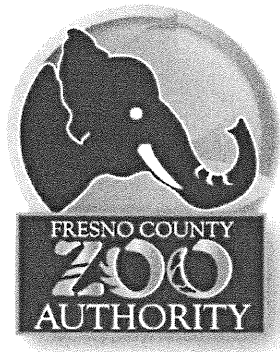


Handouts
For January 30, 2019 Meeting
Not Included in Agenda

1. Addendum to the Agenda – Election of Officers
2. Agenda Item 4.b -- Revised Staff Invoice
3. Zoo Corporation meeting minutes
 - October 16, 2018 Audit Committee
 - November 15, 2018 Finance Committee
 - November 15, 2018 Board of Directors
 - December 7, 2018 Board of Directors



FRESNO COUNTY ZOO AUTHORITY

AGENDA

9:00 AM, Wednesday, January 30, 2019

**Fresno County Employees' Retirement Association
7772 N. Palm Ave.
Fresno, CA 93711
(559) 457-0681**

ADDENDUM TO THE AGENDA

Nominations and election of officers for 2019

Placement on Agenda: **To follow Item 1**



Invoice for Professional Services in Support of the Zoo Authority
Billing Hours and Expenses for October, November and December 2018

Invoice Number
101112-ZOO-013019

January 30, 2019 REVISED

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

Department / Title	Hours	Rates	Cost	Fiscal Year 18-19
<i>Financial Reporting and Audits</i>				
Division Chief	0.00	\$92.49	\$0.00	
Accounting & Finance Manager	0.00	\$91.80	\$0.00	
Senior Accountant	0.00	\$80.92	\$0.00	
Accountant II	0.00	\$74.80	\$0.00	
Accountant I	0.00	\$62.78	\$0.00	
Supervising Account Clerk II	0.00	\$75.45	\$0.00	
Account Clerk I	0.00	\$48.46	\$0.00	
Accounting Intern	0.00	\$34.78	\$0.00	
<i>Public Works and Planning</i>				
Staff Analyst III	268.50	\$76.48	\$20,534.87	
IT Staff	0.00	\$85.40		
<i>County Counsel</i>				
Deputy County Counsel	28.50	\$122.00	\$3,477.00	
Professional Services Total	297.00		\$24,011.87	\$66,906.28
IT Services Annual Enterprise Fee			202.86	
Annual Audit - work in progress			\$1,100.00	
Office Expense Total			\$1,100.00	\$7,842.88
	REVISED		\$25,111.87	\$98,761.03
			Invoice Total	FY 18-19 Total

Fresno's Chaffee Zoo Audit Committee Meeting Minutes

October 16, 2018

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, CA 93728

The meeting of the Fresno's Chaffee Zoo Corporation's Audit Committee convened on October 16, 2018 at 10:02 AM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Members Present: Mr. Craig Saladino – Committee Chair
 Mr. Ken Price
 Mr. Gary Renner
 Ms. Julie Vance

FCZC Staff Present: Mr. Scott Barton
 Mr. Amos Morris
 Dr. Rick Treatch
 Ms. Laura Martina
 Mr. Steven Gonzales-Warkentin – note taker

Public Comment

None offered

Agenda Item #2: Chair Update

Mr. Saladino stated that the purpose of this meeting is to select the Zoo's new auditing firm.

Agenda Item #3: Audit Committee Minutes from June 12, 2018

The Committee members voted to approve the draft minutes. Mr. Renner moved for approval and Ms. Vance seconded. The motion was approved (4-0).

Agenda Item #4: Audit Proposals

The Audit Committee reviewed proposals submitted by Baker Peterson Franklin, Borchardt Corona Faeth & Zakarian, Dritsas Groom McCormick LLP, Hudson Henderson & Company Inc. and MossAdams.

Dr. Treatch informed the Committee that Fresno's Chaffee Zoo Corporation does not currently have a policy in place which addresses the solicitation and retention of auditors.

Mr. Price made a motion that Dr. Treatch prepare a policy for review by Fresno's Chaffee Zoo Corporation Chairman, Mr. Tom Richards and Vice Chairman, Mr. Craig Saladino, which will then be presented to the Board of Directors at the November Board Meeting. The policy shall outline how often the Zoo requests proposals, and how many consecutive years the selected auditor may perform the Zoo's annual audit. Ms. Vance seconded the motion. The motion passed (4-0).

Based on the review of proposals submitted, Mr. Renner made a motion that the Audit Committee recommend to the Board of Directors the section to move forward with Baker Peterson for performance of the Fresno's Chaffee Zoo Corporation's annual financial audit. Mr. Price seconded the motion. The motion passed (4-0).

Mr. Saladino requested that an introduction meeting between the Audit Committee and Baker Peterson be scheduled for December or January should the Board approve to move forward with Baker Peterson as the Zoo's auditor.

Mr. Price requested that the engagement letter with Baker Peterson be reviewed by the Zoo's legal counsel, Mr. Doug Larsen.

Dr. Treatch confirmed that Baker Peterson currently performs the 401K Audit for the Zoo. There will be two separate engagement letters with Baker Peterson, one for the annual audit and a separate one for the performance of the 401K audit.

Mr. Saladino asked that the Zoo's internal 401K Committee research if a similar policy to the one that shall be presented to the Board of Directors in November outlining the frequency of proposal requests should be in place for the auditor of the 401K.

Agenda Item #5 (New Business) and #6 (Old Business)

Mr. Saladino then asked if there was any new or old business for consideration. Hearing none, he adjourned the meeting at 10:40 AM.



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

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, CA 93728

November 15, 2018

The meeting of the Fresno's Chaffee Zoo's Finance Committee convened on November 15, 2018 at 4:05 PM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Committee Members Present:

Mr. Kyle Kirkland – Committee Chair
Ms. Julie Vance
Mr. Ed Gonzalez
Dr. KC Chen

Committee Advisors Present:

Mr. Scott Barton
Dr. Rick Tretch

Fresno's Chaffee Zoo Staff Present:

Mr. Amos Morris
Ms. Laura Martina
Mr. Dean Watanabe
Mr. Steven Gonzales-Warkentin – Scribe

Guests Present:

Mr. Chris Comstock – Client Advisor Regency Investments
Dr. Judson Myers – Chief Investment Officer Regency Investments

Public Comment

None

Agenda Item #2: Chair Update

Mr. Kirkland stated that he had no items to cover and proceeded with the next agenda item.

Agenda Item #3: October Meeting Minutes

After a review of the draft minutes from the October 17th meeting, Mr. Kirkland asked for a motion to approve the minutes as presented. Dr. Chen motioned to approve; Mr. Gonzalez seconded. The motion was unanimously approved.

Agenda Item #4: Quarterly Review from Regency Investments

Mr. Comstock of Regency Investments provided the Finance Committee with an overview of the Fresno's Chaffee Zoo Endowment and General Fund performance, reporting from the end of last quarter through

September 30, 2018. No changes have been made to the asset allocation or to the general fund. Accounts are within the guidelines set forth by the Finance Committee.

Agenda Item #5: September Financial Report

Dr. Treatch provided an update on the financial performance to date. Attendance is below budget, but November is showing improvements. Self-generated revenue is above budget with gift shop, special events and membership performing well. Operations costs are under budget. With year-end approaching, the Zoo expects to borrow approximately \$800,000 against its line of credit.

Mr. Kirkland asked for a motion to approve the Financial Report as presented. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #6: Zooplex Facility change in Project Management fees

Dr. Treatch explained that the Zooplex project started over a year ago with a different project manager (Soltek) than the current project manager (Ryan Liggett Project Management and Consulting). The project is now in its second phase of design, resulting in an increase in project management fees. The Zoo would like approval to request Measure Z Capital funds for the increase in project management fees.

Mr. Kirkland asked for a motion to approve the increase in project management costs. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #7: Belmont Basin Relief Line change in Project Management fees

Dr. Treatch explained that the project has changed project managers from Soltek to Ryan Liggett Project Management and Consulting. The project has also extended beyond the originally anticipated timeframe for completion resulting in an increase in project management fees. The Zoo would like approval to request additional funding for the increase in project management fees.

Mr. Gonzalez requested further clarification on the increase in fees. Mr. Barton stated that the original cost for Soltek was for the design phase and the increased cost for Ryan Liggett Project Management and Consulting reflects the construction phase of the project.

Mr. Kirkland requested greater examination of the cost increase as the project's scope has remained the same, and recommended the item be tabled and discussed at the board meeting.

Agenda Item #8: Fresno's Chaffee Zoo Corporation 2019 Budget

Dr. Treatch reviewed the changes that have been made from suggestions stated in the October Finance Committee meeting. An increase in surplus to move the Zoo closer to sustainability. A proposal to outsource sponsorship to increase development funding. An increase in membership fees.

Dr. Treatch stated that the cash flow summary indicates that the Zoo should be cash positive in October of 2019.

As funding becomes available the Zoo will request money for Winged Wonders Bird Show improvements, upgrades to animal holdings, shelters, fencing, IT upgrades including new servers, webstore upgrades, point-of-sale stations and payment kiosk amongst other various requests.

Mr. Kirkland asked for a motion to approve the 2019 Budget in its current state be presented to the Fresno's Chaffee Zoo Corporation's Board of Directors. Dr. Chen motioned to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #9: New Business

Mr. Gonzales-Warkentin requested the 2019 Finance Committee Meetings be scheduled on the third Thursday of every month at 4:00 PM with the option to cancel meetings as needed.

Mr. Barton gave a brief overview of current projects at the Zoo such as the Warthogs exhibit and the South Corridor Infrastructure project.

Mr. Kirkland then asked if there was any other business for consideration. Hearing none, he adjourned the meeting at 5:20 PM.

Fresno's Chaffee Zoo Board of Directors Meeting Minutes

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, CA 93728

November 15, 2018

The meeting of the Board of Directors convened on November 15, 2018 at 5:31 PM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Board Members Present:	Mr. Craig Saladino – Vice Chair Mr. Kyle Kirkland Mr. Ed Gonzales Mr. Babatunde Ilori Ms. Emy Lopez Phillips Ms. Julie Vance
Board Advisors Present:	Ms. Dorothy Fortune Mr. Doug Larsen Mr. Scott Barton
Fresno's Chaffee Zoo Staff Present:	Mr. Amos Morris Dr. Rick Treatch Ms. Alisha Anderson Ms. Laura Martina Ms. Lyn Myers Dr. Shannon Nodolf Mr. Dean Watanabe Ms. Katharine Alexander Ms. Kaitlin Huff Mr. Steven Gonzales-Warkentin – Scribe

Agenda Item #2: Chair Update

Mr. Saladino stated that Mr. Richards would not be present for the meeting. Mr. Saladino would serve as the meeting chair.

Agenda Item #3: September Meeting Minutes

After review of the draft minutes from the September 20th meeting, Mr. Saladino asked for a motion to approve the minutes as presented. Mr. Kirkland motioned to approve; Mr. Gonzalez seconded. The motion was unanimously approved.

Agenda Item #4: Update on Conflict of Interest Code

Mr. Larsen stated the county has requested a slight change to the Conflict of Interest Code that was submitted for review in October, 2018.

After review of the requested change, Mr. Saladino asked for a motion to approve the change as presented. Ms. Phillips motioned to approve; Mr. Gonzales seconded. The motion was unanimously approved.

Agenda Item #5: August and September Financial Report

Dr. Treach provided an update on the financial performance to date. The Zoo saw a dip in attendance during the month of July due to poor air quality and heat. With the Zoolights special event next month, November attendance should finish strong.

Self-generated revenue is up due to the prior admission price increase and strong performances in the gift shop, special events and membership. Ms. Phillips suggested the Zoo review locations where visitors are able to purchase keepsakes, and to possibly increase the amount of locations in key areas such as the exit of an exhibit. Mr. Barton confirmed this work is being done, specifically the Zoo is looking at the exit to Stingray Bay and at the exit of the coming temporary exhibit on dinosaurs.

After review of the financial reports, Mr. Saladino asked for a motion to approve the reports as presented. Mr. Kirkland made a motion to approve; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #6: Zooplex Facility change in Project Management Fees

Dr. Treach explained that the Zooplex project started over a year ago with a different project manager (Soltek) than the current project manager (Ryan Liggett Project Management and Consulting). The project is now in its second phase of design, resulting in an increase in project management fees. The Zoo would like approval to request Measure Z Capital funds for the increase in project management fees.

Mr. Saladino voiced concern on the timing of this request, indicating that Attachment A: Ryan Liggett Project Management and Consulting's Proposal, was dated January, 2018. He questioned why the Zoo Board is first hearing of this in November.

Mr. Saladino requested the Zoo research the potential cost savings of hiring an in-house Project Manager, and stated this was not the first time he has made this request. Mr. Kirkland agreed that requests such as this change in management fees should be made timelier.

Mr. Kirkland suggested that Agenda Items 6 and 7 be tabled until further explanation can be provided. Mr. Kirkland stated that he would meet with Mr. Treach to discuss and gain better clarification.

Mr. Saladino confirmed that there would not be a vote taken on Agenda Items 6 and 7.

Agenda Item #8: The Appointment of Baker Peterson Franklin as the FCZC Auditing Firm

Mr. Saladino, Audit Committee Chair, stated the audit committee met and unanimously voted to recommend Baker Peterson Franklin. Mr. Saladino disclosed that since the Audit Committee meeting Baker Peterson Franklin and Moss Adams announced a merger, but no concern was raised.

Mr. Saladino asked for a motion to approve Baker Peterson Franklin/Moss Adams as Fresno Chaffee's Zoo's auditing firm. Mr. Kirkland motioned to approve; Mr. Gonzalez seconded. The motion was unanimously approved.

Agenda Item #9: Policy for Solicitation and Retention of Auditors

Mr. Saladino stated the Audit Committee is recommending a policy be put in place that states the Zoo will not retain the same auditing firm for more than five, one year consecutive terms. No firm may serve as the Zoo's auditor for more than five consecutive years. A firm may repeat as the Zoo's auditor after a period of two years has elapsed since the last year it performed an audit for the Zoo.

Mr. Saladino asked for a motion to approve the policy as presented. Ms. Vance motioned to approve; Mr. Kirkland seconded. The motion was unanimously approved.

Agenda Item #10: Fresno's Chaffee Zoo Corporation 2019 Budget

Dr. Treatch presented the 2019 budget stating that Self-Generated Revenue will increase. Sponsorship is expected to grow with the assistance of a third party company being hired to develop sponsorships. Membership pricing will increase, a result from a study performed which indicated pricing was below fair market. The Zoo will also see an increase in operating expenses, additional staff, and a temporary exhibit of life size animatronic dinosaurs.

Dr. Treatch stated that with year-end approaching, the Zoo expects to borrow approximately \$800,000 against its line of credit. The amount borrowed this year would be pulled from next year's surplus. The Zoo expects to be cash positive in October 2019.

The Zoo will focus on the expansion of the Behind-the-Scenes tours. Mr. Saladino stated that the Zoo's website could be improved to showcase Behind-the-Scenes and similar items such as room rentals and birthday parties. He requested the Zoo present on how they are improving the website to display these requests at the next Board of Directors Meeting.

There will be an increase in salary and benefits costs.

As funding becomes available the Zoo will request money for Winged Wonders Bird Show improvements, upgrades to animal holdings, shelters, fencing, IT upgrades, updating handheld radios to digital and various other projects.

Mr. Saladino requested that the Zoo bring to the Finance Committee a study on potential cost savings of a project manager, and possibly amending the 2019 budget to hire this position.

Mr. Saladino stated the Zoo should be proactive about planning for sustainability should Measure Z not be renewed in the future.

Mr. Saladino asked for a motion to approve the budget as presented. Mr. Kirkland made a motion; Ms. Vance seconded. The motion was unanimously approved.

Agenda Item #11: State of the Zoo

Mr. Barton provided an overview of the current projects happening at the Zoo as well as a recap of 2018's special events and happenings.

Agenda Item #12: New Business

Mr. Barton presented outgoing Docent President, Dorothy Fortune with flowers and thanked her for her support and participation as an advisor to the Board of Directors.

Mr. Barton stated that the Board of Directors 2019 Calendar is being drafted with meetings occurring every other month starting in January.

Mr. Saladino asked if there were any public comments. Hearing none, he moved to the next agenda item.

Agenda Item #13: Old Business

Mr. Barton followed up on the Board's request of more information on the Estimator used by Paul Halajian on the Zooplex Project. The firm is from Sacramento but performs a great deal of work locally in the Fresno area.

Mr. Barton followed up on the Board's request for an update to actions being taken to address the areas of concern that were identified in the recent Employee Survey. Mr. Barton stated the Management team has identified items that are internal (those they can address within their department) and external (those that involve other departments throughout the zoo). The team had met earlier that day and plan to meet again in January.

Mr. Saladino requested the Zoo report back on action planning development at the next Board Meeting.

Mr. Saladino asked if there was any further business to discuss, hearing none, he adjourned the meeting at 7:07 PM.

Fresno's Chaffee Zoo Board of Directors Meeting Minutes

Fresno Chaffee Zoo
894 West Belmont Avenue
Fresno, California 93728

December 7, 2018

The meeting of the Board of Directors convened on December 07, 2018 at 3:31 PM at 894 West Belmont Avenue, Fresno, California. The meeting minutes were prepared in the order items were presented during the meeting.

Board Members Present:

Mr. Tom Richards – Chair
Mr. Craig Saladino – Vice Chair
Mr. Kyle Kirkland – Treasurer
Mr. Ken Price - Secretary
Mr. Ed Gonzales
Ms. Emy Phillips
Ms. Julie Vance
Ms. Chelsea Cates

Board Advisors Present:

Mr. Chuck Hensley
Mr. Doug Larsen
Mr. Scott Barton

Fresno Chaffee Zoo Staff Present:

Mr. Amos Morris
Dr. Rick Treatch
Ms. Laura Martina
Ms. Alisha Anderson
Mr. Steven Gonzales-Warkentin - Scribe

After roll was taken by Mr. Gonzales-Warkentin, Mr. Richards stated he did not have anything to report for the Chair Update and proceeded onto Agenda Item three.

Agenda Item #3: Receive, review and consider Contingency Funds

Mr. Richards stated that the Board of Directors adopted a policy in June of 2017 where the Zoo Corporation must obtain the approval of the Board before any funds are used from the contingency that changes the scope of the project.

The South Corridor Infrastructure Project, currently underway, has experienced a situation in construction. Two electrical vaults were found close to historic trees which the Zoo aims to protect and a clay sewer pipe was found to be cracked.

Mr. Richards suggested the Board approve the use of Contingency Funds for the South Corridor Infrastructure Project, not to exceed \$70,000.00

Mr. Price motioned to approve the use of Contingency Funds for the South Corridor Infrastructure Project, not to exceed \$70,000.00. The motion was seconded by Mr. Saladino, and the item was unanimously approved.

Agenda Item #4: Receive, review and consider change to Contingency Funds policy adopted at the FCZC Board of Directors meeting held on June 21, 2017

Mr. Doug Larsen, Legal Counsel, presented four options to the Board of possible revisions to the policy that was adopted by the Board on June 21, 2017 regarding Contingency Fund use.

After discussion of the four options, Mr. Larsen and Mr. Gonzales-Warkentin presented the following for consideration.

"In the event that the circumstances may result in a work stoppage, the Chief Executive Officer has twenty-four hours in which to call a special Board meeting. If, after reasonable attempts, the CEO cannot schedule a Special Board meeting within forty-eight hours, the CEO will then consult with the Chair, the Vice-Chair and Treasurer. If the majority of those Board Members approve, then contingency funds can be used in an amount not to exceed \$50,000."

Mr. Saladino made a motion to adopt the change to the policy from June 21, 2017 as presented, and Mr. Price seconded. The item passed unanimously.

Mr. Richards then asked if there were any public comments or new or old business. Hearing none, he adjourned the meeting at 4:30 PM.