
Total Liabilities	\$4,288,368	\$5,517,966	\$6,633,905

Net Assets			
Fund Balance-Unrestricted	\$70,819,352	\$69,921,404	\$59,198,249
Fund Balance-Temporarily Restricted	\$887,545	\$877,537	\$565,863
Fund Balance-Permanently Restricted	\$51,755	\$51,699	\$50,431
Total Net Assets	\$71,758,652	\$70,850,640	\$59,814,543

TOTAL LIABILITIES AND NET ASSETS	\$76,047,020	\$76,368,606	\$66,448,448
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Fresno's Chaffee Zoo Corporation Income Statement

@ May 31, 2015

	FY15 Budget	Current Month		Year-to-Date		FY14 Unaudited		
		Month-to-Date Budget @ 5/31/2015	Actual @ 5/31/2015	Variance	Year-to-Date Budget @ 5/31/2015		Actual @ 5/31/2015	Variance
REVENUE								
Self-Generated Revenue								
Admissions	\$2,261,000	\$285,333	\$307,956	7.9%	\$1,151,517	\$1,181,520	2.6%	\$2,176,323
Adopt an Animal	\$40,000	\$3,000	\$1,580	(47.3)%	\$23,000	\$20,680	(10.1)%	\$38,377
Board Designated for Endow	\$50,000	\$0	\$0	0.0%	\$12,500	\$623	(95.0)%	\$215,863
Education	\$288,600	\$75,900	\$24,569	(67.6)%	\$134,850	\$94,227	(30.1)%	\$308,287
Food Services	\$319,000	\$30,000	\$42,947	43.2%	\$132,500	\$149,566	12.9%	\$288,513
Gift Shop	\$371,000	\$43,000	\$57,826	34.5%	\$180,000	\$196,246	9.0%	\$357,104
Giraffe Feeding	\$196,000	\$25,000	\$26,349	5.4%	\$97,000	\$106,325	9.6%	\$185,653
Grants/Fundraising	\$1,108,500	\$9,875	\$14,867	50.5%	\$374,875	\$333,972	(10.9)%	\$388,661
Group Event/Facility Rental	\$250,000	\$40,000	\$61,560	53.9%	\$102,500	\$180,708	76.3%	\$233,267
Interest Income	\$286,000	\$10,083	\$10,141	0.6%	\$45,917	\$43,011	(6.3)%	\$418,991
Investment Income	\$0	\$0	\$1,889	0.0%	\$0	\$215,729	0.0%	(\$61,179)
Membership	\$820,000	\$65,000	\$75,033	15.4%	\$380,000	\$389,416	2.5%	\$830,803
Special Events	\$630,000	\$25,417	\$1,000	(96.1)%	\$77,083	\$51,228	(33.5)%	\$575,942
Stringray Exhibit	\$287,000	\$51,150	\$48,696	(4.8)%	\$160,700	\$161,074	0.2%	\$284,447
Other	\$54,500	\$8,750	\$4,769	(45.5)%	\$21,000	\$15,356	(26.9)%	\$59,656
Total Self-Generated Revenue		\$6,961,600	\$679,182	1.0%	\$2,893,441	\$3,139,679	8.5%	\$6,300,708
City of Fresno	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0
Measure Z-Capital Funds	\$23,250	\$1,938	\$773,592	39,827.3%	\$9,688	\$10,935,419	112,781.7%	\$31,938,372
Measure Z Operating Funds	\$4,500,120	\$474,558	\$450,867	(5.0)%	\$1,797,219	\$1,584,870	(11.8)%	\$3,547,371
TOTAL REVENUE		\$11,484,970	\$1,903,641	65.7%	\$4,700,348	\$15,659,969	233.2%	\$41,786,451

*Deferred Revenue not included above:

- Admissions \$12,218
- Education \$54,500 (summer camps)
- Group Events \$1,875

Fresno's Chaffee Zoo Corporation

Income Statement

@ May 31, 2015

	FY15 Budget	Current Month		Year-to-Date		Variance	Actual @ 5/31/2015	Year-to-Date Budget @ 5/31/2015	Variance	FY14 Unaudited
		Month-to-Date @ 5/31/2015	Actual @ 5/31/2015							
EXPENSES										
OPERATING EXPENSES										
Personnel Expenses										
Administration	\$727,278	\$78,037	\$72,165	(7.5)%	\$290,112	\$277,550	(4.3)%	\$686,628		
Animal	\$2,256,665	\$227,442	\$231,195	1.7%	\$810,720	\$798,481	(1.5)%	\$1,819,693		
Education	\$788,645	\$87,223	\$83,977	(3.7)%	\$305,147	\$301,511	(1.2)%	\$624,496		
Maintenance/Horticulture	\$667,149	\$71,487	\$69,634	(16.6)%	\$250,179	\$230,365	(7.9)%	\$512,239		
Mem/Dev/Marketing	\$623,994	\$66,695	\$69,709	(10.5)%	\$248,389	\$232,159	(6.5)%	\$488,570		
Veterinary	\$271,093	\$31,084	\$35,335	(18.5)%	\$102,449	\$88,942	(13.2)%	\$207,620		
Visitor Services	\$690,153	\$77,973	\$78,616	0.8%	\$272,834	\$262,604	(3.7)%	\$633,027		
Total Personnel Expenses	\$6,024,977	\$639,940	\$610,632	(4.6)%	\$2,279,830	\$2,191,612	(3.9)%	\$4,972,273		
Other Expenses										
Advertising	\$315,300	\$26,567	\$29,335	10.4%	\$123,333	\$73,137	(40.7)%	\$321,971		
Animal Services	\$361,500	\$32,125	\$47,914	49.1%	\$150,625	\$174,018	15.5%	\$332,912		
Computer/Software	\$53,750	\$2,068	\$10,285	397.4%	\$30,777	\$23,518	(23.6)%	\$46,800		
Conservation	\$70,000	\$0	\$0	0.0%	\$5,000	\$114	(97.7)%	\$80,053		
Contracted Services	\$528,400	\$47,600	\$35,161	(26.1)%	\$206,850	\$175,029	(15.4)%	\$502,215		
Depreciation Expense	\$346,380	\$27,286	\$26,797	(1.8)%	\$136,429	\$133,984	(1.8)%	\$893,313		
Dues	\$39,105	\$634	\$3,022	376.9%	\$17,069	\$15,977	(6.4)%	\$35,840		
Equipment	\$179,350	\$15,354	\$14,728	(4.1)%	\$62,370	\$58,549	(6.1)%	\$174,966		
Fleet	\$33,220	\$1,352	\$3,801	181.2%	\$19,258	\$17,234	(10.5)%	\$20,012		
Food/Catering	\$134,000	\$40,575	\$41,647	2.6%	\$55,625	\$80,379	44.5%	\$128,759		
Insurance	\$155,000	\$10,000	\$2,284	(77.2)%	\$104,400	\$62,058	(40.6)%	\$150,755		
Miscellaneous Business	\$89,668	\$12,301	\$5,183	(57.9)%	\$35,150	\$13,505	(61.6)%	\$56,086		
Office Supplies	\$26,150	\$2,588	\$2,201	(14.9)%	\$10,637	\$11,752	10.5%	\$22,767		
Postage	\$61,160	\$5,232	\$3,090	(40.9)%	\$27,685	\$12,364	(55.3)%	\$50,357		
Printing	\$137,100	\$21,158	\$16,184	(23.5)%	\$58,525	\$33,678	(8.3)%	\$126,859		
Professional Services	\$191,000	\$31,680	\$28,719	(9.3)%	\$86,790	\$86,288	(0.6)%	\$302,470		
Repairs and Replacements	\$255,900	\$30,783	\$13,755	(55.3)%	\$145,500	\$142,880	(1.8)%	\$244,185		
Service/Bank/Credit Card Fees	\$127,230	\$16,582	\$18,136	9.4%	\$57,658	\$56,790	(1.5)%	\$124,799		

@May 31, 2015

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Measure Z Revenue Summary of Tax Proceeds

	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual
July	\$700,400	\$671,500	\$819,900	\$813,500	\$671,700	\$659,300	\$719,800	\$826,000	\$903,500	\$864,900
August	933,800	895,400	1,093,200	1,084,700	885,300	857,600	921,200	1,033,100	\$1,106,000	\$1,149,600
September	764,524	1,453,498	1,060,279	930,087	810,940	895,691	1,057,603	1,028,369	\$1,097,605	\$1,199,226
October	705,400	679,300	853,500	792,200	678,000	677,000	694,100	850,500	\$857,400	\$879,100
November	940,500	1,471,000	1,138,000	1,056,300	743,300	879,500	878,500	1,056,800	\$1,143,200	\$1,172,100
December	1,324,459	1,047,118	827,112	872,815	971,061	932,350	1,240,028	1,083,021	\$1,076,977	\$1,147,219
January	676,000	813,700	831,200	766,900	719,900	710,700	770,100	799,900	\$836,700	\$884,100
February	901,300	1,081,800	1,108,200	841,000	944,000	919,900	978,600	1,086,700	\$1,101,200	\$1,178,800
March	1,319,000	905,577	762,907	959,801	628,563	821,858	1,006,649	1,021,734	\$1,113,584	\$1,087,121
April	678,900	748,000	699,000	652,000	594,300	618,400	716,100	846,500	\$788,000	
May	905,200	997,300	932,000	860,800	847,200	876,500	897,100	1,493,700	\$1,050,600	
June	1,113,269	900,178	1,026,580	730,781	821,511	963,040	1,191,689	1,015,391	\$1,139,360	
Total	\$10,962,752	\$11,664,370	\$11,151,879	\$10,360,883	\$9,315,775	\$9,811,839	\$11,071,469	\$12,141,715	\$12,214,126	\$9,562,166

Total received from inception \$108,958,828

Fresno Chaffee Zoo
2015 Measure Z Operating Summary
as of May 31, 2015

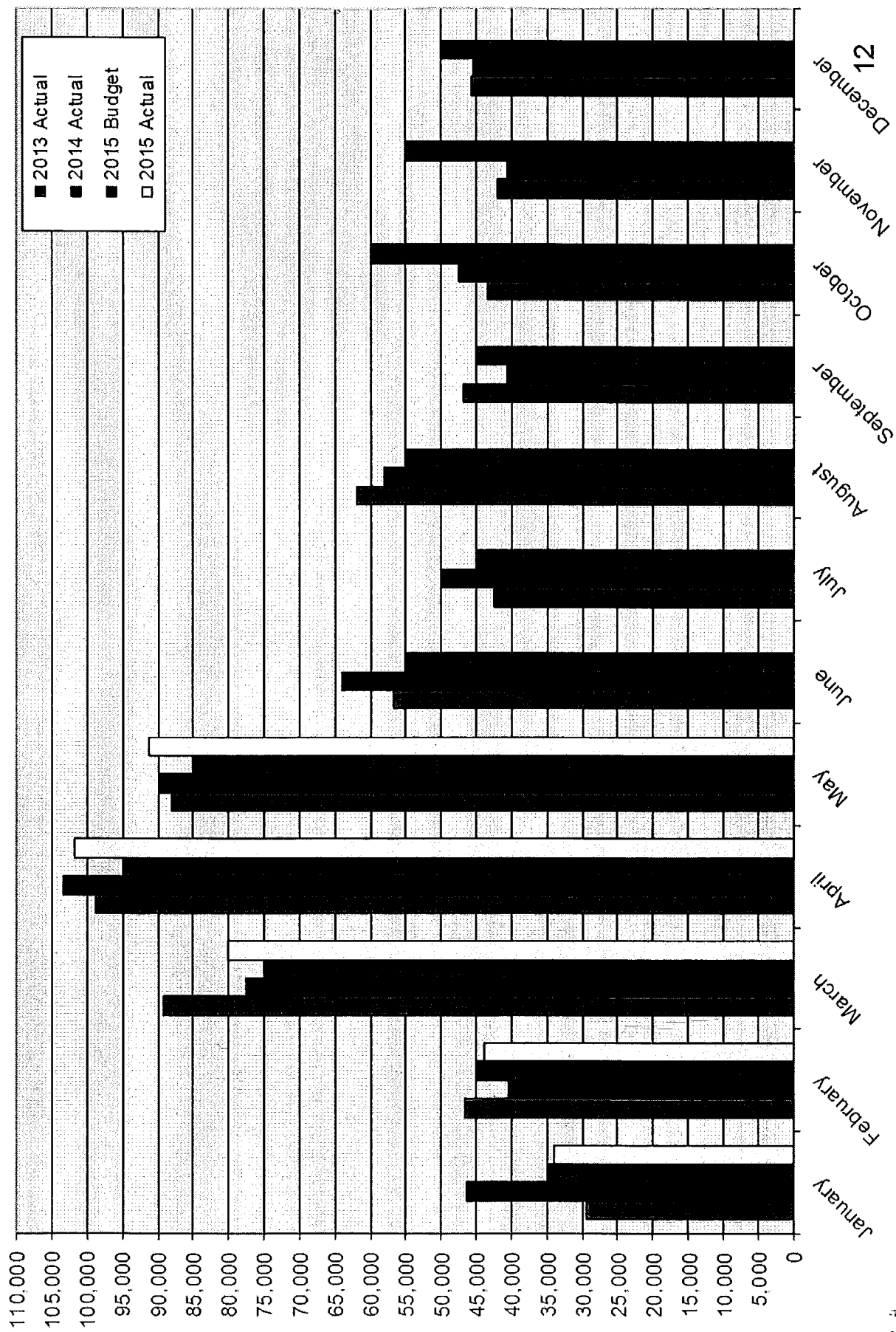
	2015 Measure Z <u>Operating Request</u>	<u>YTD Actual</u>
<u>Revenue:</u>		
Measure Z - Operating Funds	\$4,500,120	\$1,584,880
<u>Expenses:</u>		
Animal Department	\$2,256,665	\$790,613
Maintenance Department	\$667,149	\$225,071
Veterinary Services Department	\$271,093	\$87,778
Visitor Services Department	\$690,153	\$264,817
Animal Food	\$300,000	\$133,730
Utilities	\$314,940	\$82,822
Service Charges	<u>\$120</u>	<u>\$50</u>
	\$4,500,120	\$1,584,880

* YTD totals based on claims submitted to the Zoo Authority, and excludes accrual of salary and benefits.

Accounts Receivable as of May 31, 2015

• Fresno County Zoo Authority	\$ 4,468,075
• City of Fresno	\$ 124,562
• 3 rd party concessionaire	\$ 101,062
• Sponsorships/Donations	\$ 99,622
• School field trips	\$ 37,865

Fresno Chaffee Zoo Attendance Comparison 2013 - 2015



Fresno Chaffee Zoo Attendance Totals



1994	351,373
1995	367,014
1996	359,444
1997	373,501
1998	341,498
1999	368,556
2000	371,911
2001	371,967
2002	377,174
2003	341,559
2004	368,782
2005	325,224
2006	311,247
2007	398,820
2008	429,272
2009	418,285
2010	443,251
2011	511,788
2012	580,226
2013	691,320
2014	703,325



AGENDA ITEM 7

Agenda Date: 06/24/15

DATE: June 24, 2015
TO: Fresno County Zoo Authority Board
FROM: Aaron Ratto, Zoo Authority Treasurer
SUBJECT: Zoo Authority Budget for Budget Year 2015-16

RECOMMENDED ACTION:

Approve and authorize the estimated revenues and appropriations for the 2015-2016 budget year.

ALTERNATIVE ACTION:

An alternative action is to solely use the Zoo Authority's Net Position, which was \$1,142,056 as of June 1, 2015.

DISCUSSION:

Economic conditions continue to slowly improve throughout California. Consequently, our projected revenues for FY 2015-2016 have been estimated to be greater than the actual current year revenues. This will result in total allocations of \$254,226 to the Zoo Authority.

Also, we estimate that interest revenues will be the same as the previous year, as the available balance and interest rate have remained steady.

Expenditure appropriations remain the same for Other Services and Supplies while Professional and Specialized Services have decreased \$46,138 over the current year adopted budget.

FISCAL IMPACT:

There are sufficient revenues, available net position, and proposed appropriations to cover the cost associated with Zoo Authority administration.



Fiscal Year 2015-16 Budget Proposal

Aaron Ratto
Treasurer
June 24, 2015

Summarized Proposed Budget

VS

Prior Year Adopted/Adjusted Budget

<u>Fiscal Summary</u>	<u>Draft Budget FY 2015-16</u>	<u>Adopted Budget FY2014-15</u>
<u>Revenues</u>		
Measure Z Administration (2%)	\$ 254,850	\$ 185,688
Interest	12,500	12,500
Total Revenues	<u>\$ 267,350</u>	<u>\$ 198,188</u>
<u>Appropriations</u>		
Professional & Specialized Services	\$ 166,104	\$ 212,242
Other Services & Supplies	18,800	18,750
Contingency	82,446	-
Total Appropriations	<u>\$ 267,350</u>	<u>\$ 230,992</u>
Revenue in Excess of Appropriations	\$ -	\$ (32,804)
Available Net Position Used	\$ -	\$ 32,804
Contracted FTE (Based on 2080 hrs):	1.03	1.17


Revenue Forecast

Fresno County Zoo Authority Fiscal Year 2015-16 Revenue Estimates

	PRIOR YR		CURRENT FISCAL YEAR				FISCAL YEAR	
	2012-2013	2013-2014	2014-2015		2015-2016		2015-2016	
	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	ADOPTED BUDGET TAX RECEIPTS	ACTUAL & ESTIMATED TAX RECEIPTS	ADOPTED TO ACTUAL/ESTIMATED VARIANCE	REVENUE ESTIMATE MEASURE Z	REVENUE ESTIMATE (ZA 2%)	
July	\$ 826,000	\$ 903,500	\$ 894,465	\$ 864,900	\$ (29,565)	-3.31%	873,549	17,471
August	\$ 1,033,100	\$ 1,106,000	\$ 1,106,000	\$ 1,149,600	\$ 43,600	3.94%	1,161,096	23,222
September	\$ 1,028,369	\$ 1,097,605	\$ 1,097,605	\$ 1,199,226	\$ 101,621	9.26%	1,211,218	24,224
October	\$ 850,500	\$ 857,400	\$ 874,548	\$ 879,100	\$ 4,552	0.52%	887,891	17,758
November	\$ 1,056,800	\$ 1,143,200	\$ 1,131,768	\$ 1,172,100	\$ 40,332	3.56%	1,207,263	24,145
December	\$ 1,083,021	\$ 1,076,977	\$ 1,109,286	\$ 1,147,219	\$ 37,933	3.42%	1,170,163	23,403
January	\$ 799,900	\$ 836,700	\$ 845,067	\$ 884,100	\$ 39,033	4.62%	901,782	18,036
February	\$ 1,086,700	\$ 1,101,200	\$ 1,123,224	\$ 1,178,800	\$ 55,576	4.95%	1,202,376	24,048
March	\$ 1,021,734	\$ 1,113,584	\$ 1,102,448	\$ 1,087,121	\$ (15,327)	-1.39%	1,076,250	21,525
April	\$ 846,500	\$ 897,713	\$ -	\$ 804,100	\$ 804,100	-	796,059	15,921
May	\$ 1,493,700	\$ 1,195,400	\$ -	\$ 1,072,100	\$ 1,072,100	-	1,061,379	21,228
June*	\$ 1,015,391	\$ 1,103,540	\$ -	\$ 1,158,717	\$ 1,158,717	-	1,193,479	23,870
Total	\$ 12,141,715	\$ 12,432,819	\$ 9,284,411	\$ 12,597,083	\$ 3,312,672	26.30%	\$ 12,742,505	\$ 254,850
Estimated Interest Revenue (based on PY actuals)							12,500	
Total Projected Revenue							\$ 267,350	

* Estimated Measure Z tax receipts for June 2014

** Amounts were not budgeted for FY 14-15 because accountants calculations were made following a conservative approach.



Revenue Forecast

- The total estimated and actual Measure Z revenues for FY 2014-15 are \$12,597,083 resulting in a \$251,942 allocation to the Zoo Authority. This represents a 22% increase over budgeted amounts.
- Revenues for fiscal year 2015-16 are projected to increase by 1% and will reflect the 2015-16 expected totals of \$12,742,505. This provides \$254,850 for Zoo Authority operations.
- Interest revenues were determined by an analysis of the County of Fresno's investment pool rates, cash balances and prior year averages of interest receipts.

Draft Administrative Budget-Detail

Account	Account Description	Recommended Appropriations 2015-16
7040	Telephone Charges	\$ 500
7250	Memberships	1,000
7265	Office Expense	6,000
7268	Postage	1,500
7287	PeopleSoft Financials Charges	800
7295	Professional & Specialized Services	166,104
7296	Data Processing Services	3,000
7325	Publications & Legal Notices	1,000
7415	Trans, Travel & Education	5,000
	Total Services and Supplies	184,904
	Contingency	82,446
	Total Contingency	82,446
	Total Appropriations	\$ 267,350

Professional & Specialized Services (\$)

- The recommended appropriations for account 7295 for fiscal year 2015-16 are \$166,104 which is less than last year's adopted budget by 22%.
- The appropriations differed due to the following:
 - Coordinator hours decreased by 29% from PY Budget
 - Auditor-Controller hours (accountant I/II, A&F division chief, Sup Accountant) increase by 5% over PY budget
 - County Counsel hours increased by 25% compared to PY budget

Professional Services Detail

2015-16 Proposed Budget

Title	Budget Hours	Estimated Rates	FY 15-16 Budget
Coordinator	1,040	73	75,930
Accountant I	550	65	35,926
Accountant II	40	73	2,908
Senior Accountant	350	88	30,793
A & F Division Chief	20	107	2,137
Sup. Accountant	40	90	3,610
County Counsel	100	113	11,300
County Clerk	-		-
Audit Fees	-		3,500

Total 2,140 166,104

Professional Service Detail


Estimated Professional & Specialized Services FY2015-16

Prior Year Comparison

Title	2014-15 Budget Hours	2014-15* Actual Hours	2015-16 Budget Hours	Adjusted Budget % Variance	Original Budget % Variance
Coordinator	1,456	1,580.00	1,040	-34%	-29%
Accountant I	350	331.75	550	66%	57%
Accountant II	450	256.75	40	-84%	-91%
Senior Accountant	-	210.00	350	67%	0%
A & F Division Chief	50	13.75	20	45%	-60%
Sup. Accountant	100	140.00	40	-71%	-60%
County Counsel	80	56.90	100	76%	25%
	2,486	2,589	2,140	-17%	-14%

Title	FY14-15 Original Budget	FY14-15 Adjusted Budget	FY15-16 Proposed Budget	Adjusted Budget % Variance	Original Budget % Variance
Coordinator	\$ 91,874	\$ 115,356	\$ 75,930	-34%	-17%
Accountant I	21,049	21,829.15	35,926	65%	71%
Accountant II	33,215	20,617.03	2,908	-86%	-91%
Senior Accountant	-	18,599.70	30,793	66%	0%
A & F Division Chief	3,956	1,434.95	2,137	49%	-46%
Sup. Accountant	8,006	12,516.00	3,610	-71%	-55%
County Counsel	9,040	6,429.70	11,300	76%	25%
	\$ 167,139	\$ 196,782	\$ 162,604	-17%	-3%

* Actual hours through June 6 pay period.



Fiscal Year 15-16 Budget Approval

- Motion to approve the budget as recommended or subject to changes discussed during board meeting (if applicable).



DATE: June 24, 2015

TO: Board of Fresno County Zoo Authority

FROM: Catherine Crosby
Zoo Authority Coordinator

RE: Measure Z Administrative Fund Balance

RECOMMENDED ACTION:

Receive staff report on Measure Z Administrative Fund balance and provide direction to staff.

DISCUSSION:

During Board Member comments at your February 25, 2015 meeting, Member Gray requested a future discussion on the balance in the Administrative Fund. He recalled that in the past during the approval of the following year's Administrative budget, members had considered it wise to maintain a reserve for possible legal expenses; or if funds remained unspent, they could be made available to the Fresno Chaffee Zoo Corporation (Corporation).

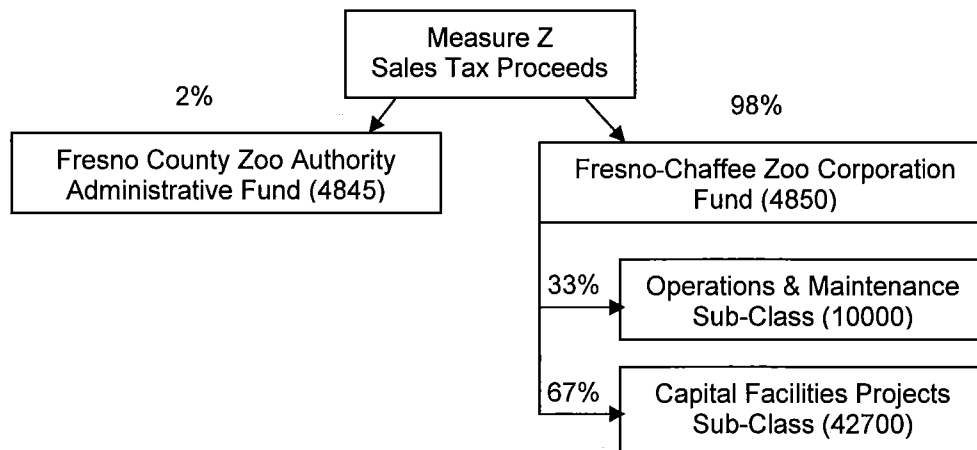
Utilizing County employees and services has allowed unused Administrative funds to grow at a faster rate than expenses, as illustrated in Attachment A. Over the first ten years of the Measure Z sales tax, administrative costs have been less than the 2% allowed, due in part to the Authority's agreement with the County for staff and services. In the Fiscal Year 2011-12 annual report, then-Chairman Toste's introductory letter noted: "Since inception...administrative expenses were... 1.05% of Measure Z revenue". There also have been line items for which little or no expenses have been billed, such as telephone charges (incorporated into staff pay rates as an overhead cost), and memberships for Board members.

BOARD ACTION: DATE _____ APPROVED AS RECOMMENDED _____ OTHER _____

UNANIMOUS _____
HERZOG _____ LYLES _____ SWEARENGIN _____ GRAY _____ STRATFORD _____ TOSTE _____ WATERHOUSE _____

With the Measure Z sales tax in place for another 10 years, members may consider possible options for funds accumulated to date, and that are likely to continue to accumulate. As shown in today's Agenda Item 3.c.2, the Authority's monthly Treasurer's Report for the month ended May 31, 2015, 2015, the ending cash balance in the Administrative Fund was \$1,142,055,83. The Treasurer also prepared a five-year income forecast based on the State of California Sales Tax Forecast, and a five-year Administrative Budget forecast with assumptions of staff needs for current and future Fresno Chaffee Zoo projects. (Attachment B) The latter chart illustrates a growth pattern similar to the first ten years of the Measure Z sales tax.

All Measure Z tax receipts are held in Fresno County's Measure Z Sales Tax Proceeds Fund. The diagram below from the Authority's *Procedures for Approving and Administering Measure Z Funds* illustrates their further distribution within the Fund.



If members determine that a portion of the fund currently exceeds the anticipated needs of the Authority, or if members wish to consider options regarding future Administrative funds, four possible options are presented below:

1. Take no action at this time and direct staff to report again on the Administrative Fund at a Board-specified future date, or when the Fund reaches a Board-specified amount, to consider taking action at that time.
2. Consider approving the transfer of an amount to the ZooCorp Fund 4850, to be apportioned as per the Measure Z Ordinance (a minimum of 2/3 to Capital Projects and up to 1/3 to Operations and Maintenance), and direct staff to prepare an action item for the next meeting.
3. Consider approving the transfer of an amount to the Capital Facilities Fund, and/or designate funds for a specific capital project, and direct staff to prepare an action item for the next meeting.
4. Consider maintaining a minimum balance in the Administrative Fund, and direct staff to return with a draft procedure to move funds into the Operations and Maintenance or Capital fund(s) as your Board may determine.

ATTACHMENTS:

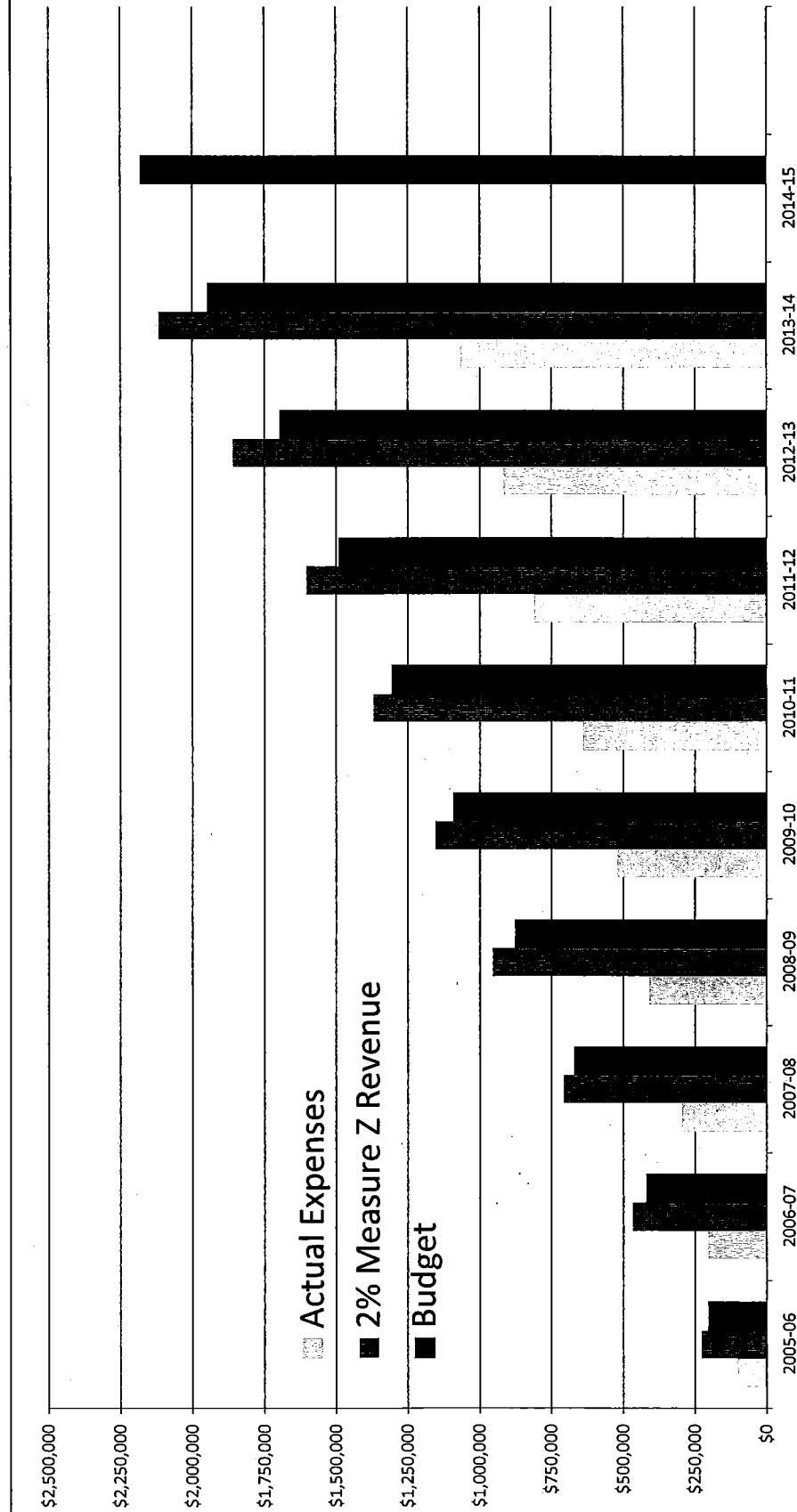
- A. Administrative Fund Cumulative Revenue, Budget and Actual Expenses 2004-05 to 2014-15
- B. Measure Z Income and Administrative Budget Forecasts 2015-16 to 2019-20

REFERENCE MATERIAL:

- 1. *Agreement Between Fresno County Zoo Authority and County of Fresno for Professional and Technical Services*
<http://www.zooauthority.org/docs/ContractsProcedures/Agree-ZA-COF-services6-14-05.pdf>
- 2. *Zoo Authority Procedures for Approving and Administering Measure Z Funds*
http://www.zooauthority.org/docs/ContractsProcedures/Procedures_revisions_adopted_3_28_12.pdf
- 3. 2013-14 Zoo Authority Annual Report
http://www.zooauthority.org/docs/Reports/Zoo%20Authority%20Report_2012-13_FINAL%20for%20WEB%20posting.pdf
- 4. Agenda Item 3c.2 Zoo Authority Treasurer's report for May 31, 2015

Fresno County Zoo Authority

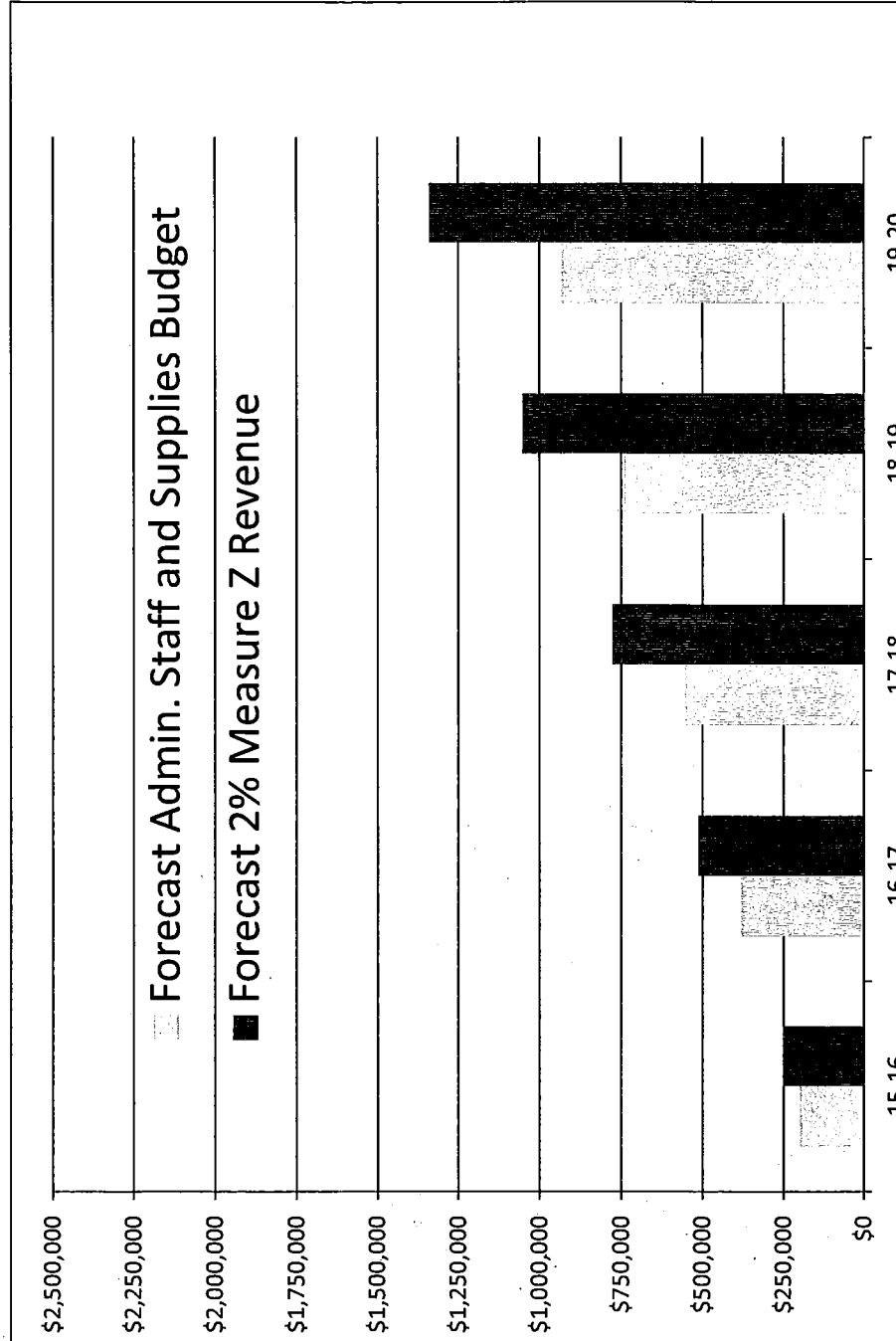
Administrative Fund Cumulative Revenue, Budget and Actual Expenses 2004-05 to 2014-15



Sources: Zoo Authority annual audits and administrative budgets

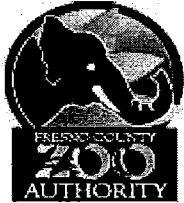
Fresno County Zoo Authority

Administrative Fund Cumulative Budget and Measure Z Revenue 2015-16 to 2019-20



Based on State of California budget forecast

Fresno County Zoo Authority - Budget Forecast



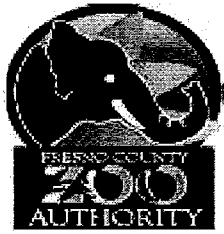
	AVERAGE	FIVE YEAR BUDGET FORECAST				
	BUDGET FY 12-15	15-16*	16-17**	17-18	18-19***	19-20
Telephone Charges	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Memberships	1,000	1,000	1,000	1,000	1,000	1,000
Office Expense	6,000	6,000	6,000	6,000	6,000	6,000
Postage	1,500	1,500	1,500	1,500	1,500	1,500
PeopleSoft Financials Charges	750	750	750	750	750	750
Professional & Specialized Services	158,500	180,406	162,365	154,247	169,672	171,368
Data Processing Services	3,000	3,000	3,000	3,000	3,000	3,000
Publications & Legal Notices	1,000	1,000	1,000	1,000	1,000	1,000
Trans, Travel & Education	5,000	5,000	5,000	5,000	5,000	5,000
Services And Supplies	177,250	199,156	181,115	172,997	188,422	190,118
Appropriation For Contingencies	47,633	55,071	78,216	90,419	87,246	97,801
Appropriation For Contingencies	47,633	55,071	78,216	90,419	87,246	97,801
Total Appropriations	\$ 224,882	\$ 254,227	\$ 259,331	\$ 263,415	\$ 275,667	\$ 287,919

* Professional & Specialized Services estimate based on 90% of FY 14-15 costs.

** Professional & Specialized Services reduction based on Africa Project completion.

***Professional & Specialized Services increase based on the assumption of new capital project.

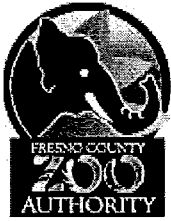
Fresno County Zoo Authority - Income Forecast



	AVERAGE		FIVE YEAR RECEIPT FORECAST *				
	RECEIPTS FY 2012-15		15-16	16-17	17-18	18-19	19-20
July	\$	16,571	\$ 17,484	\$ 17,835	\$ 18,116	\$ 18,958	\$ 19,801
August		21,050	22,209	22,655	23,012	24,082	25,152
September		21,914	23,121	23,585	23,957	25,071	26,185
October		16,406	17,309	17,657	17,935	18,769	19,603
November		21,253	22,424	22,874	23,234	24,315	25,396
December		22,736	23,989	24,470	24,856	26,012	27,168
January		16,454	17,360	17,709	17,988	18,824	19,661
February		21,727	22,923	23,384	23,752	24,857	25,961
March		21,145	22,310	22,758	23,117	24,192	25,267
April		15,916	16,792	17,129	17,399	18,209	19,018
May		23,428	24,718	25,214	25,611	26,803	27,994
June		22,355	23,587	24,060	24,439	25,576	26,713
Total	\$	240,954	\$ 254,227	\$ 259,331	\$ 263,415	\$ 275,667	\$ 287,919

* Based on State of California Sales Tax Forecast

AGENDA ITEM 9



DATE: June 24, 2015

TO: Fresno County Zoo Authority Board

FROM: Catherine Crosby, Board Coordinator

SUBJECT: Amendments to Zoo Authority Bylaws

RECOMMENDED ACTION:

Conduct second reading of proposed amendments to Bylaws, and approve amendments.

DISCUSSION:

The Fresno County Zoo Authority (Authority) Bylaws were adopted by the Board of Supervisors sitting as the Authority on January 25, 2005. The Bylaws were last amended in 2008 to allow for appointment of an alternate by the Mayor, so the City of Fresno could have representation on the Authority Board when the Mayor was not available. (See the current Bylaws attached hereto as Attachment A.)

The extension of Measure Z provides an opportunity to review the existing Bylaws, and to bring them up to date and in accordance with the Extension Ordinance, current Authority Board agreements, and procedures, practices and events that post-date the adoption of these existing Bylaws.

Accordingly, a proposed amended set of Bylaws (Attachment B hereto) was submitted for your Board's review and was approved on April 29, 2015. These proposed amendments reflect the following changes to the current Bylaws:

1. On page 1, the Introduction adds a reference to the 2014 Extension Ordinance.
2. As noted under I.A., Members, the appointed Board first met on April 28, 2005.
3. On page 2, Under I.B., Organization, Paragraph 1, the language has been changed to a non-specific meeting location, anticipating that the Fresno County Employees' Retirement Association Building may be demolished at a future date to allow for the planned High Speed Rail station on the site.
4. In 1.B. Paragraph 7, the reference to a specific edition of Robert's Rules of Order has been removed. While the 11th Edition is now current, the proposed change is the preferred citation of the book's authors.

BOARD ACTION: DATE _____ APPROVED AS RECOMMENDED _____ OTHER _____

MOTION _____ SECOND _____ UNANIMOUS _____
HERZOG _____ LYLES _____ GRAY _____ STRATFORD _____ SWEARENGIN _____ TOSTE _____ WATERHOUSE _____

5. At page 4, Section III.B, General Expenditure Plan, Paragraph 1, the previous term "successor" in the last sentence has been changed to "extension" to match the language of the new Extension Ordinance.
6. The last sentence of Section III.B., Paragraph 2 has been updated to match the Extension Ordinance legal citation, reflecting current law.
7. At page 5, Section III.C, Specific Expenditure Plan, the original Paragraph 1 and the table under it have been deleted, as the City of Fresno has met its obligation to provide all the funds to the Corporation as originally specified.
8. Portions of Paragraphs 2 and 3 of Section III.C, as set forth in the 2008 Bylaws have been merged into a new Paragraph 1 that mirrors the wording of the Extension Ordinance, and the Authority's 2009 Capital Projects Policy (which changed the term "Capital Facilities" to refer to "Capital Projects"). (See Attachment C).
9. A new paragraph 3 has been added to Section III.C. to include the following language:

"The AUTHORITY shall have no obligation to distribute funds to the CORPORATION unless the AUTHORITY is satisfied that the CORPORATION has appropriately spent funds already distributed."

This above language derives from the 2014 Measure Z Extension Ordinance, and your Board saw fit to add it to the December 21, 2005 *Agreement Regarding Procedures for the Distribution of Tax Revenue* by means of an amendment executed by the Authority and the Zoo Corporation (Amendment 1 to *Agreement Regarding Procedures for the Distribution of Tax Revenue*, dated October 18, 2014.)

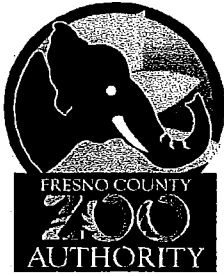
As noted under IV.A. and B. on page 8, if amendments to the Bylaws are to be approved, a super-majority of five Board members must vote in favor at two regular meetings. A super-majority of members approved the first reading, and your Board has the opportunity to vote again for approval. If passed today, the Bylaws will be submitted to the Board of Supervisors, and will take effect upon that body's approval.

ATTACHMENTS

- A. 2008 bylaws
- B. Draft amendments to 2008 bylaws
- C. Measure Z Capital Projects Policy, Adopted June 24, 2009

REFERENCE MATERIAL

- 2014-01 Ordinance
<http://www.zooauthority.org/docs/Extension/Al%2006a%20Att%20A%2004.30.14%20ADOPTED%20Ordinance%202014-01%20Mease%20Z%20Exten%20signed.pdf>
- 2012 Procedures for Approving and Administering Measure Z Funds
http://www.zooauthority.org/docs/ContractsProcedures/Procedures_revisions_adopied_3_28_12.pdf
- 2005 Zoo Authority–Corporation Agreement and Amendment 1 of October 18, 2014
<http://www.zooauthority.org/docs/ContractsProcedures/2005.12.21.ZA-ZAAgmt&2014.8.27Amend1.pdf>



2220 Tulare Street • 6th Floor • Fresno, CA 93721
Phone: 559.262.4385 • www.zooauthority.org

FRESNO COUNTY ZOO AUTHORITY

BYLAWS

Amended April 30, 2008

Approved by
Fresno County Board of Supervisors
July 8, 2008

FRESNO COUNTY ZOO AUTHORITY

BYLAWS

INTRODUCTION

The Resolution creating the Authority was adopted by the Fresno County Board of Supervisors on July 13, 2004. The Board of Supervisors, sitting as the Authority Board, then adopted Ordinance No 2004-1 on July 27, 2004. This ordinance, providing for a transactions and use tax of 0.1% for a period of ten years commencing on April 1, 2005, and including an expenditure plan for the use of the tax revenue, was approved by the electorate on November 2, 2004.

These Bylaws, adopted April 30, 2008, repeat and supplement the provisions of a subsequent Fresno County Board of Supervisors Resolution changing membership requirements (No. 08-024, January 15, 2008), and Zoo Authority Ordinance No 2004-1.

I. AUTHORITY BOARD

A. Members

The initial Authority Board is the Board of Supervisors. No later than March 31, 2005, this initial Authority Board shall be replaced with a seven-member Board, as follows:

1. Five qualified electors shall be appointed by the Board of Supervisors. Each member of the Board of Supervisors shall nominate one person. Each Authority Board member appointed under this provision shall serve for a term coterminous with the term of the nominating member of the Board of Supervisors. These members may not hold any other public office which pays a salary or per diem, but may hold another public office which is not incompatible with serving on the Authority Board and which provides only reimbursement of expenses.
2. One qualified elector, who shall be selected for his or her expertise in zoo matters, shall be appointed by the Board of Supervisors. This member shall be nominated by the Chair of the Board of Supervisors, and shall serve for a term coterminous with the term of the nominating supervisor as Chair.
3. The seventh member of the Board shall be the Mayor of the City of Fresno.

4. Vacancies in the appointed positions shall be filled by the Board of Supervisors as provided above. Appointed members may resign by submitting a resignation in writing to the Board of Supervisors.

B. Organization

The Board shall adopt policies to govern the activities of the Board. Such policies shall include, but not be limited to, the following:

1. The Board shall hold its regular meetings at the Fresno County Employees' Retirement Association building, at 1111 H St. in Fresno, at 9:00 a.m. on the fourth Wednesday of the month.
2. A chair and vice-chair shall be elected at the first meeting of each calendar year. If neither is present or able to act, the members present shall elect a chair pro tem, who shall serve only until the chair or vice-chair is present and able to act. The Administrator shall serve as the Secretary.
3. The Board shall meet at least four times a year, and shall set its meeting schedule as far in advance as possible.
4. The Brown Act (Gov. Code, § 54950 et seq.) shall govern meetings of the Board.
4. Four Board members shall constitute a quorum, provided that no action shall be taken without the affirmative vote of at least three Board members.
6. The Board shall keep minutes of its proceedings and records of its activities and actions.
7. Robert's Rules of Order shall govern the proceedings of the Board in its transaction of business unless otherwise provided herein or by general law. Unless otherwise specified by the Board, Robert's Rules of Order Newly Revised, 10th Edition, shall be used by the Board.
8. No proxy or substitute may vote in place of an appointed Board member.
9. The Mayor of the City of Fresno may appoint a member of the Fresno City Council to serve as the Mayor's alternate. The Mayor shall designate the alternate in writing. The designation shall become effective upon receipt of the notification by the Administrator.

10. In accordance with Fresno County Ordinance Code chapter 2.68, any member of the Board who is absent from the number of consecutive meetings specified in the chapter, according to the schedule of meetings adopted as required above, shall be deemed to have resigned his or her membership. The Administrator shall give prompt written notice to any member who will be deemed to have resigned upon the occurrence of one additional unexcused absence. The notice shall contain a statement advising the member of the absences and the consequences thereof, together with a copy of the ordinance code chapter. This provision may not be removed from the bylaws.
11. The Chair may make or second motions and shall have a vote on all questions. The Chair shall not be required to relinquish the chair in order to participate in discussions.

C. Compensation

Members of the Board shall not be paid a salary nor shall they be entitled to per diem for attending Board meetings.

I. POWERS AND DUTIES

A. Powers

The Board may:

1. Adopt ordinances, resolutions, policies and procedures to implement the Resolution and Ordinance;
2. Enter into contracts to accomplish the purposes of the Authority;
3. Perform duties prescribed hereunder; and
4. Take all steps necessary to implement the Resolution and Ordinance, including hiring or contracting with appropriate staff, if necessary.

B. Duties

The Board shall oversee the general administration of the funds and of the implementation of the Resolution and Ordinance, including but not limited to:

1. Requiring the Fresno's Chaffee Zoo Corporation (hereafter "Corporation") to enter into appropriate contracts to expend the tax proceeds as provided in the Ordinance.
2. Employing the services of an auditor to oversee the State Board of Equalization's records if desired, and, if deemed necessary, employing the services of an auditor or other professionals to audit and/or report on the activities of the Corporation regarding the expenditure of Authority funds and the progress of approved projects.

II. EXPENDITURES OF TAX REVENUES

A. Statutory Requirements

As required by Revenue and Taxation Code section 7286.43, the proceeds of the transactions and use tax collected under the Ordinance shall be used exclusively for zoos, zoological facilities, and related zoological purposes within this County.

B. General Expenditure Plan

1. The tax proceeds shall first be applied to reimburse Fresno County for the costs of the election held pursuant to Revenue and Taxation Code section 7286.43. The proceeds of the tax shall also be available to pay the costs of any election for a successor tax.
2. Up to 2% of the tax proceeds shall be allocated for administrative costs of the Authority. This administrative allocation shall be made based upon budgeted estimates of administrative costs prior to any distribution of tax revenues in any fiscal year to the entity operating the Chaffee Zoo. "Administrative costs" shall mean actual expenses incurred by the Authority. Apportionment of any overhead and/or accounting of actual costs shall be accomplished in accordance with the standards and procedures found in the United States Office of Management and Budget Circular, OMB A-87, as amended.
3. The remaining annual tax proceeds shall be distributed to the Corporation, as provided below.

C. Specific Expenditure Plan

1. No tax revenue shall be provided to the Corporation until the City of Fresno and the Corporation both certify to the Authority that the

City has provided the percentage of public funding it provided to the Zoo in 2003-2004 (approximately \$1.2 million), pursuant to the following schedule:

Certification Date	Funding Period	% of Prior Funding Provided/Received	\$ Provided/Received (approx.)
Jul. 1, 2005	Jul. 1, 2004-Mar. 31, 2005	100%	\$900,000 (3/4 of yr.)
Jul. 1, 2006	Apr. 1, 2005-Mar. 31, 2006	100%	\$1,200,000
Jul. 1, 2007	Apr. 1, 2006-Mar. 31, 2007	80%	\$960,000
Jul. 1, 2008	Apr. 1, 2007-Mar. 31, 2008	60%	\$720,000
Jul. 1, 2009	Apr. 1, 2008-Mar. 31, 2009	40%	\$480,000
Jul. 1, 2010	Apr. 1, 2009-Mar. 31, 2010	20%	\$240,000
Jul. 1, 2011 and thereafter - 0%, so no certification due.			

2. The Corporation shall submit to the Authority its preliminary plans for capital facilities projects in the Zoo. The plans shall be submitted on an annual basis, or on such a schedule as agreed to by the Authority and the Corporation, in such numbers and in such format as required by the Authority. "Capital facilities" shall mean facilities or animals with a useful life of five years or more. The plans shall show that a minimum of two-thirds of the projected net tax revenue will be spent on capital improvement projects in the Zoo.
3. The Corporation shall also submit to the Authority, on the same schedule, its plans for spending the remaining net tax revenue. The plans shall show that no more than one-third of the projected tax revenue will be spent on operations and maintenance of the Zoo.

4. The Authority may approve or disapprove the Corporation's plans. If the Authority disapproves the plans, the Authority shall be under no obligation to provide tax revenues to the Corporation until the plans are revised to the satisfaction of the Authority.
5. The Authority may, with appropriate notice, request that the Corporation send one or more representatives to any Authority meeting, and may consider the cooperation of the Corporation in this regard in future funding decisions.
6. When the Authority is satisfied that the plans of the Corporation comply with the Resolution and Ordinance, the Authority shall approve the plans and shall enter into appropriate contracts with the Corporation to provide funding on an appropriate schedule. The Authority generally shall not enter into contracts to provide funding directly to providers of goods and/or services to the Corporation, but may do so if the Corporation requests this direct contracting.
7. The Authority may restrict the funding it provides to the Corporation to correspond with an approved time schedule, or for any other reason within the discretion of the Authority.
8. The Authority may authorize multi-year capital projects and/or programs within the time period established for the tax.
9. The Authority may pledge future annual tax proceeds as security for loans to fund capital projects at the Chaffee Zoo.

D. Reports

1. The Corporation shall provide the Authority with annual use statements demonstrating the use of funds authorized by the Authority. This statement shall be made in a form acceptable to the Authority and shall be approved by a certified public accountant prior to its submission to the Authority. The Authority may also require the Corporation to provide independently audited statements or other reports on an annual or other basis at the entity's expense.
2. The Authority may request that status reports on the progress of projects and programs be submitted by the Corporation to the Authority for public discussion at any Authority meeting from time to time.

3. The Authority shall make an annual report to the Board of Supervisors regarding its proceedings and actions.

E. Prohibited Expenditures

The Authority shall require the Corporation to agree that no tax revenue shall be expended for the following ineligible activities:

1. Activities normally funded by a city or county through federal, state, and/or local revenues such as animal control, health care, criminal justice programs, and social service programs.
2. Programs not open and available on an equal basis to all residents of Fresno County.
3. Programs which promote religious or sectarian purposes.
4. Scholarships, grants, or other payments to individuals for educational purposes.
5. Except as herein allowed, programs of federal, state, or local governments or their subsidiaries.
6. Out-of-state travel expense.
7. Programs or policies that discriminate against any individual or group on the basis of race, sex, color, ethnicity, religious preference, or national origin in the operation of facilities or in membership policies.

III. AMENDMENT OF BYLAWS

A. Approval by Authority Board

An amendment to these Bylaws may be proposed at any time. The amendment shall be presented to the Board at two regular meetings, with at least one week between meetings. At least five members of the Board must vote in favor of the amendment at each reading in order for it to be sent to second reading or approved. If the proposed amendment is altered at the first reading, the altered version shall be presented for first reading at the next regular meeting. Corrections of typographical or clerical errors are not alterations within the meaning of this section.

B. Adoption by Board of Supervisors

If the Authority Board approves an amendment to the bylaws, the amendment shall be submitted to the Board of Supervisors. The amendment shall become effective immediately upon adoption by the Board of Supervisors.

**2015 Draft Amendments to
FRESNO COUNTY ZOO AUTHORITY**

BYLAWS

INTRODUCTION

The Resolution creating the Authority (hereinafter "Resolution") was adopted by the Fresno County Board of Supervisors on July 13, 2004. The Board of Supervisors, sitting as the Authority Board, then adopted Ordinance No 2004-1 on July 27, 2004 (hereinafter "Ordinance"). This Ordinance, providing for a transactions and use tax of 0.1% for a period of ten years commencing on April 1, 2005, and including an expenditure plan for the use of the tax revenue was approved by the electorate on November 2, 2004, and was extended for another 10 years on November 4, 2014.

These Bylaws, adopted _____, repeat and supplement the provisions of a subsequent Fresno County Board of Supervisors Resolution changing membership requirements (No. 08-024, January 15, 2008), Zoo Authority Ordinance No 2004-1, and Extension Ordinance 2014-01.

I. AUTHORITY BOARD

A. Members

The initial Authority Board was the Board of Supervisors. A seven-member appointed Authority Board replacing the Board of Supervisors held its first meeting on April 28, 2005, is comprised as follows:

1. Five qualified electors, who shall be appointed by the Board of Supervisors. Each member of the Board of Supervisors shall nominate one person. Each Authority Board member appointed under this provision shall serve for a term coterminous with the term of the nominating member of the Board of Supervisors. These members may not hold any other public office which pays a salary or per diem, but may hold another public office which is not incompatible with serving on the Authority Board and which provides only reimbursement of expenses.
2. One qualified elector, who shall be selected for his or her expertise in zoo matters, shall be appointed by the Board of Supervisors. This member shall be nominated by the Chair of the Board of Supervisors, and shall serve for a term coterminous with the term of the nominating supervisor as Chair.

3. The seventh member of the Authority Board shall be the Mayor of the City of Fresno.
4. Vacancies in the appointed positions shall be filled by the Board of Supervisors as provided above. Appointed members may resign by submitting a resignation in writing to the Board of Supervisors.

B. Organization

The Authority Board (hereinafter "Board") shall adopt policies to govern its activities. Such policies shall include, but not be limited to, the following:

1. The Board shall hold its regular meetings at the offices of the Fresno County Employees' Retirement Association, or any other appropriate designated site, at 9:00 a.m. on the fourth Wednesday of the month.
2. A chair and vice-chair shall be elected at the first meeting of each calendar year. If neither is present or able to act, the members present shall elect a chair pro tem, who shall serve only until the chair or vice-chair is present and able to act. The Administrator shall serve as the Secretary.
3. The Board shall meet at least four times a year, and shall set its meeting schedule as far in advance as possible.
4. The Brown Act (Gov. Code, § 54950 et seq.) shall govern meetings of the Board.
4. Four Board members shall constitute a quorum, provided that no action shall be taken without the affirmative vote of at least three Board members.
6. The Board shall keep minutes of its proceedings and records of its activities and actions.
7. Robert's Rules of Order shall govern the proceedings of the Board in its transaction of business unless otherwise provided herein or by general law. Unless otherwise specified by the Board, the current edition of Robert's Rules of Order Newly Revised shall be used by the Board.
8. No proxy or substitute may vote in place of an appointed Board member.
9. The Mayor of the City of Fresno may appoint a member of the Fresno City Council to serve as the Mayor's alternate. The Mayor

shall designate the alternate in writing. The designation shall become effective upon receipt of the notification by the Administrator.

10. In accordance with Fresno County Ordinance Code chapter 2.68, any member of the Board who is absent from the number of consecutive meetings specified in the chapter, according to the schedule of meetings adopted as required above, shall be deemed to have resigned his or her membership. The Administrator shall give prompt written notice to any member who will be deemed to have resigned upon the occurrence of one additional unexcused absence. The notice shall contain a statement advising the member of the absences and the consequences thereof, together with a copy of the ordinance code chapter. This provision may not be removed from the bylaws.
11. The Chair may make or second motions and shall have a vote on all questions. The Chair shall not be required to relinquish the chair in order to participate in discussions.

C. Compensation

Members of the Board shall not be paid a salary nor shall they be entitled to per diem for attending Board meetings.

II. POWERS AND DUTIES

A. Powers

The Board may:

1. Adopt ordinances, resolutions, policies and procedures to implement the Resolution and Ordinance;
2. Enter into contracts to accomplish the purposes of the Authority;
3. Perform duties prescribed hereunder; and
4. Take all steps necessary to implement the Resolution and Ordinance, including hiring or contracting with appropriate staff, if necessary.

B. Duties

The Board shall oversee the general administration of the funds and of the implementation of the Resolution and Ordinance, including but not limited to:

1. Requiring the Fresno Chaffee Zoo Corporation (hereinafter "Corporation") to enter into appropriate contracts to expend the tax proceeds as provided in the Ordinance.
2. Employing the services of an auditor to oversee the State Board of Equalization's records if desired, and, if deemed necessary, employing the services of an auditor or other professionals to audit and/or report on the activities of the Corporation regarding the expenditure of Authority funds and the progress of approved projects.

III. EXPENDITURES OF TAX REVENUES

A. Statutory Requirements

As required by Revenue and Taxation Code section 7286.43, the proceeds of the transactions and use tax collected under the Ordinance shall be used exclusively for zoos, zoological facilities, and related zoological purposes within this County.

B. General Expenditure Plan

1. The tax proceeds shall first be applied to reimburse Fresno County for the costs of the election held pursuant to Revenue and Taxation Code section 7286.43. The proceeds of the tax shall also be available to pay the costs of any election for an extension of the tax.
2. Up to 2% of the tax proceeds shall be allocated for administrative costs of the Authority. This administrative allocation shall be made based upon budgeted estimates of administrative costs prior to any distribution of tax revenues in any fiscal year to the Corporation. "Administrative costs" shall mean actual expenses incurred by the Authority. Apportionment of any overhead and/or accounting of actual costs shall be accomplished in accordance with the standards and procedures found in Title 2 Code of Federal Regulations, Subtitle A, Chapter II, Part 225.

3. The remaining annual tax proceeds shall be distributed to the Corporation, as provided below.

C. Specific Expenditure Plan

1. The Corporation shall submit to the Authority its preliminary plans for Capital projects, as well as its plans for operations and maintenance at the Fresno Chaffee Zoo (hereinafter "Zoo"). The plans shall be submitted on an annual basis, or on such a schedule as agreed to by the Authority and the Corporation, in such numbers and in such format as required by the Authority. "Capital Projects" shall meet the definition of the Measure Z Capital Projects Policy, adopted June 24, 2009. A minimum of two-thirds of the funds shall be for capital projects, and up to one-third of the funds shall be available for operations and maintenance.
2. The Authority may approve or disapprove the Corporation's plans. If the Authority disapproves the plans, the Authority shall be under no obligation to provide tax revenues to the Corporation until the plans are revised to the satisfaction of the Authority.
3. The Authority shall have no obligation to distribute funds to the CORPORATION unless the AUTHORITY is satisfied that the CORPORATION has appropriately spent funds already distributed. (Agreement between Authority and Corporation, dated December 21, 2005, as amended)
4. The Authority may, with appropriate notice, request that the Corporation send one or more representatives to any Authority Board meeting, and may consider the cooperation of the Corporation in this regard in future funding decisions.
5. When the Authority is satisfied that the plans of the Corporation comply with the Resolution and Ordinance, the Authority shall approve the plans and enter into appropriate contracts with the Corporation to provide funding on an appropriate schedule. The Authority generally shall not enter into contracts to provide funding directly to providers of goods and/or services to the Corporation, but may do so if the Corporation requests this direct contracting.
6. The Authority may restrict the funding it provides to the Corporation to correspond with an approved time schedule, or for any other reason within the discretion of the Authority.
7. The Authority may authorize multi-year capital projects and/or programs within the time period established for the tax.

8. The Authority may pledge future annual tax proceeds as security for loans to fund capital projects at the Fresno Chaffee Zoo.

D. Reports

1. The Corporation shall provide the Authority with annual use statements demonstrating the use of funds authorized by the Authority. This statement shall be made in a form acceptable to the Authority and shall be approved by a certified public accountant prior to its submission to the Authority. The Authority may also require the Corporation to provide independently audited statements or other reports on an annual or other basis at the entity's expense.
2. The Authority may request that status reports on the progress of projects and programs be submitted by the Corporation to the Authority for public discussion at any Authority meeting from time to time.
3. The Authority shall make an annual report to the Board of Supervisors regarding its proceedings and actions.

E. Prohibited Expenditures

The Authority shall require the Corporation to agree that no tax revenue shall be expended for the following ineligible activities:

1. Activities normally funded by a city or county through federal, state, and/or local revenues such as animal control, health care, criminal justice programs, and social service programs.
2. Programs not open and available on an equal basis to all residents of Fresno County.
3. Programs which promote religious or sectarian purposes.
4. Scholarships, grants, or other payments to individuals for educational purposes.
5. Except as herein allowed, programs of federal, state, or local governments or their subsidiaries.
6. Out-of-state travel expense.
7. Programs or policies that discriminate against any individual or group on the basis of race, sex, color, ethnicity, religious

preference, or national origin in the operation of facilities or in membership policies.

IV. AMENDMENT OF BYLAWS

A. Approval by Authority Board

An amendment to these Bylaws may be proposed at any time. The amendment shall be presented to the Board at two regular meetings, with at least one week between meetings. At least five members of the Board must vote in favor of the amendment at each reading in order for it to be sent to second reading or approved. If the proposed amendment is altered at the first reading, the altered version shall be presented for first reading at the next regular meeting. Corrections of typographical or clerical errors are not alterations within the meaning of this section.

B. Adoption by Board of Supervisors

If the Board approves an amendment to the bylaws, the amendment shall be submitted to the Board of Supervisors. The amendment shall become effective immediately upon adoption by the Board of Supervisors.

Measure Z Capital Projects Policy

Adopted June 24, 2009

Purpose: The purpose of this policy is to define the criteria of capital projects that qualify for reimbursement of Measure Z Capital Project Funds. In addition to meeting the requirements of this policy, the project and related budget must have been previously approved by the Zoo Authority Board (as required by Ordinance 2004-1) either through the Master Plan or Annual Capital Projects Plan and an adopted capital projects budget.

Measure Z-funded capital improvement projects must meet one of the conditions 1-3.

1. The construction or purchase of a Fresno Chaffee Zoo fixed asset (building, facility, structure, or exhibit), that has a useful operational life of 5 years or longer, and a cost of \$30,000 or more. Capital outlay expenditures required for the intended use of the construction or purchase of the asset may be included at the discretion of the Zoo Authority Board.

OR

2. A major renovation, expansion, or replacement of a current Fresno Chaffee Zoo fixed asset (building, facility, structure, or exhibit) that extends the useful operational life of the asset by 5 years or more, or expands the capacity of an existing asset, and has a cost of \$30,000 or more. Capital outlay expenditures required for the intended use of the renovation, expansion, or replacement of the asset may be included at the discretion of the Zoo Authority Board.

OR

3. Cost required for the acquisition and safe transport of animals that would have a useful life to the Fresno Chaffee Zoo of at least 5 years, including transportation, travel, and health expenses during such transportation and travel.



DATE: June 24, 2015

TO: Fresno County Zoo Authority Board

FROM: Catherine Crosby
Board Coordinator

RE: Capital Projects Agreement Requirements and Retention Policy

RECOMMENDED ACTION:

Discuss policy for requirements for approval of Capital Project agreements and management of Retention funds for Measure Z funded projects, and direct staff to return with a draft for consideration.

OR

Discuss and approve Retention Policy for Capital Projects agreements, and direct staff to incorporate it the next revision of the Authority's *Procedures for Approving and Administering Measure Z Funds*.

DISCUSSION:

At your Board's special meeting on June 25, 2014, members discussed the current status and possible options for management of subcontractor's retention funds for Africa Adventure and for future projects' retention and payments. At your August 27, 2014 meeting, members approved an *Agreement Regarding Escrow Agreements for Security Deposits in Lieu of Retention* ("Agreement") with the Fresno Chaffee Zoo Corporation (ZooCorp), specifically for the African Adventure construction project (Attachment A). Prior to last year's Agreement, the Authority did not have a method in place to address the management of retention. Former Authority Counsel Art Wille recommended developing a policy for future projects, and your Board directed staff to prepare one.

At recent Board meetings, Fresno Chaffee Zoo Director Scott Barton mentioned projects that are or will soon be in design development, and for which he expects to bring requests for construction funding by the end of 2015. Defining and adopting a retention policy at this time will provide guidance for the ZooCorp's funding requests for construction for future projects, for the management of Measure Z funds whether or not projects have retention escrow accounts, and for Authority staff to manage the reimbursement process.

Staff recommends incorporating definitions and procedures based on Agreement paragraphs 1, 2 and 4 through 7. The following questions may serve to guide discussion to further define a

BOARD ACTION: DATE _____ APPROVED AS RECOMMENDED _____ OTHER _____

UNANIMOUS _____
HERZOG _____ LYLES _____ GRAY _____ STRATFORD _____ SWEARENGIN _____ TOSTE _____ WATERHOUSE _____

retention policy, and expand on existing procedures to receive project funding requests and claims for reimbursement in the future.

- Would members prefer to have more time for the review of future funding requests and construction agreements prior to a vote? The Authority's *Procedures for Approving and Administering Measure Z Funds (Procedures)* state that executed contracts shall be provided to the Treasurer "...at least 30 days before requesting approval..." (Page 19, paragraph A.1), but Board members typically have less than a week to review agenda materials before a meeting.
- Shall the proposed policy define retention as "not less than 5%" to allow flexibility, if warranted? The Agreement (Page 1, Line 16) defines retention as 5%, although the Public Contract Code allows a greater amount under certain conditions where a project is found to be "substantially complex." (Attachment B, Section 1 of Code Section 7201, paragraph b.4)
- What is the project cost threshold appropriate for approval of an agreement with a Construction Manager at Risk for a large project that will include many subcontractors and must include retention? (Any County contract over \$100,000 requires the approval of the Board of Supervisors.)
- What is the project cost threshold appropriate for the approval of a Capital funds agreement for a project's *design* that may not involve the use of subcontractors?
- Is there a cost range for projects in which Authority approval is required, but an agreement with retention is not?
- Is there a cost threshold under which Authority approval would not be required for a small "in house" project; or an agreement was not required, but reimbursement was allowed following the completion of a project, if ZooCorp-approved proposals, estimates or invoices were provided?

Staff has prepared a draft Retention Policy (Attachment C) for discussion/consideration.

If approved, the Policy can become effective immediately and incorporated into the next update of the Authority's *Procedures for Approving and Administering Measure Z Funds*.

ATTACHMENTS:

- A. August 27, 2014 Agreement Regarding Escrow Agreements for Security Deposits in Lieu of Retention
- B. California State Public Contract Code; Section 1 of Section 7201, paragraph b.4)
- C. Draft Retention Policy

REFERENCE MATERIAL:

- 1. Agreement Regarding Procedures for Distribution Of Tax Revenue To The Chaffee Zoo.

<http://www.zooauthority.org/docs/ContractsProcedures/2005.12.21.ZA-ZAAgmt&2014.8.27Amend1.pdf>

2. Procedures for Approving and Administering Measure Z Funds

http://www.zooauthority.org/docs/ContractsProcedures/Procedures_revisions_adopted_3_28_12.pdf

**AGREEMENT REGARDING ESCROW AGREEMENTS
FOR SECURITY DEPOSITS IN LIEU OF RETENTION**

THIS AGREEMENT is made and entered into this 10th day of October, 2014, by and between the FRESNO COUNTY ZOO AUTHORITY, a political subdivision of the State of California, hereinafter referred to as "AUTHORITY," and the FRESNO'S CHAFFEE ZOO CORPORATION, a California nonprofit public benefit corporation, hereinafter referred to as "ZOOCORP." The Agreement is effective upon execution by both parties.

WITNESSETH:

WHEREAS, the adoption of Measure Z in 2004 has allowed ZOOCORP to construct new exhibits and to modernize other exhibits at the Fresno Chaffee Zoo;

WHEREAS, for previous projects constructed by ZOOCORP and funded by the AUTHORITY, such as Sea Lion Cove, ZOOCORP has submitted periodic requests for reimbursement to the AUTHORITY during the course of construction of the project;

WHEREAS, upon receipt of each invoice, the AUTHORITY reviews the invoice, and if appropriate, authorizes payment of the amount requested, less 5 percent of the requested amount, which has been held by the AUTHORITY as a retention until the completion of the project;

WHEREAS, upon completion of previous projects, ZOOCORP has issued a final invoice to the AUTHORITY with a request for payment of the final invoice and any retention;

WHEREAS, if the AUTHORITY is satisfied that the final invoice is in order and the project has been completed satisfactorily, it has paid the amount specified in the final invoice plus the accumulated retentions withheld during the construction of the project;

WHEREAS, ZOOCORP is currently constructing a project called "African Adventure", a multi-acre exhibit with African animals including elephants, giraffes, zebra, rhinoceros, lions, cheetahs, vultures and meerkats, all in a natural setting; the Mahali or lodge with a café and rest area; a children's play area; a giraffe feeding station; a botanical garden; and sculptures;

1 WHEREAS, it is common on certain construction projects for the owner, such as
2 ZOOCORP, and the construction manager, to enter into an agreement providing for any
3 retention to be deposited into an interest bearing escrow account under the ownership and
4 control of the owner;

5 WHEREAS, at the conclusion of the construction project, the owner certifies that project
6 has been completed satisfactorily; and,

7 WHEREAS, escrow agreements are specifically authorized under the Public Contract
8 Code and ZOOCORP determined that Public Contract Code required that it enter into an
9 escrow agreement with the construction manager for the African Adventure project;

10 WHEREAS, ZOOCORP entered into an "Escrow Agreement for Security Deposit in Lieu
11 of Retention" with Harris Construction, the Construction Manager (the "Harris Escrow
12 Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated by this
13 reference as though fully set forth herein;

14 WHEREAS, ZOOCORP has requested that the AUTHORITY permit amounts that have
15 been and would otherwise be retained by the AUTHORITY during the construction of the
16 African Adventure project to be deposited by ZOOCORP to the escrow account owned and
17 controlled by ZOOCORP;

18 WHEREAS, the AUTHORITY is willing to disburse funds to the ZOOCORP under the
19 terms and conditions set forth below.

20 NOW, THEREFORE, in consideration of the promises, performances and considerations
21 set forth in this Agreement, the parties agree as follows:

22 1. **Retention Defined.** For purposes of this Agreement, "Retention" means funds retained
23 by the AUTHORITY from the amounts paid to ZOOCORP for invoices received on or before
24 July 15, 2014 related to work performed in constructing the African Adventure project.

25 2. **Escrow Account Defined.** For purposes of this Agreement, "Escrow Account" means
26 that certain account established at United Security Bank, whose address is 2151 West Shaw
27
28

Avenue, Fresno, California 93711, pursuant to the Harris Escrow Agreement".

3. **Release of Retention.** Within fourteen (14) days of the date this Agreement is executed by both parties hereto, the AUTHORITY shall disburse the Retention to the ZOOCORP. Not later than two (2) business days from its receipt of the Retention, ZOOCORP shall deposit the Retention in the Escrow Account. Within one (1) business day of deposit of funds in the Escrow Account, ZOOCORP shall send proof of deposit of the funds to the AUTHORITY.

4. **Procedures For Payment of Future Invoices By The AUTHORITY.** Invoices from the ZOOCORP related to the construction of the African Adventure project that are received by the AUTHORITY subsequent to the date referenced in Paragraph 1 above ("Future Invoices") shall be:

a. Received, reviewed, and paid in accordance with the terms of the "Agreement Regarding Procedures For Distribution Of Tax Revenue To The Chaffee Zoo" entered into by the AUTHORITY and ZOOCORP on December 21, 2005 and the "Procedures for Approving and Administering Measure Z Funds", most recently revised and approved by the Board of Directors of the AUTHORITY on March 28, 2012.

5. **ZOOCORP'S Deposit of Funds Received From AUTHORITY.** Not later than two (2) business days from its receipt of funds from the AUTHORITY for reimbursement of Future Invoices related to the African Adventure project, ZOOCORP shall deposit 5 percent of those funds in the Escrow Account. Within 1 business day of deposit of funds in the Escrow Account, ZOOCORP shall send proof of deposit of the funds to the AUTHORITY.

6. **Certification to the AUTHORITY.** Prior to releasing any funds from the Escrow Account, ZOOCORP will certify in writing to the Board of Directors of the AUTHORITY that all conditions of the escrow agreement have been met, that the construction project is final, and complete in accordance with the construction contract, and that the release of funds in the Escrow Account is appropriate. Such written certification shall include

1 certification from the project architect that the project has been completed in all respects in
2 accordance with the plans and specifications. ZOOCORP shall not release funds from the
3 Escrow Account without the prior written consent of the Board of Directors of the AUTHORITY.

4 **7. AUTHORITY Consent to Distribution of Escrow Funds.** Upon receipt of certification
5 from ZOOCORP that the project is final and complete in accordance with the construction
6 contract, the Board of Directors of the AUTHORITY will not unreasonably withhold its consent
7 to the release of the funds held in escrow. If it withholds consent, Board of Directors of the
8 AUTHORITY will set forth in writing its objections, stating those items that are not final and
9 complete according to the construction contract.

10 **8. TERMINATION**

11 a. Non-Receipt of Funds - The terms of this Agreement, and the funding to be
12 provided thereunder, are contingent on the receipt of funds by the AUTHORITY. Should the
13 funds received be insufficient to allow the AUTHORITY to transfer funding to the ZOOCORP
14 under this Agreement, this Agreement may be modified or terminated at any time by giving the
15 ZOOCORP thirty (30) days advance written notice.

16 b. Breach of Contract - The AUTHORITY may immediately suspend or terminate this
17 Agreement in whole or in part, where in the determination of the AUTHORITY there is:

- 18 i. An illegal or improper use of funds;
19 ii. A failure to comply with any term of this Agreement;
20 iii. A substantially incorrect or incomplete report submitted to the
21 AUTHORITY.
22

23 In no event shall any payment by the AUTHORITY constitute a waiver by the
24 AUTHORITY of any breach of this Agreement or any default which may then exist on the part of
25 the ZOOCORP. Neither shall such payment impair or prejudice any remedy available to the
26 AUTHORITY with respect to the breach or default. The AUTHORITY shall have the right to
27 demand of the ZOOCORP the repayment to the AUTHORITY of any funds disbursed to the
28

1 ZOOCORP under this Agreement, which in the judgment of the AUTHORITY were not
2 expended in accordance with the terms of this Agreement. The ZOOCORP shall promptly
3 refund any such funds upon demand.

4 **9. INDEPENDENT CONTRACTOR**

5 In performance of the work, duties and obligations assumed by the ZOOCORP under
6 this Agreement, it is mutually understood and agreed that the ZOOCORP, including any and all
7 of the ZOOCORP's officers, agents, and employees will at all times be acting and performing as
8 an independent contractor, and shall act in an independent capacity and not as an officer,
9 agent, servant, employee, joint venturer, partner, or associate of the AUTHORITY.
10 Furthermore, the AUTHORITY shall have no right to control or supervise or direct the manner
11 or method by which the ZOOCORP shall perform its work and function. However, the
12 AUTHORITY shall retain the right to administer this Agreement so as to verify that the
13 ZOOCORP is performing its obligations in accordance with the terms and conditions thereof.
14 The ZOOCORP and the AUTHORITY shall comply with all applicable provisions of law and the
15 rules and regulations, if any, of governmental authorities having jurisdiction over matters the
16 subject thereof. Because of its status as an independent contractor, the ZOOCORP shall have
17 absolutely no right to employment rights and benefits available to AUTHORITY employees. The
18 ZOOCORP shall be solely liable and responsible for providing to, or on behalf of, its employees
19 all legally-required employee benefits. In addition, the ZOOCORP shall be solely responsible
20 and save the AUTHORITY harmless from all matters relating to payment of the ZOOCORP's
21 employees, including compliance with Social Security withholding and all other regulations
22 governing such matters. It is acknowledged that during the term of this Agreement, the
23 ZOOCORP may receive funds from others unrelated to the AUTHORITY or to this Agreement.
24

25 **10. HOLD HARMLESS**

26 The ZOOCORP agrees to indemnify, save, hold harmless, and at the AUTHORITY's
27 request, defend the AUTHORITY, its officers, agents, and employees from any and all costs
28

1 and expenses, damages, liabilities, claims, and losses occurring or resulting to the
2 AUTHORITY in connection with the performance, or failure to perform, by the ZOOCORP, its
3 officers, agents, or employees under this Agreement, and from any and all costs and expenses,
4 damages, liabilities, claims, and losses occurring or resulting to any person, firm, or corporation
5 who may be injured or damaged by the performance, or failure to perform, of the ZOOCORP,
6 its officers, agents, or employees under this Agreement.

7 The AUTHORITY agrees to indemnify, save, hold harmless, and at the ZOOCORP's
8 request, defend the ZOOCORP, its officers, agents, and employees from any and all costs and
9 expenses, damages, liabilities, claims, and losses occurring or resulting to the ZOOCORP in
10 connection with the performance, or failure to perform, by the AUTHORITY, its officers, agents,
11 or employees under this Agreement, and from any and all costs and expenses, damages,
12 liabilities, claims, and losses occurring or resulting to any person, firm, or corporation who may
13 be injured or damaged by the performance, or failure to perform, of the AUTHORITY, its
14 officers, agents, or employees under this Agreement.

16 **11. INSURANCE**

17 Without limiting the AUTHORITY'S right to obtain indemnification from the ZOOCORP or
18 any third parties, the ZOOCORP, at its sole expense, shall maintain in full force and effect
19 throughout the term of this Agreement:

20 a. Fiduciary/Errors and Omissions coverage for the Board of Directors, in the
21 minimum amount of Three Million Dollars (\$3,000,000). This may be accomplished through
22 either insurance or bonding, or a combination thereof.

23 b. Commercial General Liability Insurance with limits of not less than One Million
24 Dollars (\$1,000,000) per occurrence and an annual aggregate of Two Million Dollars
25 (\$2,000,000). This policy shall be issued on a per occurrence basis. The AUTHORITY may
26 require specific coverages including completed operations, products liability, contractual liability,
27 Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed
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1 necessary because of the nature of this contract.

2 c. Comprehensive Automobile Liability Insurance with limits for bodily injury of not
3 less than Two Hundred Fifty Thousand Dollars (\$250,000) per person, Five Hundred Thousand
4 Dollars (\$500,000) per accident and for property damages of not less than Fifty Thousand
5 Dollars (\$50,000), or such coverage with a combined single limit of Five Hundred Thousand
6 Dollars (\$500,000). Coverage shall include owned and non-owned vehicles used in connection
7 with this Agreement.

8 d. Property Insurance coverage for all assets owned by the ZOOCORP, including
9 vehicles, sufficient to ensure replacement of any/all lost or damaged property assets. The
10 AUTHORITY acknowledges that the underlying real property and some improvements to real
11 property at the zoo will remain the property of the City of Fresno, and that the City will remain
12 responsible for insuring, or self-insuring, those portions of the Zoo.

13 e. A policy of Workers' Compensation insurance as may be required by the
14 California Labor Code.

15 Such insurance policies, except the Workers' Compensation policy, shall name the
16 AUTHORITY, its officers, agents, and employees, individually and collectively, as additional
17 insureds, but only insofar as the operations under this contract are concerned. Such coverage
18 for additional insureds shall apply as primary insurance and any other insurance, or self-
19 insurance, maintained by the AUTHORITY, its officers, agents, and employees, shall be excess
20 only and not contributing with insurance provided under the ZOOCORP's policies herein. This
21 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance,
22 written notice given to the AUTHORITY.

23 The ZOOCORP shall provide certificates of insurance on the foregoing policies to the
24 AUTHORITY, stating that such insurance coverages have been obtained and are in full force;
25 that the AUTHORITY, its officers, agents, and employees will not be responsible for any
26 premiums on the policies; that such insurance names the AUTHORITY, its officers, agents, and
27

employees, individually and collectively, as additional insureds (except Workers' Compensation insurance), but only insofar as the operations under this contract are concerned; that such coverage for additional insureds shall apply as primary insurance and any other insurance, or self-insurance, maintained by the AUTHORITY, its officers, agents, and employees, shall be excess only and not contributing with insurance provided under the ZOOCORP's policies herein; and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to the AUTHORITY. In the event the ZOOCORP fails to keep in effect insurance coverage as herein provided, the AUTHORITY may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

12. AUDITS AND INSPECTIONS

The ZOOCORP shall, upon request by the AUTHORITY, permit the AUTHORITY to audit and inspect all of its records and data with respect to the matters covered by this Agreement. The ZOOCORP shall at all times during business hours, and as often as the AUTHORITY may deem necessary, make available to the AUTHORITY for examination all of such records and data necessary to ensure the ZOOCORP's compliance with the terms of this Agreement.

The AUTHORITY may also require the ZOOCORP to provide independently audited statements or other reports on an annual or other basis at the ZOOCORP's expense. If this Agreement exceeds ten thousand dollars (\$10,000), the ZOOCORP shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the contract (Gov. Code, § 8546.7).

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1 **13. NOTICES**

2 The persons and their addresses having authority to give and receive notices under this
3 Agreement shall be the following:

4 **AUTHORITY**

5 FRESNO COUNTY ZOO
6 AUTHORITY
7 c/o Zoo Authority Coordinator
8 Department of Public Works and
9 Planning
10 County of Fresno
11 2220 Tulare Street, Sixth Floor
12 Fresno, California 93721

ZOOCORP

 FRESNO'S CHAFFEE ZOO CORPORATION
 c/o Chief Executive Officer
 Chaffee Zoological Gardens
 894 W. Belmont
 Fresno, California 93728

13 Any and all notices between the AUTHORITY and the ZOOCORP provided for or
14 permitted under this Agreement or by law shall be in writing and shall be deemed duly served
15 when personally delivered to one of the parties, or in lieu of such personal service, when
16 deposited in the United States Mail, postage prepaid, addressed to such party.

17 **14. GOVERNING LAW**

18 The rights and obligations of the parties and all interpretation and performance of this
19 Agreement shall be governed in all respects by the laws of the State of California.

20 **15. CONSTRUCTION.**

21 Should any paragraph, clause or provision of this Agreement be
22 construed to be against public policy or determined by a court of competent jurisdiction to be
23 void, invalid or unenforceable, such construction and decision shall affect only those
24 paragraphs, clauses or provisions so construed or interpreted, and shall in no way affect the
25 remaining paragraphs, clauses or provisions of this Agreement, which shall remain in force.

26 **16. ENTIRE AGREEMENT**

27 This Agreement constitutes the entire agreement between the ZOOCORP and the
28 AUTHORITY with respect to the subject matter hereof and supersedes all previous
negotiations, proposals, commitments, writings, advertisements, publications, and

1 understanding of any nature whatsoever unless expressly included in this Agreement. No parol
2 or other evidence outside this Agreement may be offered to explain, construed, contradict, or
3 clarify the terms of this Agreement. Counsel for both parties have reviewed, or have had the
4 opportunity to review, this Agreement, and, accordingly, any rules of construction to the effect
5 that ambiguities are to be resolved against the drafting party shall not be employed in the
6 interpretation of this Agreement.

7 IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and
8 year hereinabove written.

9 FRESNO'S CHAFFEE ZOO
10 CORPORATION

11 By: 

12 John Valentino, Chair

FRESNO COUNTY ZOO AUTHORITY

13 By: 

14 Peter Herzog, Chair

15 By: 

16 Brian Goldman, Chief Financial Officer

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19
20 APPROVED AS TO LEGAL FORM

21 By: 

22 Douglas M. Larsen,
23 Zoo Corporation Legal Counsel

APPROVED AS TO LEGAL FORM

Daniel C. Cederborg, County Counsel

24 By: 

25 Arthur G. Wille, Senior Deputy
26 County Counsel

APPROVED AS TO ACCOUNTING FORM

Vicki Crow, Auditor-Controller/Treasurer-
Tax Collector

By: 

FOR ACCOUNTING USE ONLY:

Org No.:

Account No.:

Requisition No.:

California Public Contract Code Chapter 7. Contract Clauses Section 7201

7201.

(a)(1) This section shall apply with respect to all contracts entered into on or after January 1, 2012, between a public entity and an original contractor, between an original contractor and a subcontractor, and between all subcontractors thereunder, relating to the construction of any public work of improvement.

(2) Under no circumstances shall any provision of this section be construed to limit the ability of any public entity to withhold 150 percent of the value of any disputed amount of work from the final payment, as provided for in subdivision (c) of Section 7107. In the event of a good faith dispute, nothing in this section shall be construed to require a public entity to pay for work that is not approved or accepted in accordance with the proper plans or specifications.

(3) For purposes of this section, "public entity" means the state, including every state agency, office, department, division, bureau, board, or commission, the California State University, the University of California, a city, county, city and county, including charter cities and charter counties, district, special district, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

(b) 1) The retention proceeds withheld from any payment by a public entity from the original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor thereunder shall not exceed 5 percent of the payment. In no event shall the total retention proceeds withheld exceed 5 percent of the contract price. In a contract between the original contractor and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage of the retention proceeds withheld shall not exceed the percentage specified in the contract between the public entity and the original contractor.

(2) This subdivision shall not apply if the contractor provides written notice to the subcontractor, pursuant to subdivision (c) of Section 4108, prior to, or at, the time that the bid is requested, that bonds shall be required, and the subcontractor subsequently is

unable or refuses to furnish to the contractor a performance and payment bond issued by an admitted surety insurer.

(3) Notwithstanding any other provision of this subdivision, the retention proceeds withheld from any payment by an awarding entity set forth in paragraphs (1) to (5), inclusive, of subdivision (a) of Section 10106, from the original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor thereunder, may exceed 5 percent on specific projects where the director of the department has made a finding prior to the bid that the project is substantially complex and therefore requires a higher retention amount than 5 percent and the department includes in the bid documents details explaining the basis for the finding and the actual retention amount. In a contract between the original contractor and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage of the retention proceeds withheld shall not exceed the percentage specified in the contract between the department and the original contractor.

(4) Notwithstanding any other provision of this subdivision, the retention proceeds withheld from any payment by the awarding entity of a city, county, city and county, including charter cities and charter counties, district, special district, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency, from the original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor thereunder, may exceed 5 percent on specific projects where the governing body of the public entity or designee, including, but not limited to, a general manager or other director of an appropriate department, has approved a finding, on a project by project basis, during a properly noticed and normally scheduled public hearing and prior to bid that the project is substantially complex and therefore requires a higher retention amount than 5 percent and the awarding entity includes in the bid documents details explaining the basis for the finding and the actual retention amount. In a contract between the original contractor and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage of the retention proceeds withheld shall not exceed the percentage specified in the contract between the department and the original contractor.

(5) Any finding by a public entity that a project is substantially

complex shall include a description of the specific project and why it is a unique project that is not regularly, customarily, or routinely performed by the agency or licensed contractors.

(c) A party identified in subdivision (a) shall not require any other party to waive any provision of this section.

(d) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

Retention Policy

DRAFT

Purpose

This Policy defines requirements for agreements between the Fresno Chaffee Zoo Corporation (ZooCorp) and any party acting as a Construction Manager at Risk, for construction of Measure Z funded capital projects, and the process for the disbursement of Measure Z funds and release of funds in escrow when there is agreement for security deposits in lieu of retention.

Definitions

1. "Agreement" shall be defined herein as an executed contract.
2. "Retention" shall be defined as (_____) percent of the Measure Z funds retained by the ZooCorp for security purposes relating to work to be performed on claims reimbursed for Capital Projects (over \$_____) (and/or for which there is a Construction Manager at Risk?)
3. "Escrow Account" shall mean an account established at a financial institution or bank by ZooCorp for purposes of depositing and holding Retention funds paid by the Authority to ZooCorp, pending disbursement, to the Construction Manager at Risk.

Requirements

1. ZooCorp requests for funding for construction of Capital Projects over \$_____ (and/or for which there is a Construction Manager at Risk) shall be received for staff and Board member review at least _____ days before the Board meeting at which the funding request will be made, and shall include an Agreement stating the requirement for Retention and its terms.
2. Requests for funding for construction of Capital Projects estimated to cost more than \$_____ but less than \$_____ (and/or for which there is a Construction Manager at Risk) shall be received for staff and Board member

review at least _____ days before the Board meeting at which the funding request will be made, but are not required to include Retention.

3. Requests for funding for the design of Capital Projects over \$_____ shall be received for staff and Board member review at least _____ days before the Board meeting at which the funding request will be made, and shall include an Agreement.

Procedures for Payment of Invoices by the Authority

ZooCorp invoices are received, reviewed, and paid in accordance with the terms of the December 21, 2005 Agreement Regarding Procedures For Distribution Of Tax Revenue To The Chaffee Zoo, and with the Authority's Procedures for Approving and Administering Measure Z Funds.

ZooCorp's Deposit of Funds Received From Authority

Not later than two (2) business days from its receipt of funds from the Authority for reimbursement of project invoices, ZooCorp shall deposit Retention funds in the appropriate Escrow Account. Within 1 business day of deposit of funds in the Escrow Account, ZooCorp shall send proof of deposit of the funds to the Authority.

Certification to the Authority

Prior to releasing any Retention funds from the Escrow Account, ZooCorp shall request the release at an Authority Board meeting, at the same time presenting written certification that all conditions of the Escrow Agreement have been met, that the construction project is final and complete in accordance with the construction contract, and that the release of funds in the Escrow Account is appropriate. If applicable, such written certification shall include certification from the project architect or lead engineer that the project has been completed in accordance with the plans and specifications.

Authority Consent to Distribution of Escrow Funds

Upon receipt of the required written certification from ZooCorp that the project is final and complete in accordance with the construction contract, the Authority will not unreasonably withhold its consent to the release of the funds held in escrow. If it

1 withholds consent, Authority will set forth in writing its objections, stating those items
2 that are not final and complete according to the construction contract.

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Fresno County Zoo Authority Board

2015 Adopted Meeting Dates

Agenda Item 12

January

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February

Su	Mo	Tu	We	Th	Fr	Sa
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March

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29	30	31				

April

Su	Mo	Tu	We	Th	Fr	Sa
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
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May

Su	Mo	Tu	We	Th	Fr	Sa
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June

Su	Mo	Tu	We	Th	Fr	Sa
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14	15	16	17	18	19	20
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28	29	30				

July

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August

Su	Mo	Tu	We	Th	Fr	Sa
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23	24	25	26	27	28	29
30	31					

September

Su	Mo	Tu	We	Th	Fr	Sa
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27	28	29	30			

October

Su	Mo	Tu	We	Th	Fr	Sa
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4	5	6	7	8	9	10
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

November

Su	Mo	Tu	We	Th	Fr	Sa
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29	30					

December

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Fresno County Holidays

January 1	New Year's Day	May 25	Memorial Day	November 11	Veterans Day
January 19	Martin Luther King Day	July 3	Independence Day, observed	November 26	Thanksgiving Day
February 16	Presidents' Day	September 7	Labor Day	November 27	County Holiday
March 31	César Chávez Day			December 25	Christmas Day

Fresno Chaffee Zoo gets two elephants for new African exhibit

The Fresno Bee
By Megan Ginise

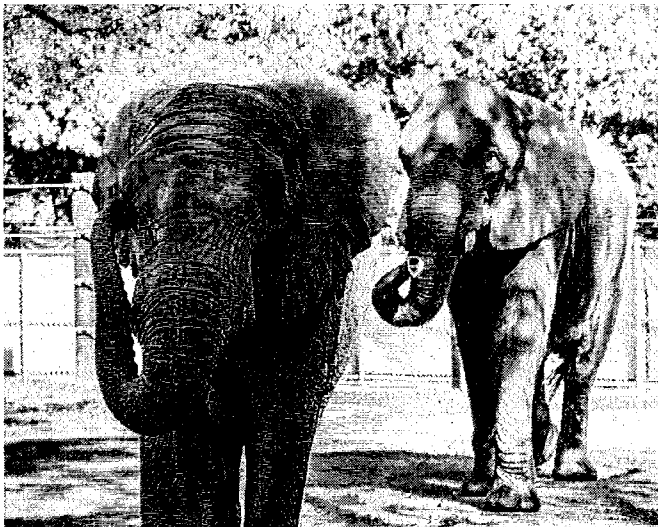
May 21, 2015
mginise@fresnobee.com

Highlights

- Mother/daughter pair are the first African elephants to be exhibited at Chaffee Zoo
- The elephants join two cheetahs and four wildebeest
- Animals will be housed in African Adventure exhibit

The Fresno Chaffee Zoo opened its arms to a pair of new additions to the family — two African elephants that have traveled from Arkansas to Fresno for the new 13-acre African Adventure exhibit set to open in late October.

The mother/daughter duo consist of Amy, 27, and Ms. Betts, 7, who have been transferred from Riddle's Wildlife Sanctuary to the Chaffee Zoo. The move is based on an attempt to establish a breeding herd and ensure the survival of African elephants, which are currently considered vulnerable to poaching and habitat loss in sub-Saharan Africa.



FRESNO CHAFFEE ZOO

The first African elephants to come to the zoo, Amy and Ms. Betts are some of the largest terrestrial animals on the planet. The elephants join two cheetahs and four wildebeest that have arrived for the zoo's new exhibit.

15,500 - the weight, in pounds, of the largest African elephants

300 - the weight, in pounds, of plant material an elephant can eat daily

"Animal transportation takes a lot of time and planning," said Dan Subaitis, the zoo's general curator. "Our goal was to get the animals moved in before it gets too hot. This also gives them time to acclimate and get comfortable in their new surroundings."

The animals are under quarantine and observation during the transition to their new home and are not yet on exhibit, said zoo veterinarian Dr. Lewis Wright. The animals are expected to clear quarantine before the African Adventure exhibit opens.



Fresno's Chaffee Zoo Corporation



894 West Belmont Avenue

Fresno, California 93728

**FRESNO'S CHAFFEE ZOO CORPORATION
Agenda for the Audit Committee Meeting
Monday, June 15, 2015 10:30 am
Fresno Chaffee Zoo Education Building
Fresno, CA**

1. Call to order – 10:30 a.m.
2. Roll Call.
3. Chair Report.
4. Receive, Review, Discuss and Consider Audit FY2014.

5. Public Comment

This time is set-aside for the public to comment on any item within the jurisdiction of the Board, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to insure that all interested parties have an opportunity to speak. Please state your name.

6. Board questions and comments.
7. Adjournment.



894 West Belmont Avenue

Fresno's Chaffee Zoo Corporation



Fresno, California 93728

FRESNO'S CHAFFEE ZOO CORPORATION

Agenda for the Regular Meeting of the Board of Directors

Wednesday, June 17, 2015 5:30 pm

Fresno Chaffee Zoo Education Building

Fresno, CA

1. Call to order – 5:30 p.m.
2. Roll Call.
3. Discuss and Consider Minutes.
4. Chair Report.
5. CEO Report.
6. Discuss and Consider Financial Report.
7. Receive, Discuss and Consider Marketing and Development Report.
8. Discuss and Consider Standing Committee Reports.
9. Discuss and Consider Service Systems Associates Contract extension.
10. Receive, Review, Discuss and Consider Audit Report FY2014.
11. Closed Session
Conference with Legal Counsel -- Existing Litigation pursuant to Government Code section 54956.95(d)(1).
Pasquale v. Fresno's Chaffee Zoo Corp. Case No. 13 CE CG 02398
Wright v, Fresno's Chaffee Zoo Corp. Case No. 14 CE CG 00905

Closed session pursuant to Government Code section 54957(b) to evaluate the performance of the CEO.
12. Public Comment.
This time is set-aside for the public to comment on any item within the jurisdiction of the Board, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to insure that all interested parties have an opportunity to speak. Please state your name.
13. Board questions and comments.
14. Adjournment.



**Agenda for the Finance Committee of the Board of Directors
Thursday, May 21, 2015 2:30 pm
Fresno Chaffee Zoo Education Building**

1. Call to order 2:30pm
2. Roll Call.
3. Chair Report.
4. Review, discuss and consider March and April financial reports.
5. Review, discuss and consider definition of funds document.
6. Review, discuss and consider 401k and investment reports.
7. Review, discuss, consider and adopt new Investment Policy.
8. Review, discuss and consider Retail/Concessions Contract Extension.
9. Public Comment. This time is set-aside for the public to comment on any item within the jurisdiction of the Board, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to insure that all interested parties have an opportunity to speak. Please state your name and address for the record.
10. Committee questions and comments.
11. Adjournment.