



## **FRESNO COUNTY ZOO AUTHORITY MEETING**

**9:00 am, Wednesday, May 30, 2012**

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

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### **AGENDA**

**1. Call to Order by Chairman Paul Clark**

**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. Time will be made available for comments from the public 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 Consent Calendar.

A. Review and approve minutes of March 28, 2012

B. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$22,684.27 for March and April 2012

C. Approve Treasurer's Reports for March, Quarter ended March 31, 2012, and April 2012

**4. Receive Fresno Chaffee Zoo 2011 audit report from Moore, Grider & Co.**

**5. Fresno Chaffee Zoo Director's report**

**6. Receive Fresno Chaffee Zoo Treasurer's reports for the months of March and April 2012**

**7. Approve Zoo Authority Draft Administrative Budget for Fiscal Year 2012-13**

8. Receive staff reports
9. Discuss Board meeting calendar and approve quarterly meeting schedule.
10. Set next meeting date. Reserved meeting dates include:
  - Wednesday, June 27, 2012
  - Wednesday, July 25, 2012
  - Wednesday, August 29, 2012
  - Wednesday, September 26, 2012
11. Chair's comments
12. Board Member comments
13. Adjournment

All supporting documentation is available for public review in the office of the Fresno County Zoo Authority, 2220 Tulare Street, 6<sup>th</sup> 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](mailto:zooauthority@co.fresno.ca.us), or visit [www.zooauthority.org](http://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 MEETING**

**9:00 am, Wednesday, March 28, 2012**

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

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**ACTION SUMMARY MINUTES**

1. Call to Order by Chairman Paul Clark

**CHAIRMAN PAUL CLARK CALLED THE MEETING TO ORDER AT 9:09 AM. A QUORUM OF MEMBERS OLIVER BAINS, PAUL CLARK, JOHN GRAY, KENT STRATFORD, PAUL TOSTE AND RALPH WATERHOUSE WERE PRESENT. MEMBER GERALD LYLES WAS ABSENT.**

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. Time will be made available for comments from the public 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; RECEIVED COMMENTS FROM CITIZEN JOAN LE ROUX.**

**MEMBER GERALD LYLES ARRIVED AT 9:11 AM.**

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 Consent Calendar.

- A. Review and approve minutes of January 25, 2012
- B. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$26,418.84 for January and February 2012

- B. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$26,418.84 for January and February 2012
- C. Approve Treasurer's Reports for January and February 2012

**APPROVED; RW/JG – VOTE: 7 AYES, 0 OPPOSED.**

- 4. Receive Fresno Chaffee Zoo Director's report

**RECEIVED- DIRECTOR SCOTT BARTON REPORTED THAT ATTENDANCE WAS UP 15% FROM 2010 TO 2011, AND YEAR-TO-DATE FIGURES SHOW A SUBSTANTIAL INCREASE OVER 2011.**

**MR. BARTON REPORTED THAT SEA LION COVE IS NOW OVER 60% CONSTRUCTED, ON BUDGET, AND ON SCHEDULE TO OPEN SEPTEMBER 2012.**

**THE AFRICA EXHIBIT IS IN THE INITIAL DESIGN PHASE AND CONSISTENT WITH THE MASTER PLAN. THE DIRECTOR WOULD LIKE TO HAVE CONSTRUCTION START IN THIS APRIL AND HAVE THE OPENING OCTOBER 2014.**

**ZOO CORPORATION ENVIRONMENTAL COUNSEL JOHN KINSEY REPORTED THAT A MOTION HAS BEEN FILED TO DISMISS THE LAW SUIT CHALLENGING THE EXPANSION INTO THE PARK, AND IT IS CURRENTLY PENDING. THE COURT HAS RECENTLY ISSUED AN ORDER TO SHOW CAUSE AS TO WHY THE ENTIRE ACTION SHOULD NOT BE DISMISSED. DISCUSSIONS CONTINUE WITH THE STATE AND PLANS FOR THE DESIGN WILL ALLOW PROGRESS.**

**PUBLIC COMMENT WAS RECEIVED FROM MS. LE ROUX AND ATTORNEY RICHARD HARRIMAN.**

- 5. Receive Fresno Chaffee Zoo Treasurer's report for the month of January 2012

**RECEIVED- FRESNO CHAFFEE ZOO DIRECTOR OF FINANCE BRIAN GOLDMAN PRESENTED THE FINANCIAL REPORTS, AND HIGHLIGHTED THE EXCELLENT ATTENDANCE AND SELF-GENERATED REVENUE FIGURES THAT ARE WELL AHEAD OF PROJECTIONS.**

**PUBLIC COMMENTS WERE RECEIVED FROM MR. HARRIMAN.**

- 6. Approve revisions to Fresno County Zoo Authority *Procedures for Review and Approval of Measure Z Funds*

**AFTER DISCUSSION AMONG MEMBERS AND STAFF, PUBLIC COMMENTS WERE RECEIVED FROM MR. HARRIMAN, MS. LE ROUX AND ZOO COUNSEL DOUG. LARSON.**

**APPROVED; WITH THE DELETION OF THE WORDS "BUT NOT CONCURRENTLY" ON PAGE 16, THIRD PARAGRAPH OF 9). PT/GL; - VOTE: 7 AYES, 0 OPPOSED**

- 7. Approve Fresno Chaffee Zoo request of 2012 Measure Z Operating funds totaling \$125,000 for a Digital X-Ray system.

**APPROVED; RW/PT – VOTE: 7 AYES, 0 OPPOSED**

8. Approve Fresno Chaffee Zoo request of 2012 Measure Z Capital funds totaling \$60,000 for improvements around the Giraffe Feeding Station.

**APPROVED; JG/RW – VOTE 7 AYES, 0 OPPOSED**

9. Approve Fresno Chaffee Zoo request of 2012 Measure Z Capital funds totaling \$4,081,091 for Africa design fees.

**APPROVED; RW/JG – VOTE: 6 AYES, 0 OPPOSED. MEMBER GERALD LYLES RECUSED HIMSELF FROM VOTING ON THE ITEM.**

**PUBLIC COMMENTS WERE RECEIVED FROM MS. LE ROUX, ZOO DOCENT JACK TOLLIDAY, MR. HARRIMAN, CITIZENS JEAN CHAFFEE AND LISA FLORES, AND ZOO CORPORATION CHAIRMAN COLIN DOUGHERTY.**

10. Receive staff reports

**RECEIVED- GERALD LYLES RETURNED TO THE DAIS AT 10:24 AM. KENT STRATFORD LEFT THE MEETING AT 10:26 AM.**

**PROCESS**

**ZOO AUTHORITY TREASURER JEFF BLANKS REPORTED ON THE COUNTY'S RFP PROCESS FOR A NEW EXTERNAL AUDITOR. FOLLOWING THE COUNTY'S SELECTION OF AND CONTRACT WITH A VENDOR, THE ZOO AUTHORITY BOARD WILL HAVE THE OPPORTUNITY TO EITHER PIGGYBACK ON THE COUNTY CONTRACT OR CHOOSE ANOTHER OUTSIDE AUDITOR.**

**MR. BLANKS ALSO REPORTED ON THE AUTHORITY'S BUDGET PROCESS FOR NEXT FISCAL YEAR.**

**COORDINATOR CATHY CROSBY REQUESTED THAT THE ZOO AUTHORITY BOARD CONSIDER ADOPTING A FIXED MEETING SCHEDULE OF SPECIFIC MONTHS. DIRECTION WAS GIVEN TO PLACE THE PROPOSED ACTION ON THE NEXT AGENDA.**

11. Set next meeting date. Available dates include: Wednesday, April 25, 2012  
Wednesday, May 30, 2012  
Wednesday, June 27, 2012

**APPROVED HOLDING THE NEXT REGULAR MEETING WEDNESDAY, MAY 30, 2012.  
PC/JG, KS ABSENT – VOTE: 6 AYES, 0 OPPOSED**

12. Chair's comments

**HELD. CHAIRMAN PAUL CLARK THANKED ZOO AUTHORITY STAFF, AND COMMENDED ZOO CORPORATION STAFF FOR THEIR EFFORTS ON SEA LION COVE. THE CHAIRMAN ALSO EXPRESSED HIS APPRECIATION FOR THE CIVIL CONDUCT OF THE MEETINGS, IN SPITE OF DISAGREEMENTS.**

13. Board Member comments

**MEMBER GERALD LYLES REMINDED THOSE PRESENT THAT ZOO PROJECTS ARE FUNDED BY, AND FOR THE BENEFIT OF, RESIDENTS COUNTY-WIDE AND NOT JUST THE RESIDENTS WITHIN FRESNO CITY LIMITS, AS HAS BEEN EXPRESSED BY THE PUBLIC.**

14. Adjournment

**THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, CHAIRMAN PAUL CLARK ADJOURNED THE MEETING AT 10:41 AM.**

All supporting documentation is available for public review in the office of the Fresno County Zoo Authority, 2220 Tulare Street, 6<sup>th</sup> 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](mailto:zooauthority@co.fresno.ca.us), or visit [www.zooauthority.org](http://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 and April 2012

Invoice Number 0304-ZOO-053012

March 28, 2012

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 '11
<i>Financial Reporting &amp; Audits</i>				
<i>Divison Chief</i>	0.25	\$79.57	\$19.89	
<i>Supervising Accountant</i>	4.75	\$83.75	\$397.81	
<i>Senior Accountant</i>	0.00	\$78.54	\$0.00	
<i>Accountant II</i>	49.50	\$69.13	\$3,421.94	
<i>Accountant I</i>	13.00	\$59.68	\$775.84	
<i>Public Works &amp; Planning</i>				
<i>Analyst III</i>	247.40	\$60.16	\$14,883.58	
<i>Office Assistant</i>	31.40	\$25.83	\$811.05	
<i>County Counsel</i>				
<i>Deputy County Counsel</i>	19.40	\$113.00	\$2,192.20	
<b>Professional Services Total</b>	<b>365.45</b>		<b>\$22,502.31</b>	<b>\$141,277.87</b>
<hr/>				
<i>Office Expenses</i>				
<i>Copies and Supplies</i>			158.96	
<b>Office Expense Total</b>			<b>\$181.96</b>	<b>\$4,379.78</b>
<hr/>				
<b>Invoice Total</b>			<b>\$22,684.27</b>	<b>\$145,657.65</b>



**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Quarter Ended March 31, 2012**

<b>Summary of Measure Z Proceeds</b>			
<b>Tax Proceeds Received:</b>			
- Measure Z - Sales Tax Proceeds		\$	3,995,377.32
<b>Tax Proceeds Allocated:</b>			
- Allocation to Zoo Authority Fund (2%)			79,907.55
- Allocation to Trust Fund for Operations and Capital Projects (98%)			3,915,469.77
<b>Total Proceed Allocations</b>		<b>\$</b>	<b>3,995,377.32</b>
<b>Cash Balance By Fund</b>			
<b>Zoo Authority Fund</b>	<b>&gt;&gt; Administrative Fund</b>	<b>2%</b>	
	Beginning Balance	\$	771,759.69
Receipts:	- Measure Z Sales Tax Proceeds		79,907.55
	- Interest Received		3,115.96
	- Other Charges for Current Services		30.10
Disbursements	- Professional Services		(66,437.77)
	- Office Expenses		(351.80)
	- PeopleSoft Charges		(75.10)
	<b>Net Increase/(Decrease) to Cash</b>		<b>16,188.94</b>
	<b>Ending Cash Balance - Zoo Authority Administrative Fund</b>	<b>\$</b>	<b>787,948.63</b>
<b>Trust Fund for Operations and Capital Projects</b>			
	<b>98%</b>		
	Beginning Balance for Operations and Capital Projects	\$	47,666,567.33
	<b>&gt;&gt; Operations Fund</b>		
	Beginning Cash Balance		3,432,347.37
Receipts:	- Measure Z Sales Tax Proceeds		1,305,156.59
	- Interest Received		14,828.68
Disbursements	- FCZC Operations Claim #2011-12 dated 02/22/12		(233,018.65)
	- FCZC Operations Claims #2012-01 dated 02/16/12		(231,179.72)
	- Wire Fees		(40.00)
	<b>Net Increase/(Decrease) to Cash</b>		<b>855,746.90</b>
	<b>Ending Cash Balance - Available for Operations</b>	<b>\$</b>	<b>4,288,094.27</b>
	<b>&gt;&gt; Capital Facilities Project Fund</b>		
	Beginning Balance	\$	44,234,219.96
Receipts:	- Measure Z Sales Tax Proceeds		2,610,313.18
	- Interest Received		182,829.20
Disbursements	- FCZC Capital Projects Claim #2011-5C dated 12/07/11		(619,861.67)
	- FCZC Capital Projects Claim #2011-8C dated 01/06/12		(106,020.81)
	- FCZC Capital Projects Claim #2011-7C dated 01/06/12		(708,653.04)
	- FCZC Capital Projects Claim #2012-1C dated 02/01/12		(780,264.50)
	- FCZC Capital Projects Claim #2012-2C dated 03/12/12		(3,605.38)
	- Wire Fees		(30.00)
	<b>Net Increase/(Decrease) to Cash</b>		<b>374,707.18</b>
	<b>Ending Cash Balance - Available for Capital Projects</b>		<b>44,608,927.14</b>
	<b>Ending Balance Available for Operations and Capital Projects</b>	<b>\$</b>	<b>48,897,021.41</b>
	<b>Total Interest Received During the Quarter</b>		<b>200,773.84</b>

By Staff \_\_\_\_\_

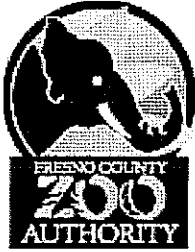
Date \_\_\_\_\_

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 1.436 as of June 30, 2011.





**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Month Ended March 31, 2012**

<b>Summary of Measure Z Proceeds</b>			
Tax Proceeds Received:			
- Measure Z - Sales Tax Proceeds March		\$	1,006,649.44
Total Proceeds Received:		\$	1,006,649.44
Tax Proceeds Allocated:			
- Allocation to Zoo Authority Fund (2%)			20,132.99
- Allocation to Trust Fund for Operations and Capital Projects (98%)			986,516.45
Total Proceed Allocations		\$	1,006,649.44
<b>Cash Balance by Fund</b>			
<b>Zoo Authority Fund &gt;&gt; Administrative Fund 2%</b>			
Beginning Cash Balance		\$	765,242.47
Receipts:			
- Measure Z Sales Tax Proceeds			20,132.99
- Interest Received			2,554.93
- Other Charges for Current Services			30.10
Disbursements:			
- PeopleSoft Charges			(11.86)
Net Increase/(Decrease) to Cash			22,706.16
Ending Cash Balance - Zoo Authority Administrative Fund		\$	787,948.63
<b>Trust Fund for FCZC Operations and Capital Projects 98%</b>			
Beginning Cash Balance		\$	48,216,269.03
>> Operations Fund			
Beginning Cash Balance			4,411,325.04
Receipts:			
- Measure Z Sales Tax Proceeds			328,838.82
- Interest Received			12,158.78
Disbursements:			
- FCZC Operations Claim #2011-12 dated 02/22/12			(233,018.65)
- FCZC Operations Claims #2012-01 dated 02/16/12			(231,179.72)
- Wire Fees			(30.00)
Net Increase/(Decrease) to Cash			(123,230.77)
Ending Cash Balance - Available for Operations		\$	4,288,094.27
>> Capital Facilities Project Fund			
Beginning Cash Balance		\$	43,804,943.99
Receipts:			
- Measure Z Sales Tax Proceeds			657,677.63
- Interest Received			149,910.90
Disbursements:			
- FCZC Capital Projects Claim #2012-2C dated 03/12/12			(3,605.38)
Net Increase/(Decrease) to Cash			803,983.15
Ending Cash Balance - Available for Capital Projects			44,608,927.14
Ending Balance Available for Operations and Capital Projects		\$	48,897,021.41

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 1.436 as of June 30, 2011.



## Fresno County Zoo Authority

### SUMMARY OF MEASURE Z SALES TAX PROCEEDS

							CURRENT FISCAL YEAR			
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012			
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGETED	ACTUAL	BUDGET TO ACTUAL	
	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	VARIANCE	
July	\$ 700,400	\$ 671,500	\$ 819,900	\$ 813,500	\$ 671,700	\$ 659,300	\$ 659,300	\$ 719,800	\$ 60,500	9.18%
August	933,800	895,400	1,093,200	1,084,700	885,300	857,600	857,600	921,200	63,600	7.42%
September	764,524	1,453,498	1,060,279	930,087	810,940	895,691	895,691	1,057,603	161,912	18.08%
October	705,400	679,300	853,500	792,200	678,000	677,000	677,000	694,100	17,100	2.53%
November	940,500	1,471,000	1,138,000	1,056,300	743,300	879,500	879,500	878,500	(1,000)	-0.11%
December	1,324,459	1,047,118	827,112	872,815	971,061	932,350	932,350	1,240,028	307,678	33.00%
January	676,000	813,700	831,200	766,900	719,900	710,700	710,700	770,100	59,400	8.36%
February	901,300	1,081,800	1,108,200	841,000	944,000	919,900	919,900	978,600	58,700	6.38%
March**	1,319,000	905,577	762,907	959,801	628,563	821,858	821,859	1,006,649	184,790	22.48%
April	678,900	748,000	699,000	652,000	594,300	618,400	618,400			
May	905,200	997,300	932,000	860,800	847,200	876,500	817,100			
June	1,113,269	900,178	1,026,580	730,781	821,511	963,040	817,100			
Total	\$ 10,962,752	\$ 11,664,371	\$ 11,151,878	\$ 10,360,884	\$ 9,315,775	\$ 9,811,839	\$ 9,606,500	\$ 8,266,580	\$ 912,680.00	29.54%

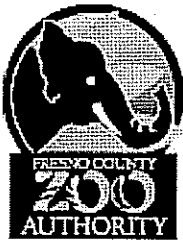
\*Received in January

TOTAL MEASURE Z PROCEEDS FROM INCEPTION \$ 72,235,932.10



**Fresno County Zoo Authority**  
**Receipt of Interest**  
**Unaudited Cash Basis**  
**For the Month and Quarter Ended**  
**March 31, 2012**

Summary of Quarter Three Interest Receipts					
Fund	Subclass	Description	1st Alloc. Jan	2nd Alloc. March	Interest Received
4845	10000	Zoo Authority	\$ 561.03	\$ 2,554.93	\$ 3,115.96
4850	10000	FCZC - Operations	2,669.90	12,158.78	14,828.68
4850	42700	FCZC - CP	32,918.30	149,910.90	182,829.20
<b>Total</b>			<b>\$ 36,149.23</b>	<b>\$ 164,624.61</b>	<b>\$ 200,773.84</b>



**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Month Ended April 30, 2012**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
- Measure Z - Sales Tax Proceeds April		\$	716,100.00
Total Proceeds Received:		\$	716,100.00
Tax Proceeds Allocated:			
- Allocation to Zoo Authority Fund (2%)			14,322.00
- Allocation to Trust Fund for Operations and Capital Projects (98%)			701,778.00
Total Proceed Allocations		\$	716,100.00
Cash Balance by Fund			
<b>Zoo Authority Fund &gt;&gt; Administrative Fund 2%</b>			
Beginning Cash Balance		\$	787,948.63
*Receipts:			
- Measure Z Sales Tax Proceeds			14,322.00
- Interest Received			348.37
Disbursements:			
- PeopleSoft Charges			(13.83)
Net Increase/(Decrease) to Cash			14,656.54
Ending Cash Balance - Zoo Authority Administrative Fund		\$	802,605.17
<b>Trust Fund for FCZC Operations and Capital Projects 98%</b>			
Beginning Cash Balance		\$	48,897,021.41
>> Operations Fund			
Beginning Cash Balance			4,288,094.27
Receipts:			
- Measure Z Sales Tax Proceeds			233,926.00
- Interest Received			1,835.84
Disbursements:			
- FCZC Operations Claim #2012-2 dated 03/16/12			(215,683.16)
- FCZC Operations Claim #2012-3 dated 04/06/12			(216,921.67)
- PeopleSoft Charges			(45.45)
- Wire Fees			(50.00)
Net Increase/(Decrease) to Cash			(196,938.44)
Ending Cash Balance - Available for Operations		\$	4,091,155.83
>> Capital Facilities Project Fund			
Beginning Cash Balance		\$	44,608,927.14
Receipts:			
- Measure Z Sales Tax Proceeds			487,852.00
- Interest Received			19,903.15
Disbursements:			
- FCZC Capital Projects Claim #2012-3C dated 03/07/12			(793,146.29)
- FCZC Capital Projects Claim #2011-8C dated 03/23/12			(169,762.52)
- FCZC Capital Projects Claim #2012-5C dated 04/02/12			(565,484.22)
- FCZC Capital Projects Claim #2012-4C dated 04/05/12			(47,705.00)
Net Increase/(Decrease) to Cash			(1,088,342.88)
Ending Cash Balance - Available for Capital Projects			43,520,584.26
Ending Balance Available for Operations and Capital Projects		\$	47,611,740.09
Total Interest Received During the Month			22,087.36

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 1.436 as of June 30, 2011.



## Fresno County Zoo Authority

### SUMMARY OF MEASURE Z SALES TAX PROCEEDS

							CURRENT FISCAL YEAR			
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012			
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGETED	ACTUAL	BUDGET TO ACTUAL	
	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	VARIANCE	
July	\$ 700,400	\$ 671,500	\$ 819,900	\$ 813,500	\$ 671,700	\$ 659,300	\$ 659,300	\$ 719,800	\$ 60,500	9.18%
August	933,800	895,400	1,093,200	1,084,700	885,300	857,600	857,600	921,200	63,600	7.42%
September	764,524	1,453,498	1,060,279	930,087	810,940	895,691	895,691	1,057,603	161,912	18.08%
October	705,400	679,300	853,500	792,200	678,000	677,000	677,000	694,100	17,100	2.53%
November	940,500	1,471,000	1,138,000	1,056,300	743,300	879,500	879,500	878,500	(1,000)	-0.11%
December	1,324,459	1,047,118	827,112	872,815	971,061	932,350	932,350	1,240,028	307,678	33.00%
January	676,000	813,700	831,200	766,900	719,900	710,700	710,700	770,100	59,400	8.36%
February	901,300	1,081,800	1,108,200	841,000	944,000	919,900	919,900	978,600	58,700	6.38%
March**	1,319,000	905,577	762,907	959,801	628,563	821,858	821,859	1,006,649	184,790	22.48%
April	578,900	748,000	699,000	652,000	594,300	618,400	618,400	716,100		
May	905,200	997,300	932,000	860,800	847,200	876,500	817,100			
June	1,113,269	900,178	1,026,580	730,781	821,511	963,040	817,100			
Total	\$ 10,962,752	\$ 11,664,371	\$ 11,151,878	\$ 10,360,884	\$ 9,315,775	\$ 9,811,839	\$ 9,606,500	\$ 8,982,660	\$ 912,680.00	29.54%

\*Received in January

TOTAL MEASURE Z PROCEEDS FROM INCEPTION \$ 72,952,032.10



**Fresno County Zoo Authority**  
**Receipt of Interest**  
**Unaudited Cash Basis**  
**For the Month Ended**  
**April 30, 2012**

Summary of Quarter Four Interest Receipts				
Fund	Subclass	Description	1st Alloc. April	Interest Received
4845	10000	Zoo Authority	\$ 348.37	\$ 348.37
4850	10000	FCZC - Operations	1,835.84	1,835.84
4850	42700	FCZC - CP	\$ 19,903.15	19,903.15
<b>Total</b>			<u>\$ 22,087.36</u>	<u>\$ 22,087.36</u>

**FRESNO'S CHAFFEE ZOO CORPORATION**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2011,  
WITH COMPARATIVE TOTALS FOR 2010**

FRESNO'S CHAFFEE ZOO CORPORATION

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011,  
WITH COMPARATIVE TOTALS FOR 2010

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statements of Cash Flows	5
NOTES TO FINANCIAL STATEMENTS	6 - 24
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS	25 - 26





## Moore Grider & Company

Certified Public Accountants

### INDEPENDENT AUDITORS' REPORT

*A Partnership Including  
Accountancy Corporations*

Richard L. Holland, C.P.A.

Thomas L. Bell, C.P.A.,  
Accountancy Corporation

Denise S. Hurst, C.P.A.

Kenneth J. Labendeira, C.P.A.,  
Accountancy Corporation

Pamela J. Gallimore, C.P.A.,  
Accountancy Corporation

Karl L. Noyes, C.P.A.,  
Accountancy Corporation

Cory J. Bell, C.P.A.

Cheryl A. Storer, C.P.A., A.P.A.

Kendall K. Wheeler, C.P.A.

Necia Wollenman, C.P.A.

Rena R. Avedikian, C.P.A.

Kelli D. Steele, C.P.A.

Julie B. Fillmore, C.P.A.

Carrie M. Wiebe, C.P.A.

Nora E. Crow, C.P.A.

Nicholas Medeiros, C.P.A.

Oscar Espinoza, C.P.A.

L. Jerome Moore, C.P.A.  
Retired

Robert E. Grider, C.P.A.  
Retired

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

We have audited the accompanying statement of financial position of Fresno's Chaffee Zoo Corporation as of December 31, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the management of Fresno's Chaffee Zoo Corporation. Our responsibility is to express an opinion on these financial statements based on our audit. The prior-year summarized comparative information was derived from the organization's 2010 financial statements; and in our report dated May 10, 2011, we expressed an unqualified opinion on those financial statements.

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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2011, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Moore Grider & Company*

May 4, 2012

PRESNO'S CHAFFEE ZOD CORPORATION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2011, WITH COMPARATIVE TOTALS FOR 2010

	UNRESTRICTED		TEMPORARILY	PERMANENTLY	TOTALS	
	PCZC	MEASURE 2	RESTRICTED	RESTRICTED	2011	2010
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash	\$ 980,299	\$ 0	\$ 393,450	\$ 0	\$ 1,373,749	\$ 1,392,138
Short-term investment (Note 1)	0	0	201,469	0	201,469	1,004,691
Accounts receivable (Note 2)	2,342,130	0	0	0	2,342,130	819,484
Pledges receivable, current portion (Note 3)	175	0	23,000	0	23,175	28,125
Prepaid expenses	105,751	0	0	0	105,751	225,235
<b>TOTAL CURRENT ASSETS</b>	<b>3,428,355</b>	<b>0</b>	<b>617,919</b>	<b>0</b>	<b>4,046,274</b>	<b>3,469,673</b>
PLEDGES RECEIVABLE, net of current portion reflected above (Note 3)	0	0	8,000	0	8,000	16,000
CONSTRUCTION IN PROGRESS	4,610,027	0	0	0	4,610,027	878,446
EQUIPMENT AND FACILITIES, net of accumulated depreciation of \$455,530 in 2011 and \$438,268 in 2010	677,405	0	0	0	677,405	590,341
INVESTMENT IN SECURITIES (Note 4)	6,972,460	0	0	36,012	7,008,472	7,192,425
<b>TOTAL ASSETS</b>	<b>15,688,247</b>	<b>0</b>	<b>625,919</b>	<b>36,012</b>	<b>16,350,178</b>	<b>12,146,885</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable	1,848,272	0	0	0	1,848,272	449,671
Accrued expenses	243,671	0	0	0	243,671	242,719
Deferred revenue	1,450	0	0	0	1,450	0
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,093,393</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,093,393</b>	<b>692,390</b>
COMMITMENTS AND CONTINGENCIES (Note 7)	0	0	0	0	0	0
<b>NET ASSETS</b>						
Permanently restricted (Note 5)	0	0	0	36,012	36,012	36,537
Temporarily restricted (Note 8)	0	0	625,919	0	625,919	596,808
Unrestricted (Note 9)	13,594,854	0	0	0	13,594,854	10,821,150
<b>TOTAL NET ASSETS</b>	<b>13,594,854</b>	<b>0</b>	<b>625,919</b>	<b>36,012</b>	<b>14,256,785</b>	<b>11,454,495</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$15,688,247</b>	<b>\$ 0</b>	<b>\$ 625,919</b>	<b>\$ 36,012</b>	<b>\$16,350,178</b>	<b>\$12,146,885</b>

FRESNO'S CHAFFEE ZOO CORPORATION

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2011, WITH COMPARATIVE TOTALS FOR 2010

	UNRESTRICTED		TEMPORARILY	PERMANENTLY	TOTALS	
	PCRC	MEASURE Z	RESTRICTED	RESTRICTED	2011	2010
<b>REVENUE AND SUPPORT</b>						
Measure Z operating funds (Note 10)	\$ 0	\$ 2,768,740	\$ 0	\$ 0	\$ 2,768,740	\$ 2,499,399
Measure Z capital funds (Note 11)	0	3,869,778	0	0	3,869,778	985,473
City of Fresno transition funds (Note 12)	0	0	0	0	0	240,000
Admissions income	1,620,127	0	0	0	1,620,127	1,453,742
Gift shop sales	243,722	0	0	0	243,722	197,374
Donations	108,466	0	54,161	0	162,627	307,187
Concessions commission	174,108	0	0	0	174,108	226,325
Membership income	573,948	0	0	0	573,948	580,910
Donated materials and services (Note 13)	226,102	0	0	0	226,102	244,401
Stingray Bay Exhibit income	169,100	0	0	0	169,100	155,813
Education income	160,798	0	15,000	0	175,798	146,948
Svent income	364,790	0	0	0	364,790	250,794
Investment income, net of expenses of \$51,239 in 2011 and \$35,582 in 2010	199,902	0	0	1,180	201,082	143,709
Unrealized gain (loss) on securities	(393,711)	0	0	(1,705)	(395,416)	668,647
Rental income	98,634	0	0	0	98,634	108,408
Giraffe feeding income	109,168	0	0	0	109,168	82,319
Adopt-an-Animal income	24,753	0	0	0	24,753	23,756
Interest income on short-term investment	4,181	0	0	0	4,181	32,626
Other income	17,476	0	0	0	17,476	14,728
Net assets released from restrictions:						
Satisfaction of program restrictions (Note 8)	40,050	0	(40,050)	0	0	0
Reclassification of endowment accounts (Note 5)	0	0	0	0	0	0
<b>TOTAL REVENUE AND SUPPORT</b>	<b>3,741,514</b>	<b>6,638,518</b>	<b>29,111</b>	<b>(525)</b>	<b>10,408,718</b>	<b>8,362,559</b>
<b>EXPENSES</b>						
Program services	4,206,887	6,226,862	0	0	10,433,749	7,195,137
Management and general	413,181	293,284	0	0	706,465	778,222
Fundraising	166,766	118,372	0	0	285,138	222,349
<b>TOTAL EXPENSES</b>	<b>4,786,834</b>	<b>6,638,518</b>	<b>0</b>	<b>0</b>	<b>11,425,352</b>	<b>8,195,708</b>
<b>INCREASE (DECREASE) IN NET ASSETS BEFORE GAAP ADJUSTMENT</b>	<b>(1,045,220)</b>	<b>0</b>	<b>29,111</b>	<b>(525)</b>	<b>(1,016,634)</b>	<b>166,851</b>
<b>GAAP ADJUSTMENTS (NOTE 1)</b>						
Capitalized construction in progress purchased with Measure Z funds	3,682,683	0	0	0	3,682,683	701,688
Capitalized facilities purchased with Measure Z funds	170,644	0	0	0	170,644	254,847
Depreciation on capitalized facilities purchased with Measure Z funds	(34,403)	0	0	0	(34,403)	(22,086)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>2,773,704</b>	<b>0</b>	<b>29,111</b>	<b>(525)</b>	<b>2,802,290</b>	<b>1,101,300</b>
<b>NET ASSETS, beginning of year</b>	<b>10,821,150</b>	<b>0</b>	<b>596,808</b>	<b>36,537</b>	<b>11,454,495</b>	<b>10,353,195</b>
<b>NET ASSETS, end of year</b>	<b>\$ 13,594,854</b>	<b>\$ 0</b>	<b>\$ 625,919</b>	<b>\$ 36,012</b>	<b>\$ 14,256,785</b>	<b>\$11,454,495</b>

FRESNO'S CHAFFEE ZOO CORPORATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2011, WITH COMPARATIVE TOTALS FOR 2010

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTALS	
		MANAGEMENT AND GENERAL	FUNDRAISING	2011	2010
Advertising (Note 1)	\$ 358,227	\$ 0	\$ 0	\$ 358,227	\$ 431,083
Animal feed	238,313	0	0	238,313	224,795
Bank and credit card fees	34,374	4,268	1,723	40,365	35,275
Business expense	7,061	872	352	8,285	6,678
Computer/software expense	24,510	3,028	1,222	28,760	28,221
Conservation	23,501	2,904	1,172	27,577	29,200
Consultant fees	30,726	0	0	30,726	29,920
Depreciation	101,935	12,595	5,084	119,614	132,850
Dues	28,611	3,535	1,427	33,573	27,171
Equipment	116,420	14,385	5,806	136,611	114,886
Fleet	36,019	4,451	1,796	42,266	29,036
Food/catering expense	132,584	16,383	6,612	155,579	174,645
Insurance - liability	25,379	3,136	1,266	29,781	130,329
Legal and accounting	171,957	21,247	8,576	201,780	94,596
Miscellaneous	64,995	5,782	2,333	73,110	59,554
Office supplies	29,607	3,658	1,477	34,742	24,469
Postage	32,928	4,069	1,642	38,639	31,214
Printing	84,427	12,459	5,028	101,914	82,281
Repairs and replacements	202,547	233	94	202,874	183,098
Salaries and benefits (Note 14)	831,060	432,233	174,453	1,437,746	1,493,634
Specialized services	554,927	66,487	26,835	648,249	637,548
Staff development	42,718	5,278	2,131	50,127	40,848
Supplies	255,517	31,572	12,743	299,832	238,611
Telephone	34,688	4,286	1,730	40,704	38,924
Uniforms	23,634	2,920	1,179	27,733	24,400
Utilities	323,586	39,983	16,138	379,707	367,570
	3,810,251	695,764	280,819	4,786,834	4,710,836
Measure Z operating funds (Note 10)	2,753,720	10,701	4,319	2,768,740	2,499,399
Measure Z capital funds (Note 11)	3,869,778	0	0	3,869,778	985,473
SUBTOTAL BEFORE GAAP ADJUSTMENT	10,433,749	706,465	285,138	11,425,352	8,195,708
GAAP ADJUSTMENTS (NOTE 1)					
Capitalized construction in progress purchased with Measure Z funds	(3,682,683)	0	0	(3,682,683)	(701,688)
Capitalized facilities purchased with Measure Z funds	(170,644)	0	0	(170,644)	(254,847)
Depreciation on facilities purchased with Measure Z funds	34,403	0	0	34,403	22,086
	\$ 6,614,825	\$ 706,465	\$ 285,138	\$ 7,606,428	\$ 7,261,259

FRESNO'S CHAFFEE ZOO CORPORATION

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 2,802,290	\$ 1,101,300
Adjustments to reconcile increase in net assets to net cash provided from operating activities:		
Depreciation	154,017	154,936
Unrealized (gain) loss on securities	395,416	(668,647)
Changes in:		
Accounts receivable	(1,522,646)	(197,792)
Pledges receivable	12,950	22,875
Prepaid expenses	119,484	(157,998)
Accounts payable	1,398,601	191,564
Accrued expenses	952	(324)
Deferred revenue	1,450	(5,500)
<b>NET CASH PROVIDED FROM OPERATING ACTIVITIES</b>	<u>3,362,514</u>	<u>440,414</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease in short-term investment	803,222	2,424,819
Purchase of equipment and facilities	(241,081)	(307,123)
Increase in construction in progress	(3,731,581)	(781,075)
Acquisition of securities	(211,463)	(1,080,545)
<b>NET CASH PROVIDED FROM (USED BY) INVESTING ACTIVITIES</b>	<u>(3,380,903)</u>	<u>256,076</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>0</u>	<u>0</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(18,389)	696,490
CASH, beginning of year	<u>1,392,138</u>	<u>695,648</u>
CASH, end of year	<u>\$ 1,373,749</u>	<u>\$ 1,392,138</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Non-cash transactions		
Donated materials and services	<u>\$ 226,102</u>	<u>\$ 244,401</u>

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

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 follow:

**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.

**Short-term investment** - Short-term investment consists of a certificate of deposit, which totaled \$201,469 and \$1,004,691 in 2011 and 2010, respectively. The certificate of deposit bears interest at 0.8% and has a maturity of 12 months with penalties for early withdrawal. Any penalties for early withdrawal would not have a material affect on the financial statements.

**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, 2011 and 2010 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, 2011 AND 2010

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

**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 recorded at their estimated future cash flows. Conditional promises to give are not included as support until the conditions are substantially met. At December 31, 2011, the organization considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

**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.

**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 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. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Interest and penalties

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

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

Income taxes (continued)

on tax assessments are classified as an expense when incurred. For the years ended December 31, 2011 and 2010, interest and penalties totaled \$0.

Income 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.

Advertising costs - Advertising costs are expensed as incurred and totaled \$358,227 and \$431,083 in 2011 and 2010, 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, 2010, 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 \$3,853,327 and \$956,535 expended for construction in progress and facilities for 2011 and 2010, respectively. For GAAP reporting purposes, these expenditures are capitalized and depreciated over the life of the asset.

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

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See next page for continuation of notes.



FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 2: ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2011 and 2010, consist of the following:

	2011	2010
Measure Z Operating	\$ 233,019	\$ 332,968
Measure Z Capital	1,804,288	220,228
City of Fresno	262,070	244,892
Various	<u>42,753</u>	<u>21,396</u>
Total	<u>\$ 2,342,130</u>	<u>\$ 819,484</u>

NOTE 3: PLEDGES RECEIVABLE

Pledges receivable at December 31, 2011 and 2010 are as follows:

	2011	2010
Amounts due in:		
Less than one year	\$ 23,175	\$ 28,125
One to four years	<u>8,000</u>	<u>16,000</u>
	<u>\$ 31,175</u>	<u>\$ 44,125</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 4: INVESTMENT IN SECURITIES

Investment in securities as of December 31, 2011 and 2010, is summarized below:

	2011	
	Quoted Market Value	Unrealized Gain (Loss)
Unrestricted:		
Bond mutual funds	\$ 2,575,097	\$ 64,615
Equity mutual funds	3,078,645	(468,782)
Corporate securities	1,202,597	54,072
Real estate investment trusts	11,439	80
Money market funds	104,682	0
	<u>6,972,460</u>	<u>(350,015)</u>
Permanently Restricted:		
Bond mutual funds	10,364	(96)
Equity mutual funds	25,333	(3,961)
Money market funds	315	0
	<u>36,012</u>	<u>(4,057)</u>
	<u>\$ 7,008,472</u>	<u>\$ (354,072)</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 4: INVESTMENT IN SECURITIES (Continued)

	2010	
	Quoted Market Value	Unrealized Gain (Loss)
Unrestricted:		
Bond mutual funds	\$ 2,474,960	\$ 210,758
Equity mutual funds	3,268,631	(287,591)
Corporate securities	1,318,202	119,823
Real estate investment trusts	7,767	706
Money market funds	86,328	0
	<u>7,155,888</u>	<u>43,696</u>
Permanently Restricted:		
Bond mutual funds	9,860	399
Equity mutual funds	26,375	(2,751)
Money market funds	302	0
	<u>36,537</u>	<u>(2,352)</u>
	<u>\$ 7,192,425</u>	<u>\$ 41,344</u>

NOTE 5: 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 2006 (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 in perpetuity. 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

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 5: ENDOWMENTS (Continued)

Interpretation of Relevant Law (continued)

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

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 hold in perpetuity 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.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 5: ENDOWMENTS (Continued)

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).

During 2007, the Board of Directors adopted 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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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 5: ENDOWMENTS (Continued)

Endowment Net Asset Composition by Type of Fund

Endowment net assets consist of the following at December 31, 2011 and 2010:

	2011		
	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 0	\$ 36,012	\$ 36,012
Board-designated endowment funds	<u>2,828,149</u>	<u>0</u>	<u>2,828,149</u>
Total endowment net assets	<u>\$ 2,828,149</u>	<u>\$ 36,012</u>	<u>\$ 2,864,161</u>
	2010		
	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 0	\$ 36,537	\$ 36,537
Board-designated endowment funds	<u>2,896,598</u>	<u>0</u>	<u>2,896,598</u>
Total endowment net assets	<u>\$ 2,896,598</u>	<u>\$ 36,537</u>	<u>\$ 2,933,135</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 5: ENDOWMENTS (Continued)

Changes in Endowment Net Assets

The following schedule shows changes in endowment net assets for the year ended December 31, 2011:

	Unrestricted	Permanently Restricted	Total
Endowment net assets, January 1, 2011	<u>\$ 2,896,598</u>	<u>\$ 36,537</u>	<u>\$ 2,933,135</u>
Investment return			
Investment income, net of expenses	94,620	1,180	95,800
Unrealized loss	<u>(171,477)</u>	<u>(1,705)</u>	<u>(173,182)</u>
Net investment return	(76,857)	(525)	(77,382)
Contributions	<u>8,408</u>	<u>0</u>	<u>8,408</u>
Endowment net assets, December 31, 2011	<u>\$ 2,828,149</u>	<u>\$ 36,012</u>	<u>\$ 2,864,161</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 5: ENDOWMENTS (Continued)

Changes in Endowment Net Assets (continued)

The following schedule shows changes in endowment net assets for the year ended December 31, 2010:

	Unrestricted	Permanently Restricted	Total
Endowment net assets, January 1, 2010	\$ 2,353,641	\$ 33,824	\$ 2,387,465
Investment return			
Investment income, net of expenses	68,110	1,139	69,249
Unrealized gain	284,633	2,536	287,169
Net investment return	352,743	3,675	356,418
Contributions	189,252	0	189,252
Reclassification of endowment accounts with total net asset balances less than original gift	962	(962)	0
Endowment net assets, December 31, 2010	\$ 2,896,598	\$ 36,537	\$ 2,933,135

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, 2011 and 2010. Therefore, \$0 and \$962 of the deficiency was restored during the years ended December 31, 2011 and 2010, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the organization.



FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 6: FAIR VALUE MEASUREMENTS (Continued)

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

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, 2011:

	2011			
	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Pledges receivable	\$ 31,175	\$ 0	\$ 0	\$ 31,175
Available for sale marketable securities:				
Bond mutual funds	2,585,461	2,585,461	0	0
Equity mutual funds	3,103,978	3,103,978	0	0
Corporate securities	1,202,597	1,202,597	0	0
Real estate investment trusts	11,439	11,439	0	0
Money market funds	104,997	104,997	0	0
Total available for sale marketable securities	7,008,472	7,008,472	0	0
TOTAL	\$ 7,039,647	\$ 7,008,472	\$ 0	\$ 31,175

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 6: FAIR VALUE MEASUREMENTS (Continued)

The table below presents the level within the hierarchy at which assets are measured at December 31, 2010:

	2010			
	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Pledges receivable	\$ 44,125	\$ 0	\$ 0	\$ 44,125
Available for sale marketable securities:				
Bond mutual funds	2,484,820	2,484,820	0	0
Equity mutual funds	3,295,007	3,295,007	0	0
Corporate securities	3,268,631	3,268,631	0	0
Real estate investment trusts	7,767	7,767	0	0
Money market funds	86,630	86,630	0	0
Total available for sale marketable securities	7,192,425	7,192,425	0	0
TOTAL	\$ 7,236,550	\$ 7,192,425	\$ 0	\$ 44,125

A summary of changes in the fair value of the organization's Level 3 assets for the year ended December 31, 2011 and 2010 is presented below:

	2011	2010
Pledges receivable		
Balance, beginning of year	\$ 44,125	67,000
Additions to pledges receivable	10,000	500
Payments on pledges receivable	(22,950)	(23,375)
Balance, end of year	\$ 31,175	\$ 44,125

NOTE 7: COMMITMENTS AND CONTINGENCIES

Operating Leases

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

Copier Konica C252	July 31, 2012
Copier Konica KM-5050	July 31, 2012
Postage machine	October 30, 2013
Copier Lanier LD540C	March 11, 2014
Copier Lanier LD525SPF	October 4, 2015
Zoo land and facilities	December 31, 2036

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 7: COMMITMENTS AND CONTINGENCIES (Continued)

Future minimum lease payments are as follow:

YEAR ENDING DECEMBER 31,	Postage Machine	Copiers	Zoo Land and Facilities	Total
2012	\$ 1,980	\$ 6,305	\$ 1	\$ 8,286
2013	1,815	3,730	1	5,546
2014	0	2,247	1	2,248
2015	0	1,460	1	1,461
2016	0	0	1	1
Thereafter	0	0	20	20
	<u>\$ 3,795</u>	<u>\$ 13,742</u>	<u>\$ 25</u>	<u>\$ 17,562</u>

Lease expense for the years ended December 31, 2011 and 2010, was \$10,126 and \$8,666, respectively and is included in equipment expense.

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 8: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2011 and 2010, are available for the following purposes:

	2011	2010
Australian bird purchase	\$ 12,221	\$ 12,221
Australian exhibit	65,257	65,257
Bat exhibit	562	562
Benches	4,238	4,238
Grant - amphitheater	9,025	11,025
Education	15,000	0
Haron Jaguar zoo fund	1,080	1,080
Keeper Lounge Restoration	50,000	50,000
Kid zone	6,000	6,000
Lorikeet exhibit	1,850	1,850
Orangutan/tiger exhibit	80,085	80,085
Radin Scholarship Fund	1,000	1,000
Sea Lion	75,996	21,885
Sherman exhibit	274,752	274,752
Valley Dental - Small Wonders	8,436	11,436
Wells Fargo Wednesdays	20,417	55,417
	<u>\$ 625,919</u>	<u>\$ 596,808</u>

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

Amphitheater	\$ 2,000
Hospital Fund	50
Small Wonders	3,000
Wells Fargo Wednesdays	<u>35,000</u>
	<u>\$ 40,050</u>

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 9: UNRESTRICTED NET ASSETS

Unrestricted net assets at December 31, 2011 and 2010, consist of the following:

	2011	2010
Board-designated endowment	\$ 2,828,149	\$ 2,896,598
Undesignated net assets	<u>10,766,705</u>	<u>7,924,552</u>
	<u>\$ 13,594,854</u>	<u>\$ 10,821,150</u>

NOTE 10: MEASURE Z OPERATING 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.

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.

For the years ended December 31, 2011 and 2010, Measure Z operating funds were used as follows:

	2011	2010
Bank charges	\$ 120	\$ 110
Insurance - liability	101,626	0
Salaries and wages	<u>2,666,994</u>	<u>2,499,289</u>
	<u>\$ 2,768,740</u>	<u>\$ 2,499,399</u>

NOTE 11: MEASURE Z CAPITAL 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.

The Fresno County tax ordinance requires a minimum of two-thirds of the funds to be used for capital improvement projects at the Fresno Chaffee Zoo.

FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 11: MEASURE Z CAPITAL FUNDS (Continued)

For the years ended December 31, 2011 and 2010, Measure Z capital funds were used as follows:

	2011	2010
Architectural services	\$ 287,115	\$ 701,688
Bank charges	50	50
Capital projects	170,644	254,843
Construction in progress	3,393,273	0
Environmental Impact Report	0	16,342
Signage	16,401	0
Master Plan	0	12,550
Utility improvements	<u>2,295</u>	<u>0</u>
	<u>\$ 3,869,778</u>	<u>\$ 985,473</u>

NOTE 12: 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.

City of Fresno Transition Funds

The organization received City of Fresno transition funds totaling \$0 and \$240,000, in 2011 and 2010, respectively.

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FRESNO'S CHAFFEE ZOO CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

NOTE 13: DONATED MATERIALS AND SERVICES

Donated materials and services for the years ended December 31, 2011 and 2010, were received for the following purposes:

	2011	2010
Breakfast with the Animals	\$ 17,804	\$ 23,044
Dream Night	7,300	4,912
Ice Cream Zoofari	72,892	75,125
Miscellaneous	1,702	61,518
Safari Night	63,147	36,224
Zoobiliation	2,175	730
Zoo Boo	60,070	40,013
Zoolights	1,012	2,835
	<u>\$ 226,102</u>	<u>\$ 244,401</u>

NOTE 14: 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. There were no discretionary contributions to the plan during the years ended December 31, 2011 and 2010.

The total contribution expense related to the plan, for the years ended December 31, 2011 and 2010, was \$55,961 and \$57,086, respectively. The expense is included in salaries and benefits.

NOTE 15: SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 4, 2012 (date financial statements available to be issued) noting no matters requiring disclosure in the financial statements for the year ended December 31, 2011.



## Moore Grider & Company

Certified Public Accountants

*A Partnership Including  
Accountancy Corporations*

Richard L. Holland, C.P.A.

Thomas L. Bell, C.P.A.,  
Accountancy Corporation

Denise S. Hurst, C.P.A.

Kenneth J. Labandeira, C.P.A.,  
Accountancy Corporation

Pamela J. Gallemore, C.P.A.,  
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Karl L. Noyes, C.P.A.,  
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Cory J. Bell, C.P.A.

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Kendall K. Wheeler, C.P.A.

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Nora E. Crow, C.P.A.

Nicholas Medeiros, C.P.A.

Oscar Espinoza, C.P.A.

L. Jerome Moore, C.P.A.  
Retired

Robert E. Grider, C.P.A.  
Retired

### 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 the financial statements of Fresno's Chaffee Zoo Corporation, as of and for the year ended December 31, 2011, and have issued our report thereon dated May 4, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Fresno's Chaffee Zoo Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fresno's Chaffee Zoo Corporation's financial statements are free of 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.

This report is intended solely for the information and use of the audit committee, board of directors, management, and awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Moore Glicken & Company*

May 4, 2012



# Moore Grider & Company

Certified Public Accountants

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

*A Partnership Including  
Accountancy Corporations*

Richard L. Holland, C.P.A.

Thomas L. Bell, C.P.A.,  
Accountancy Corporation

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Retired

Robert E. Grider, C.P.A.  
Retired

Board of Directors  
Fresno's Chaffee Zoo Corporation

We have performed the procedures enumerated below, which were agreed to by Fresno's Chaffee Zoo Corporation, solely to assist you with the review of third-party reimbursements and Measure Z-funded expenses of Fresno's Chaffee Zoo Corporation as of and for the year ended December 31, 2011. Fresno's Chaffee Zoo Corporation's management is responsible for the presentation of the third-party reimbursements and Measure Z-funded expenses in accordance with the guidelines set forth by the Fresno County Zoo Authority. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

### PROCEDURES

1. Review all (100%) reimbursements paid to FCZC for Measure Z-funded expense line items paid by "all other entities or third-parties (other than the Zoo Authority)" for purposes of determining if any operating and/or capital project expenses reimbursed by the Zoo Authority (Measure Z funds) were also reimbursed by a different entity or third-party.
2. Review a sample (at least 75% population coverage) of Measure Z claims submitted by FCZC for operations and capital projects, to determine if Measure Z-funded expenses were accounted for separately by FCZC.

### FINDINGS

1. No exceptions were found as a result of applying the procedure.
2. No exceptions were found as a result of applying the procedure.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the third-party reimbursements and Measure Z-funded expenses. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Fresno's Chaffee Zoo Corporation and Fresno County Zoo Authority and is not intended to be and should not be used by anyone other than those specified parties.

*Moore Grider & Company*

May 4, 2012



## **FY12 March Financial Report**

**Presented to the Board of Directors**

**April 16, 2012**

## Discussion of Financial Results

- **Key Facts & Figures:**

- YTD operating surplus @ 3/31/12 of \$57,925\* compared to projected deficit of (\$341,237)\*.
- Self Generated Revenue is 16% ahead of the YTD budget\*.
- Attendance is 41% ahead of the YTD budget of 71,000.
- Admission revenue is 42% is ahead of YTD budget of \$243,000.
- Audit is almost complete. Audit Committee meeting will be scheduled for late April/early May.

\* Excludes Investment Income (unrealized gain/loss on investments) and capital fundraising.

- **Attendance :**

- Attendance for March 2012 was 38,953 compared to 29,456 for the same period last year, an increase of 32%.
- Member attendance for March 2012 was 8,377 compared to 6,845 for the same period last year, an increase of 22%.
- YTD attendance @ March 31, 2012 is 100,205 compared to 71,471 for the same period last year, an increase of 40%.
- 2012 attendance goal is 520,000.
- 2011 attendance was 511,788.
- 2010 attendance was 443,251.

## Discussion of Financial Results

- **Contracted Revenue:**

- March Concession Revenue:

2012 Revenue: \$16,972      2012 Per Cap: \$0.44

2011 Revenue: \$13,287      2011 Per Cap: \$0.45

March 2012 revenue increased 28% and per caps decreased 2% compared to March 2011.

- March Retail Revenue:

2012 Revenue: \$23,088      2012 Per Cap: \$0.59

2011 Revenue: \$23,097      2011 Per Cap: \$0.78

March 2012 revenue was about the same as March 2011.

- **Investments**

- Endowment valued at \$3,197,540 at March 31, 2012 compared to \$3,158,403 at February 29, 2012.
  - Cash and investments, excluding endowments, totaling \$5,112,574 at March 31, 2012 compared to \$5,161,843 at February 29, 2012.

- **Accounts Receivable**

- Accounts receivable totaling \$2,292,256 at March 31, 2012 compared to \$1,960,803 at February 29, 2012.

- **Measure Z @ 2/29/12**

- Operating Funds balance: \$ 4,411,325
  - Capital Funds balance: \$43,804,944

\$48,216,269

# Fresno's Chaffee Zoo Corporation Balance Sheet

March 2012

	FY12 @ 3/31/12	FY12 @ 2/29/12	FY11 Unaudited
<b>ASSETS</b>			
Cash	\$122,208	\$61,144	\$335,430
Short Term Investments	\$533,625	\$682,408	\$1,239,787
Long Term Investments	\$7,644,181	\$7,575,594	\$7,008,471
Accounts Receivable	\$2,392,256	\$1,969,803	\$2,378,605
Prepaid Expenses	\$185,301	\$97,182	\$105,751
Inventory	\$0	\$0	\$0
Construction in Progress	\$7,671,661	\$6,886,315	\$5,287,432
<b>TOTAL ASSETS</b>	<b>\$18,459,332</b>	<b>\$17,264,546</b>	<b>\$16,355,477</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts Payable/Accrued Liabilities	\$1,495,007	\$925,785	\$2,093,393
<b>Total Liabilities</b>	<b>\$1,495,007</b>	<b>\$925,785</b>	<b>\$2,093,393</b>
<b>Net Assets</b>			
Fund Balance- Unrestricted	\$16,478,886	\$15,865,897	\$13,600,153
Fund Balance- Temporarily Restricted	\$446,145	\$134,069	\$625,919
Fund Balance- Permanently Restricted	\$39,294	\$35,795	\$36,012
<b>Total Net Assets</b>	<b>\$16,964,325</b>	<b>\$16,338,761</b>	<b>\$14,262,085</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$18,459,332</b>	<b>\$17,264,546</b>	<b>\$16,355,477</b>

# Fresno's Chaffee Zoo Corporation

## Income Statement

@ March 31, 2012

REVENUE	Current Month				Year-to-Date				FY11 Unaudited
	FY12 Budget	Budget	Actual	Variance	Budget	Actual	Variance		
			@ 3/31/12			@ 3/31/12			
Self Generated Revenue									
Admissions	\$1,721,600	\$104,000	\$133,989	\$31,989	\$243,000	\$344,605	\$101,605	\$1,620,127	
Adopt an Animal	\$22,000	\$825	\$950	\$125	\$13,375	\$12,779	(\$596)	\$24,753	
Bond Designated for Endowment	\$50,000	\$12,500	\$10,200	(\$2,300)	\$12,500	\$10,200	(\$2,300)	\$63,984	
Education	\$174,675	\$5,540	\$19,441	\$13,901	\$12,519	\$24,306	\$11,787	\$175,798	
Food Services	\$234,000	\$12,050	\$16,972	\$3,922	\$31,950	\$37,266	\$5,316	\$174,108	
Gift Shop	\$202,800	\$11,310	\$23,068	\$11,758	\$27,690	\$31,381	\$3,691	\$243,722	
Gratific Feeding	\$109,200	\$7,099	\$10,462	\$3,462	\$16,500	\$21,762	\$5,262	\$109,168	
Grants Fundraising	\$277,929	\$33,000	\$13,578	(\$9,422)	\$69,000	\$27,182	(\$41,818)	\$98,643	
Group Event Facility Rental	\$110,000	\$7,000	\$7,734	\$734	\$12,300	\$12,464	\$964	\$99,634	
Interest Income	\$220,000	\$13,000	\$14,799	\$1,799	\$29,000	\$31,523	(\$2,523)	\$256,502	
Investment Income	\$9	\$0	\$4,854	\$4,854	\$0	\$43,158	\$43,158	(\$395,416)	
Membership	\$604,250	\$53,000	\$46,379	(\$6,622)	\$122,500	\$126,291	\$3,791	\$573,947	
Special Events	\$373,400	\$5,000	\$4,558	(\$442)	\$5,000	\$4,608	(\$392)	\$364,790	
Singay Exhibit	\$264,200	\$16,000	\$15,207	(\$793)	\$30,000	\$22,470	\$7,530	\$169,100	
Other	\$18,770	\$2,528	\$13,099	\$10,562	\$4,895	\$15,592	\$10,697	\$17,476	
Total Self Generated Revenue	\$4,385,905	\$273,783	\$387,521	\$113,738	\$641,329	\$1,305,655	\$664,327	\$3,595,338	
City of Fresno	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Measure Z Capital Funds	\$645,120	\$70,000	\$569,100	\$499,100	\$200,000	\$2,142,550	\$1,942,550	\$3,669,778	
Measure Z Operating Funds	\$1,419,880	\$247,202	\$216,942	(\$30,260)	\$696,380	\$663,805	(\$32,576)	\$2,774,040	
Transfer to from Related Organization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUE	\$8,480,905	\$590,985	\$1,173,562	\$582,578	\$1,537,709	\$4,112,010	\$2,574,301	\$10,239,156	

# Fresno's Chaffee Zoo Corporation Income Statement @ March 31, 2012

EXPENSES	Current Month				Year-to-Date			
	FY12 Budget	Budget	Actual @ 3/31/12	Variance	Budget	Actual @ 3/31/12	Variance	FY11 Unaudited
OPERATING EXPENSES								
Personnel Expenses								
Administration	3013,767	546,409	338,694	20,814	3133,043	3106,669	26,374	5494,193
Animal	3,566,523	3114,368	299,727	314,641	3358,220	3285,420	72,800	5143,378
Education	569,258	448,020	441,492	6,528	3125,269	3121,144	4,125	3882,228
Maintenance Horticulture	565,014	448,044	443,491	4,425	3143,110	3125,729	17,382	3590,662
Membership Development Marketing	337,653	28,534	27,346	1,188	581,807	568,025	13,781	3356,497
Veterinary	260,718	15,515	15,368	147	544,830	543,610	1,219	3188,725
Visitor Services	512,964	46,723	32,746	14,011	559,195	521,041	38,153	3468,692
Total Personnel Expenses	\$4,646,800	\$337,750	\$299,085	\$38,664	\$956,050	\$842,839	\$113,211	\$4,104,740
Other Expenses								
Advertising	29,750	2,104	18,377	6,327	74,312	30,508	43,803	229,601
Animal Feed	244,206	19,617	27,123	(7,606)	48,670	33,484	15,186	237,611
Computer Software	24,280	7,307	6,643	664	11,720	6,967	4,753	28,760
Conservation	20,000	0	0	0	3,000	0	3,000	27,577
Depreciation Expense	335,222	13,752	11,730	1,812	39,756	34,219	5,537	314,818
Dues	13,450	934	882	52	2,312	4,010	(1,698)	33,573
Equipment	145,660	8,158	4,333	3,825	24,566	9,481	15,084	313,204
Fleet	41,250	3,437	969	2,468	10,312	4,653	5,657	42,266
Food Catering	58,100	3,208	2,662	546	6,224	3,020	3,203	41,573
Insurance	140,000	10,000	8,454	1,544	60,000	51,771	8,229	311,407
Miscellaneous Business	9,700	793	483	310	2,345	887	1,458	8,284
Office Supplies	13,143	2,754	2,091	663	8,287	2,724	5,563	34,742
Penance	44,045	4,641	3,119	1,522	10,424	9,377	1,047	28,639
Printing	83,250	14,873	21,182	(6,308)	21,623	27,024	(5,399)	591,469
Repairs and Replacements	215,750	17,146	9,626	8,046	31,437	28,439	2,997	320,661
Service Bank Credit Card Fees	85,040	4,833	3,986	847	18,683	19,902	(1,217)	391,774
Signage	13,000	1,083	8,470	(7,387)	3,250	10,146	(6,896)	526,847
Specialized Services	672,110	49,063	44,578	4,485	139,190	111,396	27,794	356,627
Staff Development	18,250	3,421	2,004	1,416	13,662	4,095	9,567	



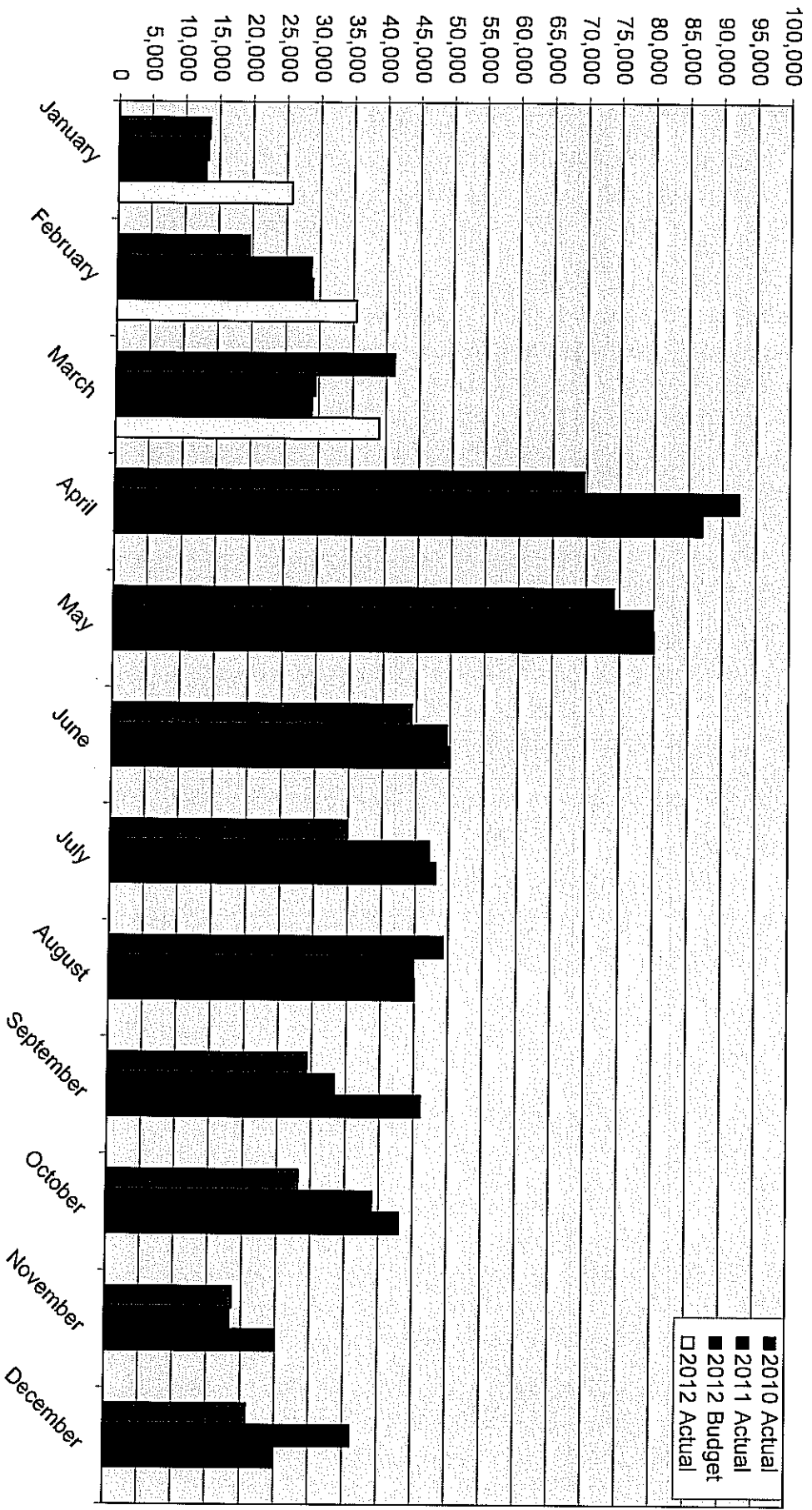
# Fresno's Chaffee Zoo Corporation

## Income Statement

### @ March 31, 2012

	Current Month			Year-to-Date			FY11 Unaudited
	FY12 Budget	Budget	Actual @ 3/31/12	Variance	Budget	Actual @ 3/31/12	
Supplies	\$219,350	\$16,583	\$14,546	\$2,037	\$46,150	\$42,637	\$268,726
Telephone	\$42,880	\$3,573	\$3,765	(\$192)	\$10,720	\$5,635	\$40,704
Uniforms	\$30,400	\$2,425	\$5,566	(\$3,141)	\$12,075	\$4,719	\$27,733
Utilities	\$452,000	\$37,667	\$25,792	\$11,874	\$113,990	\$57,812	\$379,707
Other	\$86,150	\$5,917	\$7,587	(\$1,671)	\$19,650	\$15,435	\$72,110
Total Other Expenses	\$3,199,032	\$258,892	\$235,244	\$23,648	\$762,652	\$551,757	\$3,011,143
TOTAL OPERATING EXPENSES	\$7,845,832	\$596,642	\$535,230	\$61,412	\$1,718,702	\$1,394,596	\$7,115,884
EIR and Capital Expansion							
Capital Expenses	\$150,000	\$12,500	\$12,769	(\$269)	\$37,500	\$15,174	\$315,682
Total EIR and Capital Expansion	\$150,000	\$12,500	\$12,769	(\$269)	\$37,500	\$15,174	\$315,682
TOTAL EXPENSES	\$7,995,832	\$609,142	\$547,999	\$61,144	\$1,756,202	\$1,409,770	\$7,431,566
BEGINNING FUND BALANCE	\$14,262,085	\$16,338,761	\$16,338,761	\$0	\$14,262,085	\$14,262,085	\$11,454,495
NET SURPLUS(DEFICIT)	\$485,073	(\$18,158)	\$625,564	\$643,721	(\$218,493)	\$2,702,240	\$2,807,590
ENDING FUND BALANCE	\$14,747,158	\$16,320,604	\$16,964,325	\$643,721	\$14,043,592	\$16,964,325	\$14,262,085

# Fresno Chaffee Zoo Attendance Comparison 2010 - 2012





## FY12 April Financial Report

Presented to the Board of Directors

May 24, 2012

## Discussion of Financial Results

- **Key Facts & Figures:**

- YTD operating surplus @ 4/30/12 of \$322,486\* compared to projected deficit of (\$118,814)\*.
- Self Generated Revenue 6.8% ahead of the YTD budget\*.
- Attendance is 17% ahead of the YTD budget of 158,000.
- Admission revenue is 17% is ahead of YTD budget of \$561,100.

\* Excludes Investment Income (unrealized gain/loss on investments) and capital fundraising.

- **Attendance :**

- Attendance for April 2012 was 84,748 compared to 92,444 for the same period last year, a decrease of 8%.
- Member attendance for April 2012 was 13,561 compared to 16,897 for the same period last year, a decrease of 20%.
- YTD attendance @ April 30, 2012 is 184,953 compared to 163,915 for the same period last year, an increase of 13%.
- 2012 attendance goal is 520,000.
- 2011 attendance was 511,788.
- 2010 attendance was 443,251.

## Discussion of Financial Results

- **Contracted Revenue:**

- April Concession Revenue:

2012 Revenue: \$33,840      2012 Per Cap: \$0.40

2011 Revenue: \$28,475      2011 Per Cap: \$0.31

April 2012 revenue increased 19% and per caps increased 29% compared to April 2011.

- April Retail Revenue:

2012 Revenue: \$41,596      2012 Per Cap: \$0.49

2011 Revenue: \$43,568      2011 Per Cap: \$0.47

April 2012 revenue decreased 5% and per caps increased 4% compared to April 2011.

- **Investments**

- Endowment valued at \$3,197,209 at April 30, 2012 compared to \$3,197,540 at March 31, 2012.

- Cash and investments, excluding endowments, totaling \$5,887,710 at April 30, 2012 compared to \$5,142,229 at March 31, 2012.

- **Accounts Receivable**

- Accounts receivable totaling \$1,370,815 at April 30, 2012 compared to \$2,286,956 at March 31, 2012.

- **Measure Z @ 2/29/12**

- Operating Funds balance:      \$ 4,411,325

Capital Funds balance:      \$43,804,944

\$48,216,269

# Fresno's Chaffee Zoo Corporation Balance Sheet

April 2012

	FY12 @ 4/30/12	FY12 @ 3/31/12	FY11 Unaudited
<b>ASSETS</b>			
Cash	\$209,497	\$161,963	\$335,430
Short Term Investments	\$1,233,725	\$433,625	\$1,239,787
Long Term Investments	\$7,641,697	\$7,644,151	\$7,008,471
Accounts Receivable	\$1,370,815	\$2,286,956	\$2,373,305
Prepaid Expenses	\$219,712	\$185,301	\$105,751
Inventory	\$0	\$0	\$0
Construction in Progress	\$6,481,638	\$7,675,207	\$5,257,432
<b>TOTAL ASSETS</b>	<b>\$19,157,084</b>	<b>\$18,487,234</b>	<b>\$16,350,178</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts Payable-Accrued Liabilities	\$1,167,260	\$1,521,732	\$2,093,393
<b>Total Liabilities</b>	<b>\$1,167,260</b>	<b>\$1,521,732</b>	<b>\$2,093,393</b>
<b>Net Assets</b>			
Fund Balance-Unrestricted	\$17,499,458	\$16,477,063	\$13,594,854
Fund Balance-Temporarily Restricted	\$451,097	\$456,145	\$625,919
Fund Balance-Permanently Restricted	\$39,269	\$39,294	\$36,012
<b>Total Net Assets</b>	<b>\$17,989,824</b>	<b>\$16,962,502</b>	<b>\$14,256,785</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$19,157,084</b>	<b>\$18,487,234</b>	<b>\$16,350,178</b>

# Fresno's Chaffee Zoo Corporation

## Income Statement

@ April 30, 2012

		Current Month			Year-to-Date			
	FY12 Budget	Budget	Actual @4/30/12	Variance	Budget	Actual @ 4/30/12	Variance	FY11 Unaudited
REVENUE								
Self Generated Revenue								
Admissions	\$1,721,600	\$318,100	\$311,849	(\$6,251)	\$561,100	\$656,454	\$95,354	\$1,620,127
Adopt an Animal	\$23,000	\$1,300	\$835	(\$465)	\$14,675	\$13,614	(\$1,061)	\$24,753
Board Designated for Endowment	\$50,000	\$0	\$173	\$173	\$12,500	\$10,373	(\$2,127)	\$63,984
Education	\$174,675	\$16,140	\$14,234	(\$1,906)	\$38,658	\$38,530	\$9,881	\$175,798
Food Services	\$234,000	\$39,150	\$33,840	(\$5,310)	\$71,100	\$71,106	\$6	\$174,108
Gift Shop	\$202,500	\$33,930	\$41,596	\$7,666	\$61,620	\$92,976	\$31,356	\$213,722
Gratiate Feeding	\$109,300	\$18,300	\$17,633	(\$667)	\$34,800	\$39,395	\$4,595	\$109,168
Grants Fundraising	\$277,920	\$23,000	\$6,665	(\$16,335)	\$92,000	\$33,847	(\$58,153)	\$98,643
Group Event Facility Rental	\$110,000	\$7,000	\$11,648	\$4,648	\$19,500	\$25,112	\$5,612	\$98,634
Interest Income	\$236,000	\$12,000	\$11,451	(\$1,549)	\$52,000	\$42,984	(\$9,016)	\$256,502
Investment Income	\$0	\$0	(\$12,004)	(\$12,004)	\$0	\$539,154	\$539,154	(\$395,416)
Membership	\$604,250	\$98,000	\$74,373	(\$23,627)	\$220,500	\$200,664	(\$19,837)	\$573,947
Special Events	\$373,400	\$15,500	\$10,091	(\$5,410)	\$20,500	\$14,739	(\$5,761)	\$364,790
Singway Exhibit	\$264,290	\$58,150	\$36,819	(\$21,331)	\$89,650	\$69,289	(\$19,762)	\$169,100
Other	\$18,770	\$1,378	\$1,590	\$212	\$6,273	\$17,182	\$10,909	\$17,476
Total Self Generated Revenue	\$4,385,905	\$642,948	\$559,791	(\$83,156)	\$1,284,276	\$1,865,447	\$581,170	\$3,595,338
City of Fresno	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Measure Z-Capital Funds	\$615,120	\$40,000	\$774,422	\$734,422	\$240,000	\$2,916,973	\$2,676,973	\$3,869,778
Measure Z Operating Funds	\$3,449,580	\$278,854	\$244,620	(\$34,264)	\$975,264	\$905,435	(\$69,840)	\$2,768,740
Transfer to from Related Organization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$8,480,905	\$961,832	\$1,578,834	\$617,002	\$2,499,541	\$5,690,844	\$3,191,303	\$10,233,856

# Fresno's Chaffee Zoo Corporation

## Income Statement

@ April 30, 2012

EXPENSES	Current Month				Year-to-Date			
	FY12 Budget	Budget	Actual	Variance	Budget	Actual	Variance	FY11 Unaudited
			@4/30/12			@ 4/30/12		
OPERATING EXPENSES								
Personnel Expenses								
Administration	\$613,767	\$45,479	\$41,395	\$4,160	\$151,501	\$149,967	\$1,534	\$454,133
Animal	\$1,596,573	\$177,725	\$198,501	\$18,224	\$456,501	\$397,921	\$58,580	\$1,453,578
Education	\$690,715	\$17,500	\$17,506	\$4,794	\$152,669	\$173,630	\$5,961	\$582,228
Maintenance Horticulture	\$650,015	\$32,065	\$50,975	\$11,090	\$195,176	\$164,704	\$50,472	\$590,862
Membership Development Marketing	\$376,333	\$59,534	\$27,778	\$1,756	\$111,341	\$95,804	\$15,537	\$356,497
Veterinary	\$206,718	\$16,465	\$16,332	\$84	\$61,315	\$60,192	\$1,123	\$155,739
Visitor Services	\$112,964	\$41,753	\$41,619	\$166	\$140,979	\$132,639	\$8,339	\$455,694
Total Personnel Expenses	\$4,646,800	\$373,332	\$333,058	\$41,273	\$1,339,381	\$1,174,897	\$154,484	\$4,104,740
Other Expenses								
Advertising	\$296,150	\$34,684	\$30,136	(\$5,537)	\$95,917	\$90,644	\$5,273	\$251,601
Animal Feed	\$244,200	\$19,817	\$15,709	\$3,808	\$75,067	\$74,193	\$872	\$217,611
Computer Software	\$14,280	\$4,967	\$2,999	\$1,968	\$16,626	\$5,906	\$5,721	\$25,760
Conservation	\$200,000	\$500	\$1,458	(\$1,958)	\$3,500	\$2,458	\$1,042	\$27,577
Depreciation Expense	\$235,272	\$13,252	\$11,740	\$1,512	\$63,008	\$46,953	\$5,050	\$154,018
Dues	\$33,450	\$10,204	\$169	\$10,035	\$12,717	\$4,179	\$8,537	\$33,773
Equipment	\$145,660	\$12,658	\$5,168	\$4,520	\$37,232	\$19,796	\$17,537	\$15,204
Fleet	\$41,250	\$3,437	\$1,346	\$2,092	\$13,750	\$6,001	\$7,749	\$42,266
Food Catering	\$58,100	\$6,508	\$2,490	\$4,019	\$12,753	\$5,369	\$7,384	\$41,775
Insurance	\$140,000	\$10,000	\$8,666	\$1,334	\$70,000	\$7,336	\$7,664	\$131,407
Miscellaneous Business	\$9,700	\$793	\$417	\$276	\$3,153	\$1,414	\$1,739	\$3,235
Office Supplies	\$33,145	\$2,754	\$1,230	\$1,524	\$11,641	\$3,964	\$7,677	\$34,732
Postage	\$44,045	\$3,541	\$1,308	\$2,233	\$13,965	\$5,186	\$5,869	\$38,639
Printing	\$88,350	\$4,132	\$2,117	\$2,068	\$25,730	\$29,141	(\$3,391)	\$91,469
Repairs and Replacements	\$215,750	\$17,146	\$9,827	\$7,319	\$68,553	\$38,116	\$30,437	\$200,601
Service Bank Credit Card Fees	\$55,040	\$4,728	\$4,423	\$366	\$23,413	\$24,394	(\$981)	\$91,774
Signage	\$15,000	\$1,083	\$1,711	(\$1,628)	\$4,533	\$12,857	(\$8,324)	\$26,947
Specialized Services	\$672,110	\$52,185	\$46,235	\$5,950	\$191,575	\$159,616	\$31,959	\$556,007
Staff Development	\$55,350	\$4,021	\$3,978	\$43	\$19,693	\$5,077	\$14,617	\$50,127



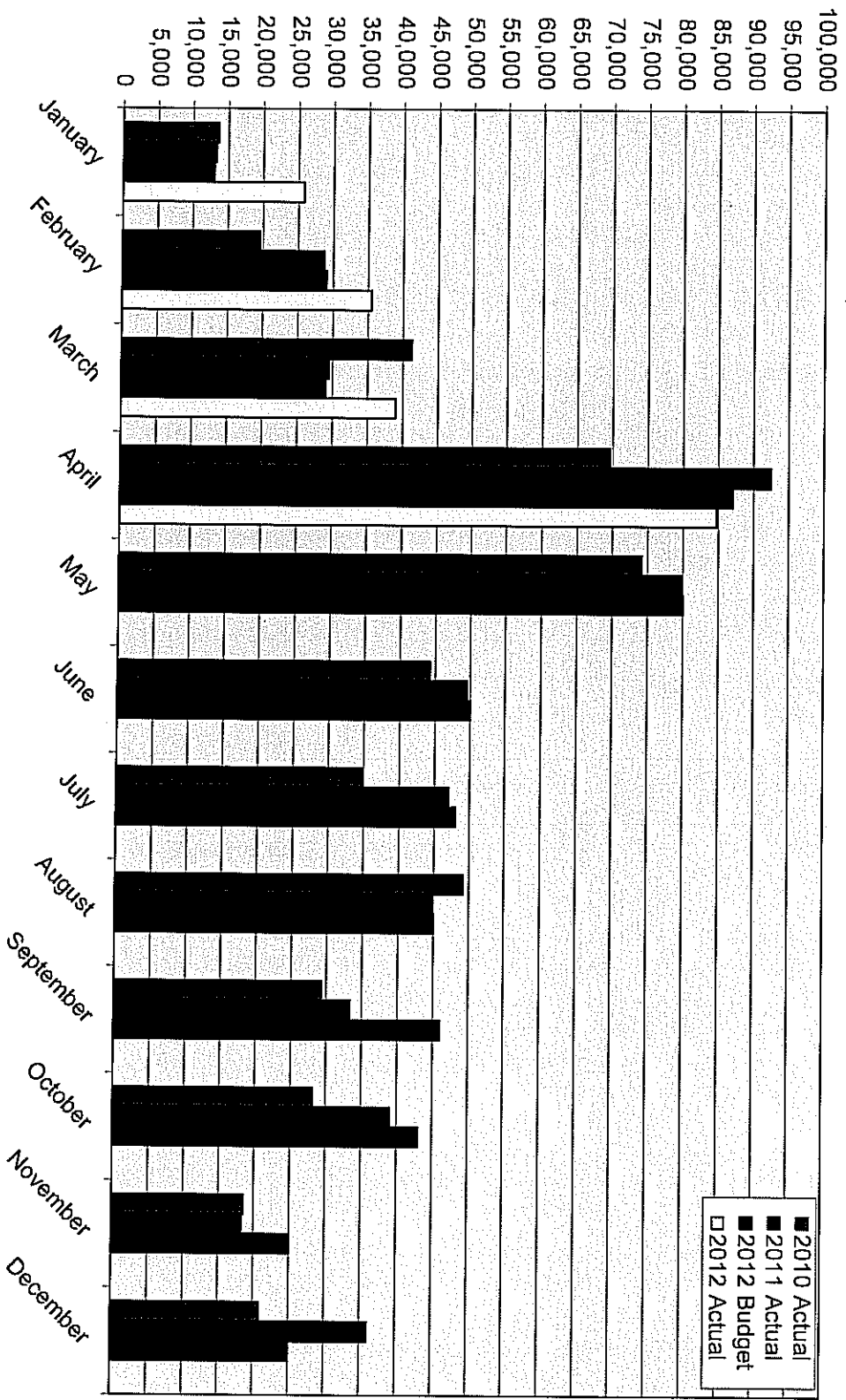
# Fresno's Chaffee Zoo Corporation

## Income Statement

@ April 30, 2012

	Current Month			Year-to-Date			FY11 Unaudited
	FY12 Budget	Budget	Actual @4/30/12	Variance	Budget	Actual @ 4/30/12	
Supplies	\$219,350	\$16,708	\$20,918	(\$4,209)	\$62,838	\$61,570	\$1,288
Telephone	\$42,880	\$3,573	\$2,332	\$1,041	\$14,293	\$8,167	\$6,126
Uniforms	\$30,400	\$9,400	\$171	\$9,229	\$21,478	\$5,890	\$15,588
Utilities	\$452,000	\$37,667	\$24,987	\$12,680	\$150,667	\$82,798	\$67,868
Other	\$86,150	\$9,317	\$5,791	\$3,526	\$28,966	\$21,226	\$7,740
Total Other Expenses	\$3,199,032	\$272,662	\$210,555	\$62,108	\$1,035,315	\$738,835	\$276,480
<b>TOTAL OPERATING EXPENSES</b>	<b>\$7,845,832</b>	<b>\$645,994</b>	<b>\$542,613</b>	<b>\$103,381</b>	<b>\$2,364,606</b>	<b>\$1,933,732</b>	<b>\$430,964</b>
<b>ELIR and Capital Expenditure</b>							
Capital Expenses	\$150,000	\$12,500	\$8,899	\$3,601	\$50,000	\$24,073	\$25,927
Total ELIR and Capital Expenditure	\$150,000	\$12,500	\$8,899	\$3,601	\$50,000	\$24,073	\$25,927
<b>TOTAL EXPENSES</b>	<b>\$7,995,832</b>	<b>\$658,494</b>	<b>\$551,512</b>	<b>\$106,982</b>	<b>\$2,414,606</b>	<b>\$1,957,805</b>	<b>\$456,891</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$14,256,785</b>	<b>\$16,962,502</b>	<b>\$16,962,502</b>	<b>\$0</b>	<b>\$14,256,785</b>	<b>\$14,256,785</b>	<b>\$0</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$485,073</b>	<b>\$303,337</b>	<b>\$1,027,322</b>	<b>\$723,985</b>	<b>\$84,845</b>	<b>\$8,733,039</b>	<b>\$3,648,194</b>
<b>ENDING FUND BALANCE</b>	<b>\$14,741,858</b>	<b>\$17,265,840</b>	<b>\$17,989,824</b>	<b>\$723,985</b>	<b>\$14,341,630</b>	<b>\$17,989,824</b>	<b>\$3,648,194</b>

# Fresno Chaffee Zoo Attendance Comparison 2010 - 2012





DATE: May 30, 2012

TO: Fresno County Zoo Authority Board

FROM: Jeff Blanks, Zoo Authority Accountant

SUBJECT: Zoo Authority Budget for Budget Year 2012-13

---

**RECOMMENDED ACTION:**

**Approve and authorize the estimated revenues and appropriations for the 2012-13 budget year.**

**ALTERNATIVE ACTION:**

An alternative action is to use the Zoo Authority's Net Assets which were \$802,605 as of April 30, 2012.

**DISCUSSION:**

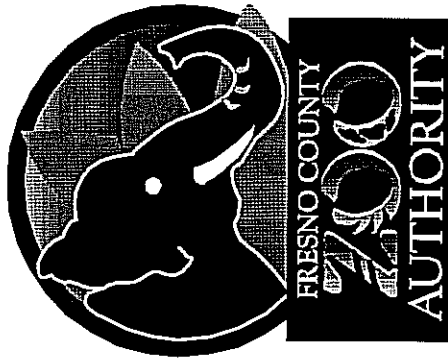
Although economic recovery is occurring throughout the country, California's economic recovery has been somewhat lackluster. As a result, our projected revenues for FY 2012-13 have been estimated to be less than the current year actual revenues. This will result in total allocations of \$199,957 to Zoo Authority.

Also, we estimate that interest revenues will be the same as the previous year.

Expenditure appropriations remain the same for Other Services and Supplies while Professional and Specialized Services have increased \$25,215 over the current year adopted budget and decreased \$2,173 from the current year adjusted budget. This is partly due to an increase in staff time related to claim review.

**FISCAL IMPACT:**

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



AGENDA ITEM 7  
ATTACHMENT A

# Fiscal Year 2012-13 Budget Proposal

**Jeff Blanks**  
Treasurer  
May 30, 2012

# Summarized Proposed Budget

VS

## Prior Year Adopted/Adjusted Budget

<u>Fiscal Summary</u>	<u>Draft Budget FY 2012-13</u>	<u>Adjusted Budget FY2011-12</u>	<u>Adopted Budget FY2011-12</u>
<u>Revenues</u>			
Measure Z Administration (2%)	\$ 199,957	\$ 202,130	\$ 192,130
Interest	12,500	12,500	12,500
Total Revenues	<u>\$ 212,457</u>	<u>\$ 214,630</u>	<u>\$ 204,630</u>
<u>Appropriations</u>			
Professional & Specialized Services	\$ 154,779	\$ 195,880	\$ 129,584
Other Services & Supplies	18,750	18,750	18,750
Contingency	38,928	-	56,296
Total Appropriations	<u>\$ 212,457</u>	<u>\$ 214,630</u>	<u>\$ 204,630</u>
Revenue in Excess of Appropriations	\$ -	\$ -	\$ -
Contracted FTE (Based on 2080 hrs):	1.05	1.36	0.87

# Revenue Forecast

## Fresno County Zoo Authority

### Fiscal Year 2012-13 Revenue Estimates

	PRIOR YR				CURRENT FISCAL YEAR				FISCAL YEAR	
	2009-2010		2010-2011		2011-2012		2012-13		2012-13	
	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	ACTUAL TAX RECEIPTS	ADOPTED BUDGET TAX RECEIPTS	ACTUAL & ESTIMATED TAX RECEIPTS	ADOPTED TO ACTUAL/ESTIMATED VARIANCE	REVENUE ESTIMATE MEASURE Z ZA (2%)		
July	\$ 671,700	\$ 659,300	\$ 659,300	\$ 659,300	\$ 659,300	\$ 719,800	\$ 60,500	9.18%	676,612	13,532
August	\$ 885,300	\$ 857,600	\$ 857,600	\$ 857,600	\$ 857,600	\$ 921,200	\$ 63,600	7.42%	865,928	17,319
September	\$ 810,940	\$ 895,691	\$ 895,691	\$ 895,691	\$ 895,691	\$ 1,057,603	\$ 161,912	18.08%	994,147	19,883
October	\$ 678,000	\$ 677,000	\$ 677,000	\$ 677,000	\$ 677,000	\$ 694,100	\$ 17,100	2.53%	652,454	13,049
November	\$ 743,300	\$ 879,500	\$ 879,500	\$ 879,500	\$ 879,500	\$ 878,500	\$ (1,000)	-0.11%	825,790	16,516
December	\$ 971,061	\$ 932,350	\$ 932,350	\$ 932,350	\$ 932,350	\$ 1,240,028	\$ 307,678	33.00%	1,165,626	23,313
January	\$ 719,900	\$ 710,700	\$ 710,700	\$ 710,700	\$ 710,700	\$ 770,100	\$ 59,400	8.36%	723,894	14,478
February	\$ 944,000	\$ 919,900	\$ 919,900	\$ 919,900	\$ 919,900	\$ 978,600	\$ 58,700	6.38%	919,884	18,398
March	\$ 628,563	\$ 821,858	\$ 821,858	\$ 821,859	\$ 821,859	\$ 1,006,649	\$ 184,790	22.48%	946,250	18,925
April	\$ 594,300	\$ 618,400	\$ 618,400	\$ 618,400	\$ 618,400	\$ 716,100	\$ 97,700	15.80%	673,134	13,463
May*	\$ 847,200	\$ 876,500	\$ 876,500	\$ 876,500	\$ 876,500	\$ 826,658	\$ 9,558	1.17%	777,059	15,541
June*	\$ 821,511	\$ 963,040	\$ 963,040	\$ 963,040	\$ 963,040	\$ 826,658	\$ 9,558	1.17%	777,059	\$ 15,541
Total	\$ 9,315,775	\$ 9,811,839	\$ 9,811,839	\$ 9,811,839	\$ 9,811,839	\$ 10,635,996	\$ 1,029,496	9.68%	\$ 9,997,836	\$ 199,957
Estimated Interest Revenue (based on PY actuals)									12,500	
Total Projected Revenue									\$ 212,457	

\* Estimated Measure Z tax receipts for May through June 2012

# Revenue Forecast

- The total estimated and actual Measure Z revenues for FY 2011-12 are \$10,635,996 resulting in a \$212,720 allocation to the Zoo Authority. This represents an 11% increase over budgeted amounts.
- Revenues for fiscal year 2012-13 are projected to decline by 6% and will reflect the 2012-13 expected totals of \$9,997,836. This provides \$199,957 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 2012-13
7040	Telephone Charges	\$ 500
7250	Memberships	1,000
7265	Office Expense	6,000
7268	Postage	1,500
7287	PeopleSoft Financials Charges	750
7295	Professional & Specialized Services	154,779
7296	Data Processing Services	3,000
7325	Publications & Legal Notices	1,000
7415	Trans, Travel & Education	5,000
	Total Services and Supplies	173,529
	Contingency	38,928
	Total Contingency	38,928
	<b>Total Appropriations</b>	<b>\$ 212,457</b>



# Professional & Specialized Services (\$)

- All 7000 series budget appropriations, except for account 7295 (Professional & Specialized Services), were brought forward from the prior year and recommended for fiscal year 2012-13.
- The recommended appropriations for account 7295 for fiscal year 2012-13 are \$154,779 which is greater than last year's adopted budget by 19% but less than last year's amended budget by 21%.
  - Attached you will also find a year-by-year comparison of all 7000 series accounts as they relate to our budget projections for FY 2012-13.
  - Fiscal year 2011-12 saw an increase in accounting staff claims review, Coordinator claims review, and County Counsel time attributable to an increase in capital projects activity that had not been seen in previous years. A chart is provided to display the year-by-year capital projects claims activity.

# 7000 Account Series

## Prior Year Performance Comparison

Account	Prior Years					Current Fiscal Year			Projected Fiscal Year	
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Adopted	Adjusted	Actual *	Projected	% Change
	Actual	Actual	Actual	Actual	Actual				2012-2013	
7040 Telephone Charges	-	-	-	-	-	500.00	500.00	-	500.00	100%
7250 Memberships	-	-	-	-	-	1,000.00	1,000.00	-	1,000.00	100%
7265 Office Expense	2,627.53	1,704.67	2,769.56	3,319.62	3,881.09	6,000.00	6,000.00	4,471.82	6,000.00	25%
7268 Postage	-	189.67	59.40	181.16	154.00	1,500.00	1,500.00	-	1,500.00	100%
7287 Peoplesoft Financials Chg	-	-	604.00	156.00	407.22	750.00	750.00	750.00	750.00	0%
7295 Professional & Specialized Svc	92,358.27	65,215.24	95,111.70	81,632.37	91,433.92	129,584.00	195,880.00	178,163.24	154,779.00	-15%
7296 Data Processing Services	-	-	-	-	-	3,000.00	3,000.00	-	3,000.00	100%
7325 Publications & Legal Notices	-	-	-	-	-	1,000.00	1,000.00	-	1,000.00	100%
7415 Trans, Travel & Education	-	-	-	-	-	5,000.00	5,000.00	-	5,000.00	100%
7000 Services And Supplies	94,985.80	67,109.58	98,544.66	85,289.15	92,276.23	148,334.00	214,630.00	183,385.06	173,529.00	-6%
8991 Approp For Contingencies	-	-	-	-	-	56,296.00	-	-	-	0%
8991 Approp For Contingencies	-	-	-	-	-	56,296.00	-	-	-	0%
Total Expenditures	94,985.80	67,109.58	98,544.66	85,289.15	92,276.23	204,630.00	214,630.00	183,385.06	173,529.00	-6%

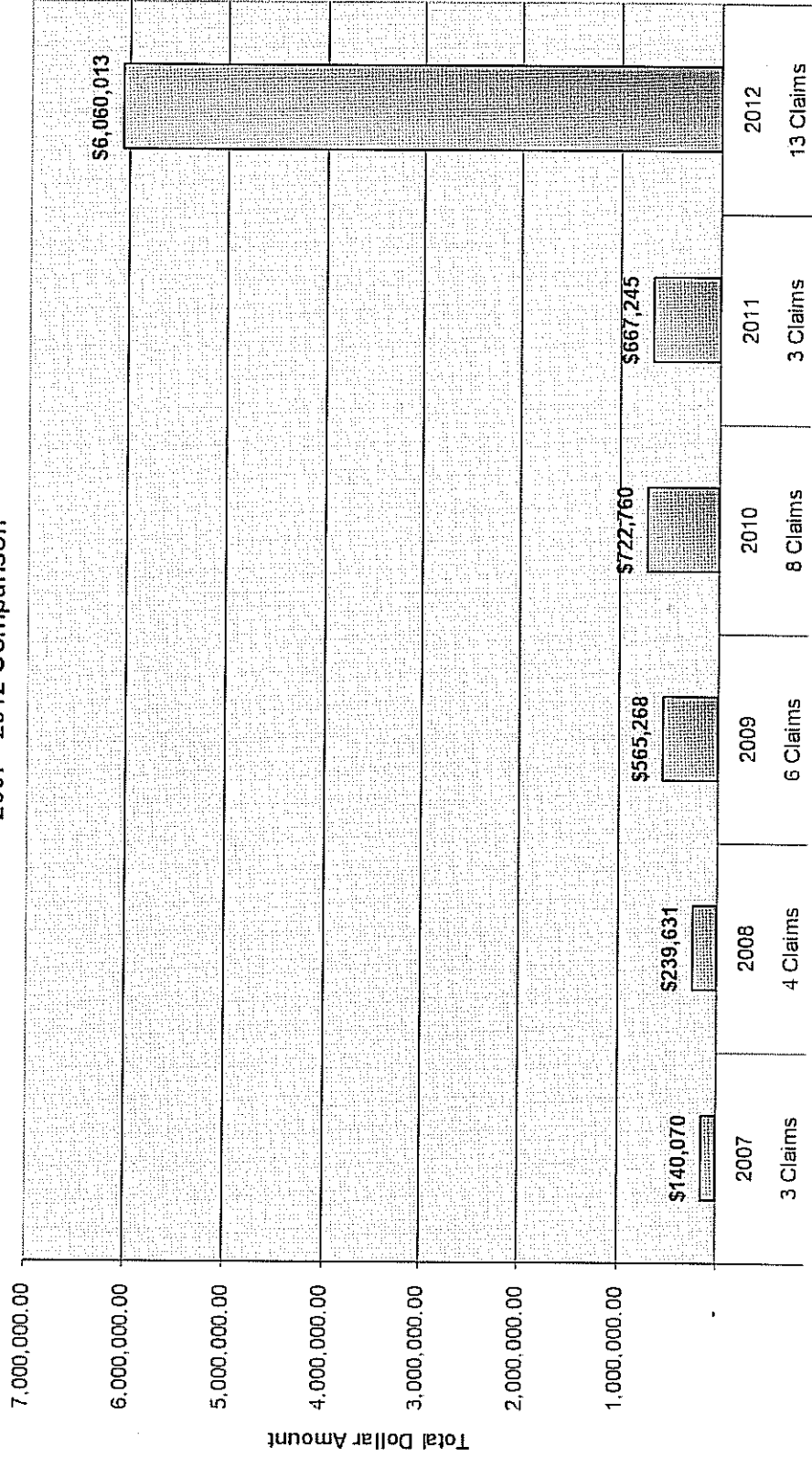
\* Actual amounts include invoices through February 2012 and projections through June 30, 2012.

\* Actual amounts include invoices through February 2012 and projections through June 30, 2012.

# Professional & Specialized Services

## (Yearly Capital Projects Comparison)

Capital Claims by Fiscal Year:  
2007 - 2012 Comparison



Number of Claims by Fiscal Year

# Professional Services Detail

## 2012-13 Proposed Budget

Title	Budget Hours	Estimated Rates	FY12-13 Budget
Coordinator	850	63	53,635
Office Assistant	85	30	2,508
Senior Accountant	350	79	27,489
Accountant I	600	60	35,808
A & F Division Chief	50	80	3,979
Sup. Accountant	-	84	-
County Counsel	250	113	28,250
Audit Fees			3,110

2,185

154,779

# Professional Services Detail

## Estimated Professional & Specialized Services FY2012-13 Prior Year Comparison

Title	2011-12 Budget Hours	2011-12* Actual Hours	2012-13 Budget Hours	Adjusted Budget % Variance	Original Budget % Variance
Coordinator	701	989	850	-14%	21%
Office Assistant	55	93	85	-9%	55%
Senior Accountant	395	194	350	80%	-11%
Accountant I	0	225	600	167%	0%
Accountant II	516	418	-	-100%	-100%
A & F Division Chief	2	2	50	2400%	2400%
Sup. Accountant	95	250	-	-100%	-100%
County Counsel	36	318	250	-21%	594%
	1,800	2,489	2,185	-12%	21%

Title	FY11-12 Original Budget	FY11-12 Adjusted Budget	FY12-13 Proposed Budget	Adjusted Budget % Variance	Original Budget % Variance
Coordinator	44,233	62,406	53,635	-14%	21%
Office Assistant	1,623	2,744	2,508	-9%	55%
Senior Accountant	31,023	15,237	27,489	80%	-11%
Accountant I	-	13,428	35,808	167%	0%
Accountant II	35,671	28,896	-	-100%	-100%
A & F Division Chief	159	159	3,979	2400%	2400%
Sup. Accountant	7,956	20,938	-	-100%	-100%
County Counsel	4,068	35,934	28,250	-21%	594%
	124,734	179,742	151,669	-16%	22%

\* Actual hours through February Invoicing; estimated March - June

# Fiscal Year 12-13 Budget Approval

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



## AGENDA ITEM 9

DATE: May 30, 2012

TO: Fresno County Zoo Authority Board

FROM: Catherine Crosby

SUBJECT: Zoo Authority Board Meeting Calendar

### RECOMMENDED ACTION:

Discuss Board meeting calendar and approve quarterly meeting schedule of February, May, August and November, keeping reserved meeting dates for special meetings as needed.

### ALTERNATIVE ACTION:

Keep current calendar of reserved meeting dates, and continue to set the next meeting date(s) at each meeting.

### DISCUSSION:

During staff reports at your Board's March 28, 2012 meeting, members directed staff to return with an agenda item to discuss the possibility of changing the Authority's meeting schedule from the current monthly reserved meeting date calendar and practice of setting the next meeting date(s) during the present meeting, to a calendar of specific dates. Presently, special meetings can be called by the Chair at any time, and the last Wednesday of each month may continue to be reserved at the Fresno County Employees' Retirement Association board room. Other locations could be found, if necessary.

Authority bylaws (I.3.b) states that

"The Board shall meet at least 4 times a year and set its meeting schedule as far in advance as possible."

A review of meeting dates since the inception of the appointed Board shows that meetings are held most often in April, June, August, October and November, and least often in January, May September and December. There has also been a trend of fewer meetings each year.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total by year
2005				x		x		x	x	x	x	x	7
2006	x	x	x	x	x	x	x			x			8
2007	x		x	x		x	x	x		x	x	x	9
2008		x		x		x		x		x	x		6
2009		x		x		x		x		x	x		6
2010		x		x			x	x			x		5
2011			x		x		x		x		x		5
2012	x		x		x								3
<b>Total by month</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>49</b>

A review of agenda items at these meetings shows actions that consistently occur at certain times of the year or specific month, with all other items placed on the agenda as needed.

- Consent items at each meeting:
  - Approval of minutes
  - administrative cost reimbursement
  - receipt of Treasurer's monthly reports
- Nominations of officers at the first meeting of the year
- Adoption of the administrative budget in June or earlier
- Receipt of the Zoo Corporation's annual audit in the spring
- Approval of the Authority's annual report and receipt of audit in November
- Approval of the Zoo Corporation's annual operations budget in November

Setting quarterly meeting dates would still allow the Board to take action on required items in a timely manner, allow staff to better integrate their County duties with their and Zoo Authority duties; and allow the scheduling well in advance for Zoo Corporation funding requests, conferences, and vacations for both the Zoo Corporation staff, and the Authority Board and staff.

Also worth noting is the Fresno Chaffee Zoo Corporation Board's recent change to their meeting schedule from monthly to quarterly. Their 2012 meeting dates are February 16, May 24, August 9 and November 8.

FISCAL IMPACT:

Fewer meetings save staff costs in preparation and attending meetings, and overhead for the Retirement offices meeting room and staff.



# Zoo Authority 2012 Reserved Meeting Dates

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

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

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

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

Jan 1	New Year's Day			Nov 11	Veterans Day
Jan 2	New Year's Day observed	Apr 8	Easter Sunday	Nov 12	Veterans Day observed
Jan 16	Martin Luther King Day	May 28	Memorial Day	Nov 22	Thanksgiving Day
Feb 20	Presidents' Day	Jul 4	Independence Day	Nov 23	County Thanksgiving Holiday
Mar 30	César Chávez Day observed	Sep 3	Labor Day	Dec 24	Christmas Eve
Mar 31	César Chávez Day (CA)			Dec 25	Christmas Day



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## PROCEDURES

DATE: Revised March 28, 2012

ISSUED BY: Board of Fresno County Zoo Authority

RE: **Procedures for Approving and Administering Measure Z Funds**

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### PURPOSE

To provide guidelines for the authorization and administration of Measure Z funds by the Fresno County Zoo Authority (Authority).

### OVERVIEW

On November 2, 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 Chaffee Zoo. The procedures described herein apply to the management and disbursement of Measure Z funds.

Simplified, the bylaws of the Fresno County Zoo Authority provide that the tax revenue can be used for the administration of the Fresno County Zoo Authority and be allocated to *"the entity operating the Chaffee Zoo"* for on-going operations, maintenance and capital facilities projects at that location. [Note: Fresno's Chaffee Zoo Corporation (FCZC) became *"the entity operating the Chaffee Zoo"* on January 1, 2006.

The Fresno County Zoo Authority Board (Board) will review and approve Measure Z funded line items of FCZC's operations and capital projects budgets. Once approved by the Board, FCZC claims for reimbursement will be submitted to the Administrator for review and approval. Approved claims will then be forwarded to the Zoo Authority Treasurer (Treasurer) for accounting and payment processing.

Notes:

1) As per the intent of the AGREEMENT REGARDING PROCEDURES FOR THE DISTRIBUTION OF TAX REVENUE TO THE CHAFFEE ZOO (#05-237) between the Fresno County Zoo Authority and Fresno's Chaffee Zoo Corporation, entered into December 21, 2005, these procedures provide the method for the requests for and approval of the distribution of Measure Z funds.

2) These procedures will be reviewed with the Zoo Authority as needed for opportunity to update, amend, or edit to achieve greater efficiencies.

Staff will report to the Authority during each year on the effectiveness of the procedures described herein and, with Authority approval, may modify the procedures based on additional history, experience or changes in technology.

3) The responsibilities of the Zoo Authority Administrator specified in these procedures may be carried out by a designee, the Zoo Authority Coordinator.

4) Per AGREEMENT, the County of Fresno Auditor-Controller/Treasurer-Tax Collector or their designee serves as Treasurer for the Zoo Authority.

## FINANCIAL MANAGEMENT SYSTEM

Through its approval of this procedure, the Authority has adopted a method of financial management that intends to be responsive to the needs of a small staff, while assuring payment procedures and monitoring controls that assure high accountability in the expenditure of public monies.

The Authority's financial management records will be maintained by the Treasurer in the County of Fresno's financial information system, PeopleSoft. (**Exhibit 1**)

- There are two separate funds used to track and record all Measure Z financial activity. Procedures regarding these funds are outlined in the Zoo Authority By-laws.
- Fund 4845 has been established to track and record Authority administration costs. The bylaws provide *"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 Fresno's Chaffee Zoo Corporation (FCZC). "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."* Procedures regarding this fund are outlined in **Attachment A**.
- In accordance with the bylaws, the remaining annual tax proceeds will be allocated to reimburse qualifying FCZC operating and capital project claims. This Measure Z activity is tracked using fund 4850. Within this fund, two sub-classes (10000 and 42700) have been established to segregate monies available for disbursement to FCZC to be used in operations (10000) and capital facilities projects (42700). Procedures regarding this fund are outlined in **Attachment B**.
- All funds are deposited with Fresno County Treasury and earn interest.

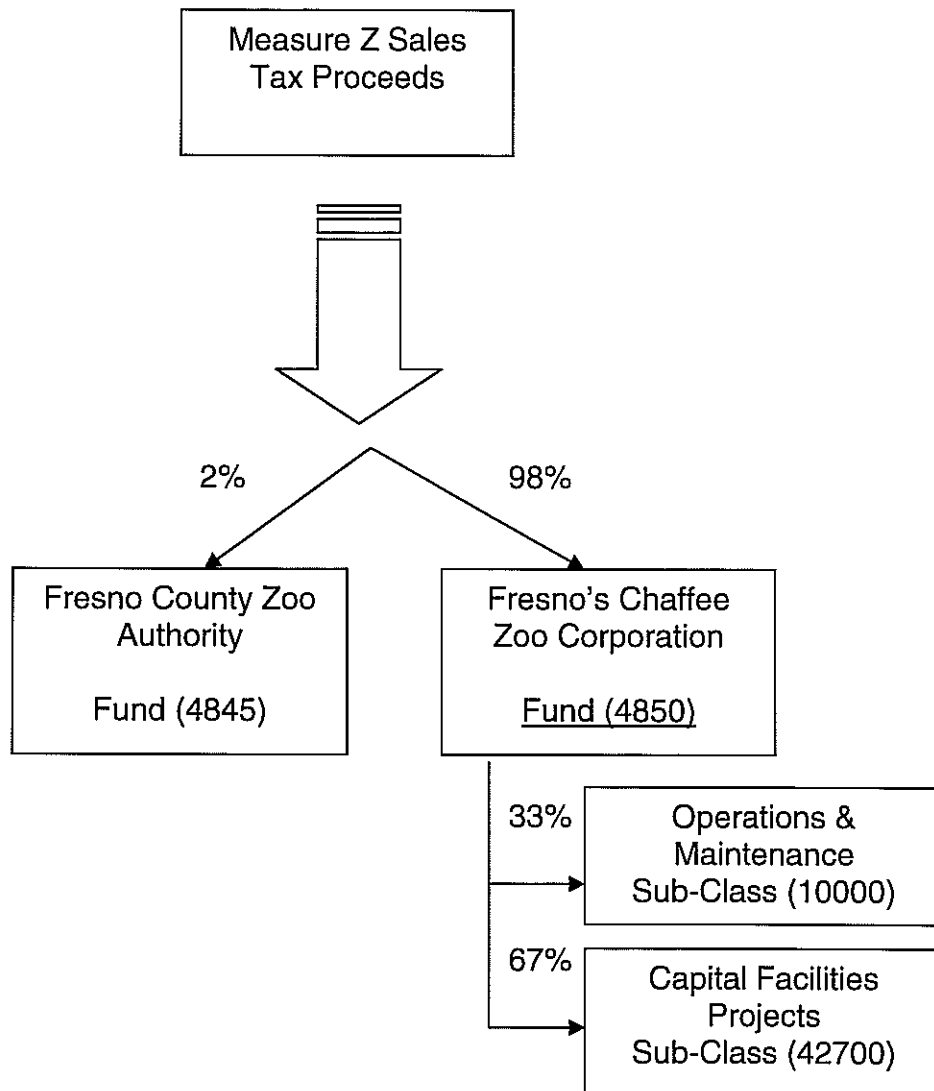
Once the funds are disbursed to FCZC, the Authority's oversight extends to request monthly financial reports, annual audited financial statements with auditor's report, and annual agreed-upon procedures report of FCZC. The audited financial statements and/or related note disclosures must provide information specific to revenue and expenditures of Measure Z dollars related to on-going operations, maintenance and capital facilities projects at the Chaffee Zoo.

Sections, in order:

<b>Exhibit 1</b>	Financial Management System - Cash Fund Structure
<b>Attachment A</b>	Zoo Authority Procedures
<b>Exhibit 2</b>	Zoo Authority Claims Approval Process Flow Chart
<b>Attachment B</b>	Disbursement of Funds to Fresno's Chaffee Zoo Corporation (FCZC)
<b>Exhibit 3</b>	Sample – Disbursement Claim Format
<b>Exhibit 4</b>	Zoo Corporation Claims Approval Process Flow Chart

## Exhibit 1 – Financial Management System

### Cash Fund Structure



# **ATTACHMENT A**

## ***ZOO AUTHORITY POLICIES AND PROCEDURES***

## ATTACHMENT A

### ZOO AUTHORITY POLICIES AND PROCEDURES

#### I. Authority Annual Budget and Control Policies:

As a matter of policy, the Authority intends to maintain the flexibility necessary to administer Measure Z funds through a minimalist approach with emphasis on delivering oversight and performing due diligence in using public monies.

The Authority shall adopt an annual budget of its own administrative expenditures each fiscal year (July 1 to June 30). The adoption of the annual budget will be done during an Authority public meeting not later than one (1) day prior to the start of the next fiscal year. The Authority's proposed annual budget will be available for public inspection at least fifteen (15) days prior to the meeting. The Authority is not required to adhere to the specific requirements of the County Budget Act.

While the Authority may vary from this schedule, the anticipated timeline for the Authority to prepare and approve its own budget is as follows:

Suggested Budget Timeline	
March	Review Authority's current year spending and create forecasts for next fiscal year (Measure Z revenues, administrative 2%, and expenditures)
April	Present and discuss draft Authority Budget at own Public Meeting
May	Review and Approve Budget at own Public Meeting

The annual budget is a line item budget consisting of several categories (object level) which may include Salaries and Employee Benefits, Services and Supplies, Equipment, and Other Charges. It is the Authority's policy that revenue exceeding expenditures during the budget/fiscal year will be added to the Administrative fund balance and held there until otherwise designated by the Zoo Authority Board.

#### II. Contracted Staff Responsibilities

##### A. *Auditor-Controller/Treasurer-Tax Collector:*

The Auditor-Controller/Treasurer-Tax Collector (Treasurer) will provide staff to serve as accountant and treasurer for the Authority, and will exercise the fiscal responsibility to review, account for, and process payment of claims that are consistent with Authority approved budget appropriation limits at the line item level.

The Authority accepts the Treasurer's opinion on generally accepted accounting principles (GAAP) and will defer to the Treasurer on the appropriate accounting and reporting treatment for



financial transactions related to the Administration, recording, and disbursement of Measure Z funds.

***B. Responsibilities of Zoo Authority Administrator (or Designated Coordinator):***

The Zoo Authority Administrator (County Administrative Officer) will act as a management official of the Zoo Authority to provide full administrative support, and to ensure separation of duties for internal control purposes. The Zoo Authority Administrator, or designated coordinator, will act on behalf of the Authority to perform all of the following functions:

- 1) make allowed/authorized purchasing requests
- 2) receive, review, and gain appropriate approval for Authority administrative claims prior to submitting them to the Treasurer for payment
- 3) receive, review, and approve or deny payment of all FCZC claims based on supporting documentation submitted to substantiate each claim; ensure that claims are consistent with the Board-authorized project plan, and approved budget appropriation limits at the line item and project levels
- 4) forward approved claims to the Treasurer for payment
- 5) request for and review all documentation required by these procedures from external entities (including FCZC and the City of Fresno) to ensure compliance by FCZC. This documentation includes, but is not limited to, reports on annual audit and agreed-upon procedures engagement required of FCZC, and certification of City of Fresno funds required of FCZC and the City of Fresno. In addition, the Administrator will communicate any findings or reportable conditions identified in the review of these documents to the Zoo Authority Board.

As management for the Authority, the coordinator will have the authority (on approval by the Authority Board Chair) to request from other Authority Staff the preparation of documents that may provide additional financial information to the Board. This includes, but is not limited to, additional accounting reports from the Treasurer and legal opinions from Legal Counsel that may clarify financial matters. Such requests should be made in writing or via e-mail. Authority staff (Treasurer, Legal Counsel, etc.) should provide the requested documentation within 14 business days of the request.

### **III. Authority Financial Policies:**

- A. In the absence of an Authority policy to the contrary, the Standards and Procedures for Counties, State of California, will be used as the Authority guide on fiscal matters.
- B. All expenditures of the Authority will be on a "claims" approval basis tracked against approved budget categories. (See *Authority Claims Approval Process/Procedures*)

### **IV. Authority Claims Approval Process/Procedures:**

The following information pertains to payment for Authority expenses, based on the Authority's own approved administrative budget. These adopted procedures, as part of the financial management system of the Authority, provide for a high degree of accountability, monitoring, and tracking. All expenditures must be claim based, i.e., a bill or claim for payment in writing.

Only claims for reimbursements or for payments for goods and services, acceptable in the Measure Z ordinance and Authority bylaws, will be accepted and approved by the Zoo Authority Administrator and processed for payment by the Treasurer. Timeliness is important; therefore, when possible, claims should reflect work performed or goods received during the preceding thirty (30) day period.

#### **A. Non Fresno-County Related Expenses**

- 1) All claims must be submitted to the Zoo Authority Administrator. The Treasurer will not accept any direct requests for claims of Zoo Authority administrative expenses.
- 2) The Administrator will review all claims and/or vendor invoices against the approved budget line items (i.e., funds must be in the appropriate category).
- 3) Claims submitted with insufficient/inappropriate documentation, against an unapproved budget line item, or exceeding budget limits will be rejected by the Administrator and returned to Fresno Chaffee Zoo Corporation.
- 4) Upon completion of review and approval of claims, the Administrator will forward them to the Treasurer for payment processing.
- 5) Once an Administrator-approved claim is received the Treasurer will review, account for, and process payment in a timely manner, provided the claim is within budget appropriation limits at the line item level.

- 6) If sufficient cash is not available to pay a valid claim, the Treasurer will contact the Administrator, who will seek direction from the Authority at the next public meeting by presenting the claim and a recommendation to the Authority.
- 7) Treasurer's reports will be available monthly, tracking the expenditures, the categories, the level of expenditures and the amount available for future spending.
- 8) In addition, the Administrative and Trust Funds will be reconciled and reports will be furnished to the Authority as part of the Treasurer's Report for further tracking of expenditures and reporting their status.

#### B. Fresno-County Related Expenses

- 1) All claims must be submitted to the Zoo Authority Administrator. The Treasurer will not accept any direct requests for claims of Zoo Authority administrative expenses.
- 2) The Administrator will review and summarize all claims monthly. The summary must be presented to the Authority for its approval prior to submitting the claims to the-Treasurer for payment.
  - a) *Exception:* Where summarizing and seeking Authority approval prior to submission to Treasurer would delay payment more than sixty (60) days from the claim due date, the Administrator is authorized to submit claims of less than \$1,000 on an individual basis to the Treasurer for expeditious payment processing, and the Administrator is further directed to report the payment in arrears to the Authority.
- 3) Any claim for payment to the County of Fresno (for contracted staff services to the Zoo Authority Board) must be presented to the Authority for its approval prior to submitting the claim to the Treasurer for payment. Authority approval will be documented by a minute order authorizing the specific payment. No time element exception exists for County of Fresno invoices.
- 4) Claims will be reviewed by the Zoo Authority Administrator for their appropriateness and to ensure it is within budget appropriation limits at the line item level.
- 5) No claim for reimbursement shall be paid without formal approval of the Authority unless the approval is delegated to the Zoo Authority Administrator.
- 6) All claims formally approved by the Authority will be documented by a minute order authorizing payment.

- 7) Where approval is delegated to the Zoo Authority Administrator, authorization to pay claims is derived from an approved budget.
- 8) Claims for reimbursement or payment of administration expenses on behalf of the Authority shall include the signature of the Zoo Authority Administrator, or designee, reference to the source of the authorizing approved budget (specifically, the account to be charged), and be submitted to the Treasurer in writing.
- 9) Records of all claims paid will be kept in accordance with the County of Fresno records retention policy and may be maintained as paper records ("hard copy") or scanned and maintained electronically ("soft copy") for audit purposes and future reference.

**V. Authority Purchasing Policies:**

The Authority may contract with any department or agency of the United States, with any public agency, including but not limited to, the County of Fresno, or any county, city or district, with any vendor or with any person upon any terms and conditions that the Authority finds in its best interest.

With the exception of the contract with the County of Fresno for staff services, contracts for the purchase of services, supplies, equipment, and materials in excess of ten thousand dollars (\$10,000.00) shall be awarded through competitive bidding processes, except in an emergency declared by the Authority, or by an executive committee to which the Authority has delegated responsibility to make that declaration.

If after rejecting bids received under the above, the Authority determines and declares that, in its opinion, the services, supplies, equipment or materials may be purchased at a lower price on the open market, the Authority may proceed to purchase these services, supplies, equipment, or materials in the open market without further observance of the provisions regarding contracts, bids, or advertisements.

The Authority may use the purchasing/bidding capabilities of the County where timely application and the combining with its larger volume purchasing abilities would be advantageous to the Authority.

Wherever feasible, the Authority will establish contracts that are negotiated and created on a not to exceed basis with a delineation of the goods and/or services to be provided.

**VI. Authority Contract Policies:**

The Zoo Authority Administrator is authorized on behalf of the Authority to enter into agreements and contracts or purchases for services and supplies up to a maximum amount of \$5,000 per vendor per year, or for multi year contracts up to a maximum of \$5,000, in accordance with an approved budget.

Contracts or purchases with vendors exceeding \$5,000 limit must be presented to the Zoo Authority Board for approval. Any contract with the County of Fresno (for contracted staff services) must be presented to the Zoo Authority Board for approval.

**VII. Authority Financial Reporting and Audits:**

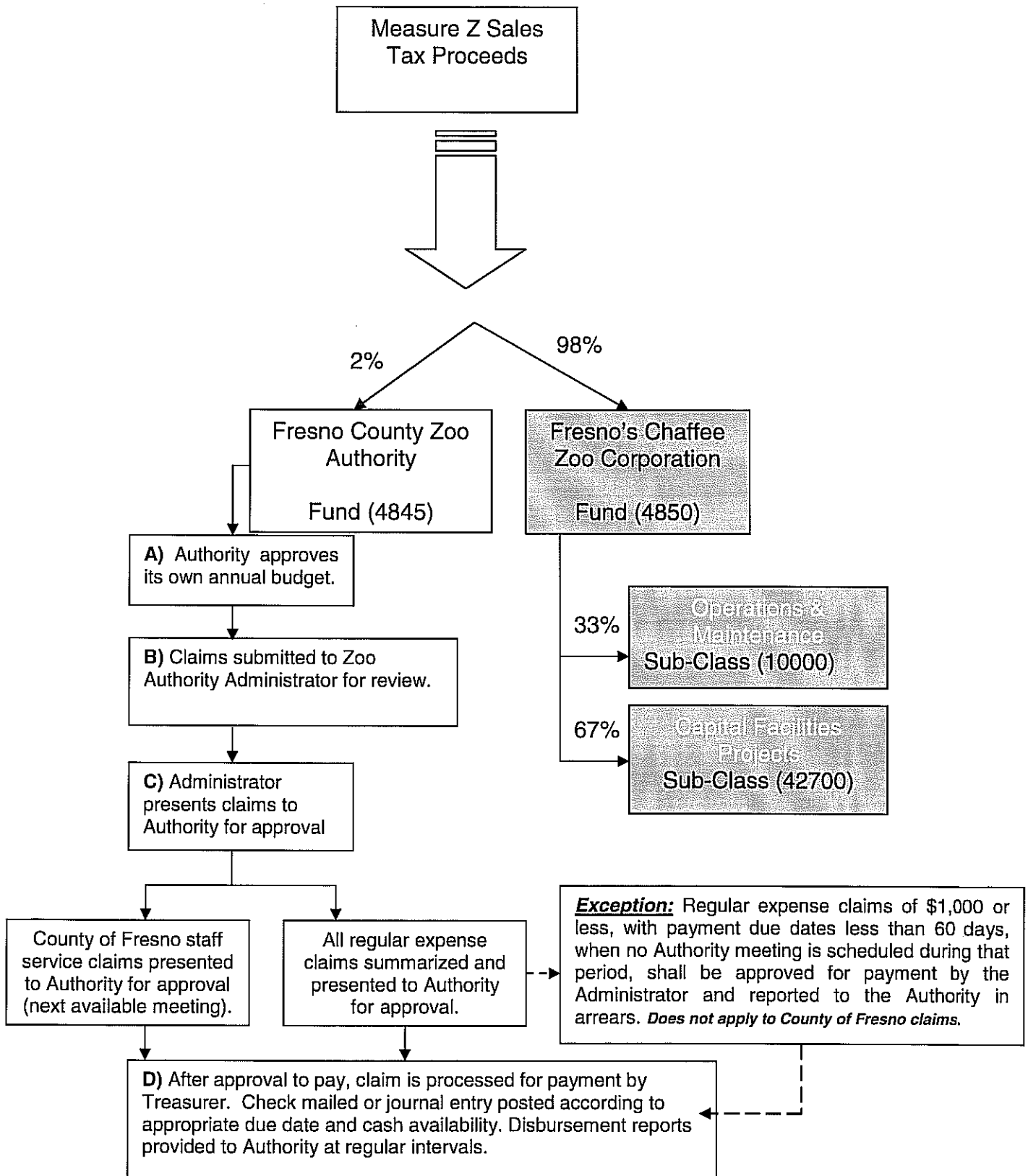
The office of the Auditor/Controller – Treasurer/Tax Collector will prepare the Authority's Financial Statements at the end of each fiscal year. These financial statements will be audited by an external certified public accountant or firm (independent auditor) as selected by the Zoo Authority Board or committee appointed by the Board. The annual audit will be conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The report issued by the independent auditor as well as the related financial statements will be presented to the Zoo Authority Board and the general public at an Authority publicly noticed meeting. Notice of this presentation will be communicated to the public via the Authority's website at least 15 days prior to the meeting.

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***Inquiries Related to these Policies and Procedures:***

Questions regarding these policies and procedures should be directed to the Administrator or may be raised during public comment at any Authority publicly noticed meeting.

## Exhibit 2 – Zoo Authority Claims Approval Process Flow Chart



## **ATTACHMENT B**

### ***ZOO AUTHORITY POLICIES AND PROCEDURES FOR APPROVAL AND DISBURSEMENT OF FUNDS TO FRESNO'S CHAFFEE ZOO CORPORATION (FCZC)***

**ATTACHMENT B**

**ZOO AUTHORITY POLICY AND PROCEDURES FOR APPROVAL AND  
DISBURSEMENT OF FUNDS TO FRESNO'S CHAFFEE ZOO CORPORATION  
(FCZC)**

This policy applies to approval and subsequent authorization to disburse Measure Z Funds to FCZC for Operations and Capital Projects

**I. Operations**

**A. *Operations Budget***

- 1) Each year, FCZC shall present *operations* budget line items (accounts) to be funded by Measure Z for approval by the Zoo Authority Board. The segregated line items shall be specifically identified in the FCZC budget and shall be funded 100% (up to the budget amount) with Measure Z operations funds.
- 2) When the FCZC *operations* budget has been presented and Measure Z funded line items have been approved by the Authority, and as long as all other funding criteria as specified in the bylaws and claim supporting documentation requirements are met, the Authority adopts a policy of a standing authorization delegating final claim approval authority to the Administrator (or designated Coordinator) and approving the Treasurer to release funds to FCZC in accordance with the Administrator's signed approval and Board approved budget limits.

**B. *Disbursement of Measure Z Funds for Operations***

- 1) FCZC shall submit a monthly operations claim separately for each month of the year within 60 days after the end of the month, with the exception of the first claim of the year which shall be submitted within 90 days after the end of the month.
- 2) The claim template at Exhibit 3 should be used by FCZC. This template may be modified as mutually agreed by the Authority and FCZC.
- 3) Reimbursement may only be requested for incurred expenses. No prepaid expenses or deposits on goods/services will be reimbursed, unless authorized through an Authority Board action at a public meeting.
- 4) Each operations claim may only contain expenses incurred during the current budget year. Reimbursement will not be processed for expenses incurred in prior years, unless authorized through an Authority Board action at a public meeting.



Financial Procedures  
Fresno County Zoo Authority

- 5) Claims submitted shall have supporting documentation for expenses, including copies of the general ledger and/or other financial reports extracted from the FCZC official accounting system, invoices and vendor contracts.
- 6) In general, disbursements to FCZC will be equal to or greater than \$100,000 at a time.
- 7) Subsequent to approval of the FCZC Measure Z funded budget line items, the Authority does not need to take action for each disbursement or release of funds. The Administrator is granted standing authority to approve claims submitted by FCZC. The Treasurer is granted authority to disburse funds (initiate the cash transaction) in accordance with budget limits for Measure Z funded line items, when the Treasurer receives the approved claim from the Administrator. The Treasurer will not accept claims directly from FCZC.
- 8) All disbursement claims shall be submitted to the attention of the Administrator. The disbursement request may be submitted to the Administrator as a "hard copy" (on paper with a manual signature) or "soft copy" (preferred - received electronically from a specific authorized approver's email address).

Annually or when changes in personnel occur, the FCZC shall affirmatively confirm for Zoo Authority personnel which FCZC personnel are authorized to approve and submit claims for disbursement of Measure Z funds.

- a) Hard copy disbursement claims shall be sent to: County of Fresno, Department of Public Works and Planning, Attn: Zoo Authority Coordinator, 2220 Tulare Street, 6<sup>th</sup> Floor, Mail Stop #214, Fresno, CA 93721.
  - b) Soft copy disbursement claims shall be emailed to the Zoo Authority Coordinator, with a carbon copy to the Treasurer.
- 9) Disbursement claims shall reference the source of the authorizing approved budget (operations, capital facilities project) and specify how the funds are to be disbursed (check, wire transfer). (Sample as **Exhibit 3**)

Any disbursement request that would exceed the budgeted amount of a particular Measure Z funded line item shall include explanations by FCZC's management and details of variances of 25% or \$25,000 (whichever is less) per month.

Unless extraordinary circumstances require faster or slower processing of the request, total processing time from Administrator's receipt of a complete claim should not exceed 13 business days. Claims will be processed in the order received.

Through each step in the claim process, the Administrator, Treasurer and FCZC will maintain communication by email to track the claim, anticipate and manage any problems, and minimize delays.

- 10) The Administrator will work directly with FCZC to ensure all required documentation to support the claim is provided, and to verify that the claim request is within approved budget limits at the line item level. Disbursement claims submitted with incorrect, improper, or insufficient supporting documentation will be returned by email to FCZC for revision and re-submittal, and the Treasurer notified.
- 11) FCZC disbursement claims will be reviewed and approved, or returned to FCZC by the Administrator within three (3) business days, unless extraordinary circumstances require faster or slower processing of the request.
- 12) Once approved, the Administrator will notify FCZC and forward the claim by email to the Treasurer for payment processing.
- 13) The Treasurer will review the claim for accounting form to ensure disbursement is in compliance with the approved budget limits, and accounting principles generally accepted in the United States.

If sufficient cash is not available to pay a valid disbursement claim, the Treasurer will seek direction from the Authority at the next regularly scheduled public meeting, or specially requested meeting, by presenting the claim and a recommendation to the Authority.

Payment of the claim will be processed as expeditiously as possible, within a maximum ten (10) business days from receipt of a complete Administrator-approved claim: six (6) days for Treasurer review, a 3-day Board response waiting period, and one (1) day for treasury processing and wire transfer, unless extraordinary circumstances require faster or slower processing of the request.

- 14) Upon the completion of review of the FCZC disbursement claim, the Treasurer will email the claim to the Administrator. –The Administrator will then forward the claim to all members of the Zoo Authority Board and notify FCZC.
  - a. Any Authority Board recipient who wishes to question or object to the claim must contact the Chair and Administrator, within 72 hours or 3 business days (whichever is greater) of the date and time of the claim email, and request a special meeting be arranged.
  - b. The Chair will notify the Zoo Authority Administrator to call a meeting for discussion and approval of the FCZC disbursement claim. The special meeting called by the Chair shall be held as soon as it can be reasonably arranged for a quorum to be present at said meeting.

Note: No discussion of the disbursement claim or approval/denial can happen among Board members via email. Discussion and action must be taken during a public meeting.

Financial Procedures  
Fresno County Zoo Authority

- c. Claim approval by the Authority Board will be assumed by the Treasurer if no request for a special meeting is received by the expiration of the timeframe specified in section 14b above. The Treasurer will then direct payment for the claim to be processed expeditiously.

15) Disbursement of Funds:

- a. The Treasurer will forward wire confirmation or other record of disbursement to the Administrator and FCZC. The Administrator will then post the claim to the Zoo Authority website.
- b. Claims will be paid by check and held for pick up at no cost to FCZC unless otherwise requested.
- c. The disbursement claim check will be available for pick up at the Auditor's Office – Special Accounting Division located in Room 104 of the Hall of Records Building, 2281 Tulare Ave., Fresno, CA 93715.
- d. The FCZC authorized person picking up the check must be listed on the authorized signer's form filed with the Auditor/Controller's office and must present identification.
- e. Disbursement claims requesting funds be wired or sent electronically will be honored at the current County of Fresno wire fee rate published in the annual master schedule of fees. For wire or EFT, the disbursement claim must reference the appropriate banking information.

## **II. Capital Projects**

### **A. *Capital Projects Budget and Plan***

- 1) For each capital project, the FCZC shall provide a *capital projects* budget and executed project contract(s) to the Treasurer for review at least 30 days before requesting approval by the Zoo Authority Board. The budget shall include segregated line items (accounts) and related request amounts. Information on planned projects and related estimated costs shall be included in the budget request. The Zoo Authority Board may request additional information from FCZC on the planned projects prior to approving them along with the budget.
- 2) Budget amounts requested for a specific major project may be requested in one lump sum, but will only be approved at the discretion of the Authority Board. In the event that a budget is approved for an entire project which will be constructed over a period of time exceeding one (1) fiscal year, any unexpended appropriations will be encumbered (rolled over) at year end. The encumbered appropriations will be available to pay for the project construction in progress for a period not to exceed two (2) fiscal years or (24 months). Encumbered appropriations will lapse within 2 fiscal years. In order for FCZC to be reimbursed past that period of time, FCZC will be required to take an agenda item to the Authority Board for approval of the re-appropriation.
- 3) FCZC shall present to the Zoo Authority Board an annual Capital Projects Plan in addition to *capital projects* budget requests. This plan should specify major planned projects and the estimated cost of each project for the budget year. This plan may include a contingency amount for emergency projects unknown to FCZC management at the time the Projects Plan is prepared; however, no expenses will be processed against the budgeted contingency amount.

Use of the miscellaneous spending authority will occur only after the FCZC identifies an appropriate capital project for which the funds can be used (and the Zoo Authority approves spending on the project). Upon approval, the project amount will be moved from the contingency line item to a line item associated with the project identified (i.e. amount will be moved either to supplement an ongoing capital project or to a new capital project line item).

The Projects Plan may be modified for large project changes at the request of FCZC and approval of the Zoo Authority Board during the year. Upon review, the Board can elect to approve or modify the projects plan and the capital projects budget simultaneously.

- 4) When FCZC *capital projects* budgets and a Projects Plan have been approved by the Authority, and as long as all other funding criteria as specified in the bylaws, financial procedures, and claim supporting documentation requirements are met, the Authority adopts a policy of a standing authorization delegating final claim approval authority to the Administrator (or designated Coordinator) and approving the Treasurer to release

funds to FCZC in accordance with the Administrator's signed approval and Board approved budget limits.

**B. Capital Projects Policy**

The Measure Z Capital Projects Policy (below) was adopted June 24, 2009. All capital project claims submitted by FCZC for reimbursement shall be in accordance with this policy.

**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.

**C. Disbursement of Measure Z Funds for Capital Projects**

*Section I.B (procedures 1 through 15) presented at pages 15 through 18 shall apply to disbursement of Measure Z funds for Capital Projects with the following substitutions to procedures 5, 7, 9, 11, and 13.*

- 5) Claims submitted shall include supporting documentation for expenses. Supporting documentation should include copies of the general ledger and/or other financial reports extracted from the FCZC official accounting system and vendor contracts. Copies of invoices for payments to vendors of \$1,000 or more shall also be included. Vendor invoices shall be properly itemized as requested by the Authority Coordinator and/or Treasurer. Additional supporting documentation including, but not limited to invoices below \$1,000 may be requested of FCZC at the discretion of the Authority Board and/or Staff.
- 7) Subsequent to approval of the FCZC Measure Z capital projects budget and plan, the Authority does not need to take action for each disbursement or release of funds. The Administrator is granted standing authority to approve claims submitted by FCZC based on the approved budget, project plan, and capital projects policy. The Treasurer is granted authority to disburse funds (initiate the cash transaction) in accordance with budget limits for Measure Z funded line items when it receives the approved claim from the Administrator. The Treasurer will not accept claims directly from FCZC.
- 9) Unless extraordinary circumstances require faster or slower processing of the request, total processing time from Administrator's receipt of a complete claim should not exceed 15 business days.)
- 11) FCZC disbursement claims will be reviewed and approved, or returned to FCZC by the Administrator within four (4) business days, unless extraordinary circumstances require faster or slower processing of the request.
- 13) Payment of the claim will be processed as expeditiously as possible, within a maximum eleven (11) business days from receipt of a complete Administrator-approved claim seven (7) days for Treasurer review, a 3-day Board response waiting period, and one (1) day for treasury processing and wire transfer, unless extraordinary circumstances require faster or slower processing of the request.

**III. Authority Staff Accounting Records and Reporting:**

- A. At time of approval, Measure Z funded line items (estimated expenditures and/or disbursements), and estimated sales tax revenue information from the FCZC budgets will be loaded into the County's PeopleSoft financial system.
- B. FCZC disbursements will be tracked against those Measure Z related line items.

- C. At each Board meeting staff will present monthly reports to the Authority regarding Measure Z funds and disbursements to FCZC.
- D. Records of all claims paid will be kept in accordance with the County of Fresno's records retention policies and may be maintained as paper records ("hard copy") or scanned and maintained electronically ("soft copy") for audit purposes and future reference.
- E. Each uniquely identifiable Capital Project will be assigned a project number in PeopleSoft which will be used to track the project budget as well as transactions to date and to facilitate project level reporting to the Board, FCZC, or public.

#### **IV. FCZC Accounting Records and Reporting:**

- A. To ensure expenses for claims submitted are not also being reimbursed by a third party (such as the City of Fresno), FCZC must track expenses for a single project to be reimbursed by multiple entities on separate general ledger accounts (i.e., Improvements-Measure Z, separate from Improvements-City of Fresno).
- B. At least on a monthly basis, FCZC shall present a financial report including variance analysis against budget to the Zoo Authority Board. This report shall consist at a minimum of a Profit & Loss Statement (P&L) and shall specifically identify Measure Z funded expenditures line items and shall include explanations and details of any line item variances. FCZC shall have a representative at each of the Authority Board meetings who shall be prepared to answer questions from the Board and/or public related to its financial report.
- C. Reports of disbursed amounts tracking the expenditures, categories, the level of expenditures, and the amount available for future spending will be generated by FCZC in accordance with Authority requests or other agreements.

#### **V. Additional Documentation:**

- A. Before any disbursement requests are honored, FCZC will provide to the Treasurer a completed "Request for Taxpayer Identification Number and Certification" (IRS form W-9) and a list of persons authorized to approve funding requests on behalf of FCZC.
- B. At least annually, FCZC will re-affirm or update the list of authorized approvers to the Treasurer. The list of authorized approvers will be in writing, on paper, noting:
  - 1. the authorized person's name and title,
  - 2. the authorized person's actual ink signature,
  - 3. the authorized person's email address.

**VI. FCZC Financial Reporting and Audits:**

- A. The Fresno's Chaffee Zoo Corporation (FCZC) shall provide the Zoo Authority with audited financial statements and an audit report for each fiscal year. The audit of these financial statements shall be performed by an external certified public accountant or firm (Independent Auditor) and shall be conducted in accordance with auditing standards generally accepted in the United States of America. As a specific requirement of the Zoo Authority, the audited financial statements shall disclose "separately" (on a Measure Z Tax footnote) all financial activity related to the revenue and expenditures of Measure Z funds by FCZC, as well as any reserves of unspent Measure Z funds. Operations expenses should be segregated by account name, while capital project expenses should be segregated by both account name and project.
- B. FCZC shall also provide to the Zoo Authority with an "Independent Accountant's Report on Applied Agreed-Upon Procedures" to be performed by FCZC's external auditor. As part of these Agreed-Upon Procedures, FCZC's external auditor must at a minimum, perform the following procedures: (1) review all (100%) reimbursements to FCZC for Measure Z funded expense line items paid by "all other entities or third parties (other than the Authority)", for purposes of determining if any operating and/or capital project expenses reimbursed by the Zoo Authority (Measure Z funds) were also reimbursed by a different entity or third party, and (2) review a sample (at least 75% population coverage) of Measure Z claims submitted by FCZC for operations and capital projects, to determine if Measure Z-funded expenses were accounted for separately by FCZC.
- C. Both the audit report (along with the related financial statements) as well the "Independent Accountant's Report on Agreed-Upon Procedures" issued by the independent auditor shall be presented to the Zoo Authority Board and the general public at an Authority publicly noticed meeting, no later than June 30<sup>th</sup> of the year following the end of FCZC's fiscal year. Notice of this presentation shall be communicated to the Authority Administrator by FCZC at least 25 days prior to the report presentation date to allow sufficient time for the Authority to communicate it to the public via its website at least 15 days prior to the meeting.
- D. FCZC shall maintain inventory of all capital improvements purchased with Measure Z capital projects funds regardless of whether the improvements are capitalized or not. FCZC management shall present an annual report of capital assets inventory including additions and deletions. The inventory report shall cover a full calendar year (January-December) utilizing the accrual basis of accounting, and should be certified/attested to by the FCZC external auditor (in writing). The report shall be presented to the Zoo Authority Board during a regular public meeting no later than June 30<sup>th</sup> of each year.



***Inquiries of FCZC's Financial Position:***

Questions related to the financial position of the Fresno's Chaffee Zoo Corporation (FCZC) should be directed to the organization directly.

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***Inquiries Related to these Policies and Procedures:***

Questions regarding these policies and procedures should be directed to the Administrator or may be raised during public comment at any publicly noticed meeting of the Authority.

**Exhibit 3**

**Disbursement Claim Format –Page 1**

**Disbursement Claim for Measure Z Funds**

Please remit to:

**Fresno's Chaffee Zoo Corporation**

894 W. Belmont

Fresno, California 93728



\_\_\_\_ Disburse via Wire Transfer

ABA # \_\_\_\_\_

Account # \_\_\_\_\_

Account Title \_\_\_\_\_

Disbursement Claim #: \_\_\_\_\_ Claim Submission Date: \_\_\_\_\_

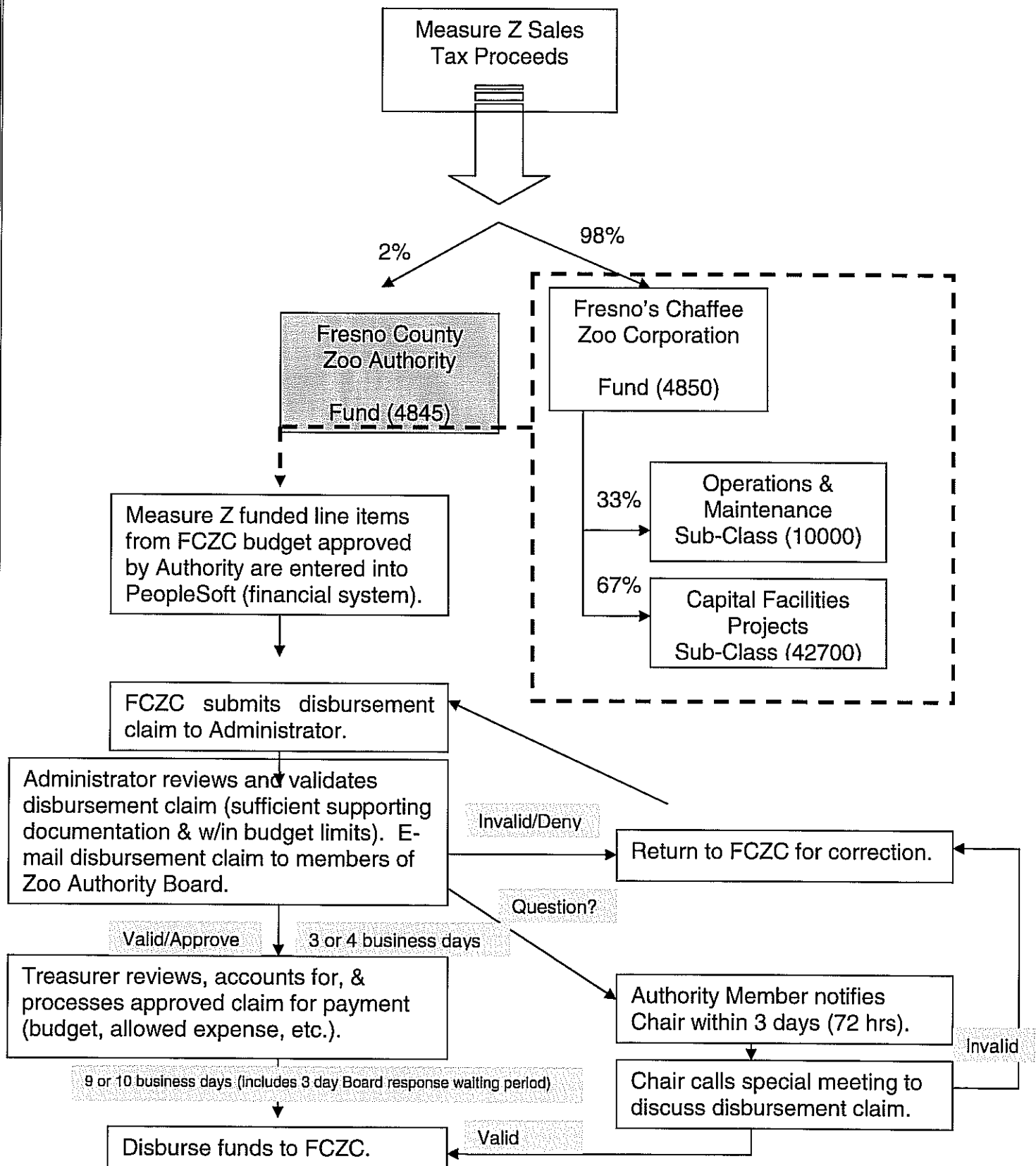
*Unless specified, a check will be available for pick up by an authorized FCZC employee within thirteen (13) business days for Operations Claims, or fifteen (15) days for Capital Projects Claims. To follow up on the status of this disbursement request, please contact the Office of the Auditor/Controller-Treasurer/Tax Collector, Financial Reporting & Audits Division, (559) 600-1373.*

☐ Check here if this disbursement request is being submitted to the Administrator electronically.

\_\_\_\_\_  
FCZC Approval Signature

\_\_\_\_\_  
ZA Administrator/Coordinator Approval Signature

**Exhibit 4 – Zoo Corporation Claims Approval Process Flow Chart**





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## Memorandum

DATE: May 23, 2012

TO: Board and Staff of Fresno County Zoo Authority

FROM: Catherine Crosby  
Zoo Authority Coordinator

RE: **Information for the May 30, 2012 Meeting**

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### Agenda Item 4

Representatives of Moore, Grider & Co., CPAs will present Fresno Chaffee Zoo's 2011 audit.

### Agenda Item 7

Staff has prepared a draft administrative budget for your review. As per your Board's Procedures, the draft has been posted on the Zoo Authority Web site for the required 15-day public review prior to the meeting.

### Agenda Item 8

- Staff will provide a brief verbal report on external audit services and Fresno County's new contract with Brown and Armstrong, CPAs.
- Staff will seek Board direction for development of the 2011-12 annual report.

### Additional Mailed Materials

- Revised Procedures approved March 28, 2012
- Recent Fresno Chaffee Zoo related articles
- Minutes of Fresno Chaffee Zoo Corporation Board meeting minutes of December 8, 2011

If you will be unable to attend the meeting, or have any questions, please contact me at 600-4305, or [ccrosby@co.fresno.ca.us](mailto:ccrosby@co.fresno.ca.us) during office hours. If you need to contact me before the meeting starts on the meeting day, please call the Fresno County Employees' Retirement Association office at 457-0681, or my cell phone.

## Board OKs \$4 million Chaffee Zoo expansion plan

By Marc Benjamin - The Fresno Bee Wednesday, Mar. 28, 2012 | 12:38 PM

Over the objections of Roeding Park supporters, the Fresno County Zoo Authority on Wednesday approved funding for the design of Fresno Chaffee Zoo's 15-acre African Savanna exhibit.

The zoo authority board -- which provides money collected through the Measure Z sales tax -- approved the plan without comment after 30 minutes of discussion by zoo expansion supporters and opponents. The project would cover part of the southeast portion of the park. Lions, rhinos, zebras, giraffes, cheetahs and elephants are among the animals that will fill the Savanna project. Zoo officials also plan an African lodge for meals and events. The project's maximum cost is \$40 million, including design costs, said Scott Barton, the zoo's director.

Richard Harriman, who filed a lawsuit on behalf of three Fresno residents opposing the zoo's expansion into Roeding Park for the Savanna exhibit, suggested the zoo authority release the design money in smaller increments to ensure that officials reach certain benchmarks during the design process. He said the authority could then monitor the progress and the way money is spent.

Lisa Flores, a plaintiff in Harriman's case, said the expansion will destroy the park because trees and open space will be removed. "Fresno is not a destination point for a zoo," she said. "There are other things in the community that make it unique, and one of those things, believe it or not, is Roeding Park."

But supporters of the zoo expansion said any proposal to release the money in small amounts is a tactic to slow the project. "They are doing their best to delay things," said Jack Tolladay, a zoo docent and volunteer, "and every time it's delayed, the price keeps going up."

Barton said zoo officials intend to give the zoo authority progress reports. "It's one of the few areas [where] Mr. Harriman and I agree," Barton said. "I want the zoo authority to be aware of every part of the expansion."

The zoo needs approval from state and federal parks officials for the expansion because the city previously received grant money for projects in the park. Zoo officials can't move ahead until state and federal officials sign off on the plans. They previously approved construction of Sea Lion Cove, which will be finished later this year. Chaffee officials have been seeking a meeting at the State Parks Office, said Patti Keating, chief of the Office of Grants and Local Services in Sacramento. She said her office also will consult with and seek approval from the federal government.

Zoo officials are working on drawings and a layout for the exhibits. Construction is expected to be under way early next year, with completion planned for summer 2014.

## **EDITORIAL: Time for Fresno zoo to proceed with its new exhibits**

### **Expansion will be good for our community and Roeding Park.**

*Friday, Apr. 06, 2012 | 12:00 AM*

The Fresno County Zoo Authority has approved funding for the design of a 15-acre African Savanna exhibit at the Chaffee Zoo in Roeding Park. We urge the Zoo Authority to move much more aggressively in building this exhibit, as well as bringing more exhibits to the zoo.

While zoo officials have been contending with a handful of naysayers trying to block zoo expansion into Roeding Park, the public wants these exhibits built with the Measure Z funding they approved in 2004. It is time to charge ahead with a zoo that meets the expectation of 73% of voters who supported the funding measure.

That overwhelming vote spoke volumes about the public's desire to expand the Chaffee Zoo. No amount of maneuvering by zoo opponents, including their lawsuit, will change that fact. The Zoo Authority should not give in to that tiny minority.

We embrace the African Savanna exhibit, which will be home to lions, rhinos, zebras, giraffes, cheetahs and elephants, as well as other animals. There also will be an African lodge for meals and special events.

The Zoo authority previously approved construction of Sea Lion Cove, which is scheduled to be completed later this year. We need more big exhibits at the zoo.

Opponents of zoo expansion contend that Roeding Park will be hurt by a bigger zoo. But an expanded zoo will be good for both facilities, strengthening the park and the zoo for generations. The zoo is a major tourist destination in the San Joaquin Valley, and it will raise the profile of Roeding Park.

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Measure Z funding ends in 2015, and zoo officials are expected to ask voters to renew the one-tenth of a cent sales tax in the November 2014 election. But voters will want to see results from the 2004 measure, and delaying major exhibits could cause a voter backlash.

The Chaffee Zoo's expansion plans will make the zoo an even more beloved part of Roeding Park. We're almost eight years from the time Measure Z was passed, and the public does not want any more delays.

## Judge dismisses lawsuit against Fresno zoo

By Marc Benjamin - The Fresno Bee Monday, Apr. 09, 2012 | 08:25 PM

An environmental lawsuit against the city of Fresno and Fresno Chaffee Zoo Corp. was dismissed by a Fresno-based U.S. District Court judge before a hearing previously scheduled for Monday. Judge Lawrence J. O'Neill dismissed the case Thursday because the plaintiff -- Friends of Roeding Park -- did not name a federal defendant in the lawsuit and was late with its legal filing.

Last year, the group's first lawsuit had to be revised after the judge found problems with the initial complaint. O'Neill allowed a second complaint to clarify issues in the first lawsuit. But he said he did not find substantial changes in arguments by Friends of Roeding Park in the revised version. "Plaintiffs have demonstrated a fundamental misunderstanding of the role a federal court may play in their dispute with the city and the zoo corporation," the judge said.

Friends of Roeding Park should not file a lawsuit asserting federal issues with nonfederal government defendants, his opinion said. But Friends of Roeding Park lawyer Richard Harriman was not deterred by the ruling. There are several avenues open for a federal court appeal or a new lawsuit in a state court, he said. "I am still reviewing the order, and the clients have not decided what to do," Harriman said.

John Kinsey, lawyer for the zoo corporation, said he doesn't expect the case to be appealed in federal court. "It's unfortunate that the zoo had to jump over these hurdles," he said, "but we proved that the city prepared and certified a very strong environmental impact report, and I think that their failure to state a claim ultimately confirmed how strong our environmental document was."

The original lawsuit was filed last year after three Fresno residents contended that their civil rights would be violated when the park's free areas would be replaced with portions that people would have to pay to get into. They also claimed that the state and federal government were required to approve any new projects in the zoo because grants worth about \$483,544 were received since 1980 to pay for Roeding Park improvements.

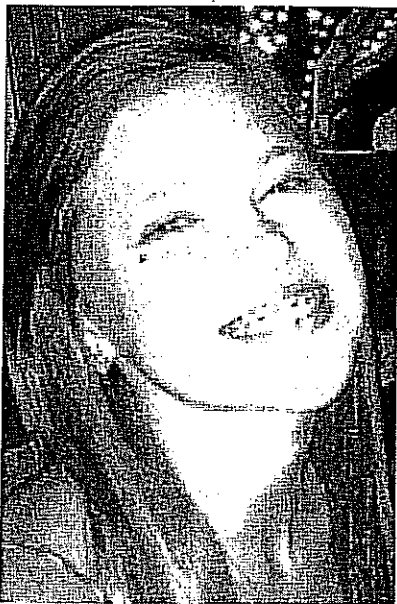
The original suit sought to stop construction of the zoo's Sea Lion Cove because it lacked federal and state approval. State and federal officials later approved construction because it would not infringe on areas outside the existing zoo.

But they will not be able to approve the zoo's African Savanna exhibit until the design work is done, a state official said two weeks ago.

If action is taken by a federal agency, the judge said, Friends of Roeding Park could file a lawsuit.

## Our Angel continues to make us proud

By Jim Boren on April 20, 2012 11:30 AM | 2 Comments



A few days after Thanksgiving in 2003, The Bee's editorial pages received a letter from a 9-year-old girl who was concerned that Fresno's Chaffee Zoo would be closed because of a lack of funding. She sent a dollar with her letter and asked Fresno residents to help save the zoo.

As we all now know, there was an incredible response to Angel Arellano's letter. It set off a fundraising drive to save the zoo and then became the springboard for a sales tax measure that voters passed overwhelmingly.

Angel was the symbol of the promise of Measure Z.

This morning I received a Facebook message from Angel's mother, Stacey Saul Caha, checking in to let me know how her daughter is doing. We chatted by phone, and no big surprise: Angel continues to make her mark.

That delightful 9-year-old girl is now 18 and getting ready to graduate from Sanger High School. She remains well-grounded and committed to improving our community. Angel is working at the zoo part-time and is senior class representative at Sanger High.

She excels in sports and in the classroom, where she has a 4.33 GPA. She's just been notified that she was named a Gates Millennium Scholar, a highly sought scholarship offered by the Bill and Melinda Gates Foundation.

I expect that we will hear a lot more from Angel over the years.

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### 2 Comments

Stacey Caha | April 21, 2012 12:02 PM | Reply

Angel will be attending CSU Monterey Bay as a Behavioral Psychology major in the fall. She aspires to continue to play water polo and get her Doctorate.

Gail Marshall | April 27, 2012 9:52 AM | Reply

Thanks for the updates, Jim and Stacey! Angel is a credit to our community and we hope she eventually boomerangs back here after some big life adventures in to put that doctorate to work! Congratulations on your graduation, Angel!

## **EDITORIAL: Thumbs up, thumbs down**

Saturday, Apr. 21, 2012 | 12:00 AM

Thumbs up to Sanger High senior Angel Arellano, who has been notified that she was named a Gates Millennium Scholar, a highly sought scholarship offered by the Bill and Melinda Gates Foundation.



When Angel was just 9 years old, she wrote a letter to the editor, concerned that Fresno's Chaffee Zoo would close from lack of funding. She sent a dollar with her letter and asked Fresno residents to help save the zoo. Angel's gesture became the springboard for Measure Z, the sales tax measure that voters passed overwhelmingly to raise money for zoo expansion and new exhibits.

## **Angel's contributions**

Saturday, Apr. 28, 2012 | 12:00 AM

It was with surprise, as well as great pleasure, I read in the April 21 Fresno Bee Thumbs Up/Thumbs Down column that Angel Arellano had been named a Gates Millennium Scholar by the Bill and Melinda Gates Foundation.

It was nine years ago, in December 2003, that Angel, on her own, initiated an effort that in my humble opinion did much to save Fresno's Chaffee Zoo. At that time, I wrote (and you published) my letter and encouraged Fresno citizens to rally behind Angel's efforts for the zoo. That effort, Measure Z, helped make the Fresno Chaffee Zoo what it is today.

I hope that The Bee will continue to follow Angel's progress and, who knows, maybe she will win a Nobel Prize.

S. Kent Foster  
Oakhurst

## **Fresno Chaffee Zoo babies celebrate Mother's Day**

Saturday, May. 12, 2012 | 12:00 PM

The bond between mother and child isn't just a human thing. It transcends species. Just ask the folks at Fresno Chaffee Zoo, who have plenty to celebrate today, Mother's Day. The zoo is home to a couple of babies who will see their first Mother's Day today. Like Buttercup, the social media-savvy 31/2-month-old calf, who has both a Facebook account and a Twitter account (@FCZButtercup). And Sena, the baby giraffe born on April 5 to her mother, Baba. Three spotted belly sideneck turtles were also born last month.

If you're headed into the zoo, be on the lookout for baby Canada geese living around Roeding Park's ponds, but not in the zoo itself. Anyone wandering the zoo today will notice special stickers on the signs of animals who are currently or have been mothers.

"It's like everything else; babies grow up and move away," says Harold Mountan, an assistant curator at the zoo. "But that doesn't mean they're not mothers anymore."

Since the cycle of life is ever-continuing, keep your eyes open for another new mother and another new baby at the zoo soon. One of the zoo's monkeys, Jasari, is expected to give birth any day now. There's a Mother's Day sticker waiting in case it's today.



General Meeting of the Board of Directors  
Fresno Chaffee Zoo Education Building  
December 8, 2011 5:33pm

**Board Members Present**

Colin Dougherty  
Sieg Fisher  
Brenda Nelson  
Sheri Manning-Cartwright  
George Nokes  
Shari Rainwater  
Tom Richards  
Craig Saladino  
Tom Templeton  
John Valentino

**Board Members Absent**

Sharon Levy

**Public Present**

**Staff Present**

Scott Barton  
Lisa Condoian  
Adrienne Castro  
Harold Mountain  
Dr. Lewis Wright

**Meeting called to order at 5:33 p.m.**

**Discuss and consider minutes:** Director Valentino made a motion to accept the minutes as amended. Director Rainwater seconded. All in favor. None opposed. Motion carried.

**Chair Report:** Director Dougherty stated the yearend report from the Zoo Tax Authority is ready.

**CEO Report:** CEO Barton stated the staff was preparing exhibits for cold weather. The male giraffe was ill, and is now doing well. The zoo received a new male tiger. CEO Barton stated Sea Lion Cove is going well. CEO Barton stated the Fresno's Chaffee Zoo's safety and security program is one of the best adding that our Safety Manager René Martin was asked to be on the newly formed AZA Safety Committee. CEO Barton stated Harris Construction was chosen as the Pre-Construction for Africa.

Safety Manager René Martin gave a review of the safety and security program at the zoo.

**Committee Reports:** Tom Richards, Nominating Chair gave an overview of the proposed changes of the committees currently under the Fresno's Chaffee Zoo Corporation board. Director Valentino made a motion to accept the recommendations for the committees. Director Rainwater seconded. Call for discussion. None offered. All in favor. None opposed. Motion carried. Director Richards stated the nominating committee recommended keeping the current slate of officers in place for 2012. Director Saladino made the motion to continue with the current officers for 2012. Director Rainwater second. Call for discussion. None offered. All in favor. None opposed. Motion Carried. Director Richards thanked Brian Goldman and Lisa Condoian for their assistance.

**Review Financial Report:** CFO Brian Goldman reviewed the financial report with the board. Director Templeton made a motion to accept the financial report. Director Richards second. Call for discussion. None offered. All in favor. None opposed. Motion carried.

**Discuss and consider FY12 Budget:** Director Templeton gave an overview of the FY12 Budget. Director Richards made a motion to accept the budget as proposed. Director Rainwater second. Call for discussion. None offered. All in favor. None opposed. Motion carried.

**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: None offered.

**Board questions and comments:** Director Templeton stated that 2011 has been a great year.

**Adjournment:** Director Dougherty called for a motion to adjourn. Director Rainwater so moved Director Templeton seconded. All in favor. None opposed. **Adjournment at 6:15 pm.**

**Respectfully submitted by:** Lisa Condoian, Assistant Board Secretary  
Fresno Chaffee Zoo Corporation