

AGENDA

Potter Park Zoo Board

1301 S. Pennsylvania Avenue ~ Lansing, MI 48912
Telephone: 517.342.2776; Fax: 517.316.3894

The packet is available on-line by going to www.ingham.org, choosing the "Monthly Calendar" and click on Wednesday, May 11, 2016.

Wednesday, May 11, 2016

at 5:45 PM

POTTER PARK ZOO BOARD MEETING

Potter Park Zoo, Education Building,

1301 S. Pennsylvania Ave., Lansing, Michigan

1. **Call to Order**
2. **Approval of Minutes (pg. 2-5)**
Minutes of April 13, 2015 will be considered
3. **Limited Public Comment** – *Limited to 3 minutes with no discussion*
4. **Late Items/Deletions/Consent Items**
5. **NEW BUSINESS**
 - A. Leadership Transition Update – Ralph Hansen
 - B. Revised Budget Discussion – Cindy Wagner and Andrew Wingeier
 - C. Society Financial Governance – Commissioner Nolan
 - D. Resolution Authorizing a Contract to Black Box Network Services for Installation of Fiber – Cindy Wagner (**pg. 6-7**)
6. **OLD BUSINESS**
 - A. Moose Exhibit Update – Cindy Wagner
 - B. Emergency Egress Completion – Cindy Wagner
7. **DIRECTOR AND FINANCIAL REPORTS**
 - A. Zoo Director's Report (Management Reports to be distributed at meeting) – Cindy Wagner
 - B. Financial Report – Andrew Wingeier (**pg.8-12**)
8. **Board Comments**
9. **Limited Public Comment** - *Limited to 3 minutes with no discussion*
10. **Informational Items**
 - A. Thank You Letters (Available upon request)
11. **Upcoming Meeting**
 - A. Zoo Board Meeting on **June 8, 2016** at **5:45 PM** at the Potter Park Zoo, Education Building.
12. **Adjournment**

Official minutes are stored and available for inspection at the address noted at the top of this agenda. The Potter Park Zoo will provide necessary reasonable auxiliary aids and services, such as interpreters for the hearing impaired and audio tapes of printed materials being considered at the meeting for the visually impaired, for individuals with disabilities at the meeting upon five (5) working days' notice to the Potter Park Zoo. Individuals with disabilities requiring auxiliary aids or services should contact Potter Park Zoo by writing to the Potter Park Zoo, 1301 S. Pennsylvania Ave., Lansing, MI 48912 or by calling 517.342.2776.

**“DRAFT” MINUTES OF THE MEETING
INGHAM COUNTY POTTER PARK ZOO BOARD
1301 S. Pennsylvania Avenue, Lansing, MI 48912
April 13, 2016**

The Ingham County Potter Park Zoo Board held a regularly scheduled meeting at the Potter Park Zoo, 1301 S. Pennsylvania Ave., Education Bldg./Safari Room, Lansing, Michigan

BOARD MEMBERS

- PRESENT:** Chair John Groen, Commissioner Nolan, Kyle Binkley, Mary Leys, Ralph Hansen, Dr. Snider, Rick Kibbey, & Dr. Berghorn
- ABSENT:** Commissioner Koenig, Dr. List, & Aaron Davis
- ALSO PRESENT:** Sherrie Graham, Zoo Director; Andrew Wingeier, Finance Director; & Amy Morris, Director of External Affairs
- CALL TO ORDER** Chair Groen called the regular meeting of the Ingham County Zoo Board to order at 5:55 PM
- MINUTES:** Moved by Mr. Berghorn to approve and supported by Commissioner to approve the March 9, 2016 minutes of the regular meeting as written, **Yes-7; No-0; MOTION CARRIED.**

LIMITED PUBLIC COMMENT

None

LATE ITEMS/DELETIONS/CONSENT ITEMS

NEW BUSINESS

Financial Position Presentation

Mrs. Graham said there's a misunderstanding on how the fund balance was updated in the County's accounting system and some financial decisions were made based on this. As soon as this was recognized, immediate steps were taken.

Mr. Wingeier said revenues, expenses, and CIP budgets should equal zero, as the State of Michigan requires it. Revenue was less than budgeted, expenses were higher than budgeted, and CIP expenses were higher than budgeted and all three of these occurred in 2015 and the result was a fund balance which was reduced to around \$133,000. The zoo has taken steps to replenish fund balance and to eliminate the operational deficit. After the problem was understood, a meeting was called with all department heads to make them aware of the problem and to put together their leanest budget possible without sacrificing customer service, our mission, and the high standard of animal care. The outcome of these meetings was the result of approximately \$133,000 in expenditures and \$115,000 in additional revenue. Also, the society was able to identify \$46,000 additional revenue. With these budget adjustments, the zoo as a whole will add \$110,000 in reserves in the year 2016.

Discussion ensued.

Marketing Adjustment Update and Fund Development Progress

Ms. Morris said there are many plans underway to increase funding for the zoo. The need to replenish the fund balance will push these plans to move forward more quickly. All who are employed at the zoo recognize the importance of being responsible stewards of public tax dollars. One of the things that came out of the strategic planning process was the need to be financially sustainable and we need to take the steps to get there and make it our top priority. One of the successes that came out of the 2015 advertising efforts was substantial increases in memberships, event attendance, traffic to the website, and social media audience. The focus of the advertising was in these areas. In 2016 advertising will broaden to driving admissions at the gate. This plan will focus on actual activity and previous admission numbers will be monitored to gauge the effectiveness of the campaign. The advertising will be primarily online. She also mentioned development of a donor database, a new sponsorship packet, and several other campaigns moving forward to increase zoo funding.

Resolution Authorizing the Creation of a Potter Park Zoo Board Task Force on Governance

RESOLUTION #16-04

WHEREAS, the Potter Park Zoo Advisory Board to the Ingham County Board of Commissioners main guidance comes from the county's website: *The Potter Park Zoo Board is responsible for reviewing Zoo operations, providing advice and recommendations to interested parties, including preparation of annual operations and capital improvements budgets, and the development of Zoo policies and procedures;* and

WHEREAS, there are no bylaws for the Potter Park Zoo Board; and

WHEREAS, it is in the best interest of the Potter Park Zoo Board to periodically review its mission and operations.

THEREFORE BE IT RESOLVED, that the Potter Park Zoo Board will review the board's mission and ensure the board is structured and operating in a way to achieve its original purpose.

BE IT FURTHER RESOLVED, that the Potter Park Zoo Board hereby creates a task force on governance, said task force will be responsible for improving the Potter Park Zoo Board. This task force's purpose is to review the board's mission; establish bylaws; review the board packet and flow of information to the board; and contemplate the need for subcommittees.

BE IT FURTHER RESOLVED, that the task force will make recommendations on how to improve the Potter Park Zoo Board by July 2016.

Chair Groen said he wanted to talk about a task force on governance that looks at the role of the board. He said right now the guidance they have is a resolution and information on the website and he thinks they need to improve and define the governance of this board and make the structures strong enough.

Discussion ensued.

Tabled by Commissioner Nolan and **Supported by** Mr. Binkley that Resolution #16-04 be approved. **Yes-8; No-0. MOTION CARRIED.**

Resolution Authorizing the Creation of a Potter Park Zoo Board Task Force on Financial Sustainability

RESOLUTION #16-05

WHEREAS, there is a need for budgetary adjustments; and

WHEREAS, the board requires timely and accurate information to implement sound financial policy.

THEREFORE BE IT RESOLVED, that the Potter Park Zoo Board hereby creates a task force on financial sustainability, said task force will work with zoo and county staff.

BE IT FURTHER RESOLVED, the role of the task force is to review zoo financial reporting, zoo budget adjustment plans and other relevant financial functions and make policy recommendations in order to

- (1) ensure the Potter Park Zoo's financial situation is sustainable for years to come; and
- (2) board members have the appropriate information to help guide policy.

BE IT FURTHER RESOLVED, that the task force will make recommendations on financial sustainability to the Potter Park Zoo Board by June 2016.

Chair Groen said the idea behind this is specific around financial sustainability. The idea is before this board looks at any further changes, there would be a task force that would look at those documents and have a firm understanding and also have additional recommendations on how to be more financial stable and what type of information is needed.

Discussion ensued.

Tabled by Commissioner Nolan and **Supported by** Dr. Snider that Resolution #16-05 be approved. **Yes-8; No-0. MOTION CARRIED.**

Resolution to Require a Pro Forma Budget Reflecting All Budget Changes to Accompany Resolutions with a Financial Impact

RESOLUTION #16-06

WHEREAS, resolutions considered by the Potter Park Zoo Board should take into account the current operational budget's performance and have a clear picture of the impact on fund balance; and

WHEREAS, pro forma budget practices would ensure a strong financial review by the Potter Park Zoo Board of each resolution and enhance its ability to provide guidance around budgeting matters.

THEREFORE BE IT RESOLVED, whenever there is a resolution before the Potter Park Zoo Board that has a financial impact, a revised budget that reflects the impact of the resolution will be required for the consideration of that resolution.

BE IT FURTHER RESOLVED, if a revised budget is not available, the issue will automatically be tabled.

Chair Groen said this should be done anytime there is something that impacts the budget and then a new budget report would be given to the board which shows the changes.

Discussion ensued.

Moved by Chair Groen and **Supported by** Mr. Binkley that Resolution #16-06 be approved. **Yes-8; No-0. MOTION CARRIED.**

Chair Groen asked Mr. Binkley if he would volunteer to lead the task force and he agreed. He also asked Dr. Berghorn and Dr. Snider to be on the task force and they agreed too.

Backyard Garden Update

Mrs. Leys said there are plants being donated by Van Atta's and Ms. Rostar has helped out with this. She wants to be able to see the plant list and then approve as she would like to make sure there are no invasive species on it. She has met with Mr. Laidler, Mr. Davidek, and Mrs. Garnett about rescuing as much as they can and moving them into other places. There is a garden that the Education Department is doing for pollinators which is good. She felt like her input was not welcomed, but things are going much better now. She is worried about maintaining the plants as they are valuable and will be able to be used in other places around the zoo.

OLD BUSINESS

Moose Exhibit Update

Mrs. Graham stated there are about four more things that need to be completed on the Moose Exhibit. The target date to have moose moved into the exhibit is April 27th and this is dependent on if the moose will need to be knocked down or not or if they will walk into the trailer with no issues. The training of the moose has just started, as the trailer was just moved in either yesterday or today. The tentative date for the grand opening is June 8th.

Emergency Egress Completion

Mrs. Graham said there is no update.

ZOO DIRECTORS REPORT

Mrs. Graham said the report is in the packet. The only thing she would like to add is the zoo is currently working with the Cincinnati Zoo on a large grant regarding a reproductively study with our female rhino. The zoo still does not know if we will be receiving a male from Arkansas or not, but are looking at artificial insemination and the training is going on to facilitate this procedure. The SSP will decide which semen will be used and it will depend upon the value of the male. The SSP has not ruled out Jello because no one is sure if his condition was congenital or not, but will go with a stronger sperm from another donor. We would be the only or the first for AI.

FINANCIAL REPORTS

Mr. Wingeier talked about the March Financial Report. The reference page is on page 9. Item A - The Admission Revenues: attendance at the zoo was substantially higher in March 2016 than 2015 resulting in increased admission revenues. Item B - Parking and Interactive Site Revenues: Bank reconciliation items have created a negative balance for parking revenues and positive for the interactive site revenue. Item C - Other Revenues: the recognition of the RAP Grants received by the Security Department occurred in March of this year. Item D - Total Personnel Services: overall personnel services costs are down 1% when compared to prior year. This is due to the restructuring of the zookeeper areas. Item E - Supplies: the variance between current and prior year is due increased spending on maintenance supplies. Item F - Animal Care: Jello, the zoo's rhino passed, resulting in significant savings on animal medication. Item G - Purchased Services: the zoo receives a reduced facilities management allocation than in previous years. Also, the expenses from the frozen pipe bursting in the animal clinic increased this account in 2015. Item H - Utilities: utility costs have remained relatively consistent. A time difference has created a variance when comparing to last year. Item I - Insurance: flood insurance premiums increased substantially in 2016. Item J - 2016 Capital Improvement Projects: Although all 2016 CIP items have been postponed, the final billing for the Moose Exhibit was paid in 2016. Item K - overall attendance has increased 70.6% when compared to the previous year. The admission attendance was increased substantially.

BOARD COMMENTS

None

LIMITED PUBLIC COMMENT

None

ADJOURNMENT

Being no further business, the meeting was adjourned at 8:20 PM.

Teresa Masseur
Recording Secretary

TO: PPZ Advisory Board, County Services, Finance Committee, and Board of Commissioners
FROM: Cynthia Wagner, Interim Director, Potter Park Zoo
DATE: May 2, 2016
SUBJECT: Fiber Installation

BACKGROUND

The Association of Zoos and Aquariums (AZA) requires permanent and easily retrievable documentation for all of its accredited Zoos. At this time staff is unable to connect to the Ingham County network from the Feline Building, Bird and Reptile Building, Zookeeper's Building, or Ecology Center. The installation of fiber will allow Zookeepers to electronically input and access data in order to make improvements and advancements to animal welfare through husbandry, breeding, conservation, and medical health.

ALTERNATIVES

Currently, Zookeepers and Zookeeper Aides are using their personal cell phone to communicate and receive emails. Although there are radios, many times the sensitive nature of the conversation requires a phone call. It is also very important radio traffic is kept to a minimum in case of emergencies. Without access to computers the Zookeepers are forced to hand write daily animal husbandry records. It would be much more efficient for Zookeepers to enter the animal husbandry records directly into ZIMS, the Zoo's animal record management software.

FINANCIAL IMPACT

Three quotes were gathered for the installation of fiber from the following vendors: Black Box Network Services, FD Hayes Electric Co., and Challenger Technologies, LLC. Black Box Network Services came in substantially less than the others.

The funding for this project is budgeted in line item #63625810-932032 in the Network Maintenance Fund and is available to cover the \$16,210.80 required for the project.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to support the installation of fiber by Black Box Network Services.

Introduced by the County Services and Finance Committee of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

**RESOLUTION AUTHORIZING A CONTRACT TO BLACK BOX NETWORK SERVICES FOR
INSTALLATION OF FIBER**

WHEREAS, the Association of Zoos and Aquariums (AZA) requires permanent and easily retrievable documentation for all of its accredited Zoos; and

WHEREAS, there is no way to connect to the Ingham County network from the Feline Building, Bird and Reptile Building, Zookeeper's Building, or Ecology Center; and

WHEREAS, the installation of fiber will allow Zookeepers to electronically input and access data in order to make improvements and advancements to animal welfare through husbandry, breeding, conservation, and medical health; and

WHEREAS, after careful review of bids, the Zoo and IT Departments both agree that a contract be awarded to Black Box Network Services for the installation of fiber at a cost not to exceed \$16,210.80; and

WHEREAS, the approved line item #63625810-932032 in the Network Maintenance Fund is available to cover the \$16,210.80 required for the project; and

THEREFORE BE IT RESOLVED, the Ingham County Board of Commissioners hereby authorizes awarding a contract to Black Box Network Services, 8180 Broadmoor Ave., Caledonia, MI 49316, for the installation of fiber for a cost not to exceed \$16,210.80; and

BE IT FURTHER RESOLVED, that the Controller/Administrator is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, the Chairperson of the Ingham County Board of Commissioners is authorized to sign any necessary contract documents consistent with this resolution upon approval as to form by the County Attorney.

POTTER PARK ZOO

FINANCIAL REPORT

FOR THE MONTH OF
APRIL 2016

Included:
Financial Report (Preliminary)
Year to Date Comparison Report (Preliminary)
Attendance Report

Reference Page

- (A) Property Tax Revenues:**
Property Tax Revenue was not received until July in 2015, but was recorded in the Zoo fund in April of this year.
- (B) Admission & Parking Revenues:**
Further investigation is required to account for the large variances in admission and parking.
- (C) Other Revenues:**
The recognition of the RAP Grants received by the Security Department occurred in March of this year.
- (D) Total Personnel Services:**
While there are large variances in full time and seasonal wages, total personnel services costs are up only \$770 when compared to prior year.
- (E) Supplies:**
The variance between current and prior year is due to increased spending on maintenance supplies.
- (F) Animal Care:**
The Zoo purchased its shipment of feline meat during April of 2016. In 2015, this purchase occurred in May resulting in a large variance when compared to last year. All else equal, animal care spending is down \$6,500 when compared to prior year.
- (G) Purchased Services:**
The Zoo receives a reduced facilities management allocation than in previous years. Also, the expenses from the frozen pipe bursting in the animal clinic increased this account in 2015.
- (H) Other Expenses:**
Reduced spending in the "Controlled Capital - OTHER" account has resulted in a variance when compared to last year. This account was used in the prior year for some of the Zoo's CIP projects.
- (I) Utilities:**
Utility costs have remained relatively consistent. A timing difference has created a variance when comparing to last year.
- (J) Insurance:**
Flood insurance premiums increased substantially in 2016.
- (K) 2016 Capital Improvement Projects:**
Although all 2016 CIP items have been postponed, the final billing for the Moose Exhibit was paid in 2016.

**POTTER PARK ZOO
REMAINING BUDGET REPORT
FOR YTD ENDING APRIL 2016
PRELIMINARY**

	2016 BUDGET	PRELIMINARY APRIL 2016 YTD ACTUAL	BUDGET REMAINING	% UTILIZED
REVENUES:				
Property Tax Revenues	\$ 2,778,604	\$ 2,777,865	\$ 739	
Admission Revenues	557,471	49,413	508,058	
Parking Lot Revenues	207,889	(3,845)	211,734	
Interactive Site Revenues	18,125	514	17,611	
Interest Income	15,000	-	15,000	
Other Revenues	40,465	4,419	36,046	
TOTAL REVENUES	\$ 3,617,554	\$ 2,828,366	\$ 789,188	78.2%
EXPENSES:				
Personnel Services				
Salaries & Wages - Full Time	\$ 1,117,963	\$ 327,646	\$ 790,317	
Salaries & Wages - Seasonal	357,874	108,644	249,230	
Benefits	567,155	177,030	390,125	
Total Personnel Services	2,042,992	613,320	1,429,672	30.0%
Controllable Expense				
Supplies	128,700	41,652	87,048	
Animal Care	238,000	94,635	143,365	
Purchased Services	573,000	119,044	453,956	
Utilities	18,775	6,501	12,274	
Rentals & Leases	1,500	-	1,500	
Other Expenses	74,050	35,202	38,848	
Total Controllable Expense	1,034,025	297,034	736,991	28.7%
Non-Controllable Expense				
Utilities	188,000	61,428	126,572	
Insurance	38,976	52,859	(13,883)	
IT Support Expense	60,743	17,869	42,874	
Other Expenses	489	245	244	
Total Non-Controllable Expense	288,208	132,400	155,808	45.9%
TOTAL EXPENSES BEFORE CAPITAL	3,365,225	1,042,754	2,322,471	31.0%
OPERATIONAL SURPLUS/(DEFICIT)	252,329	1,785,611	1,533,282	707.7%
Capital Expenses				
Capital Improvements	252,329	317,804	(65,475)	
Machinery & Equipment	-	-	-	
Total Capital Outlay	252,329	317,804	(65,475)	
TOTAL EXPENSES	\$ 3,617,554	\$ 1,360,559	\$ 2,256,995	
TOTAL CHANGE IN FUND BALANCE	\$ -	\$ 1,467,807	\$ (1,467,807)	
FUND BALANCE AS OF 12-31-2015		\$ 133,826		
END OF MONTH FUND BALANCE		\$ 1,601,633		

**POTTER PARK ZOO
ACTUAL VS PRIOR YEAR REPORT
FOR YTD ENDING APRIL 2016
PRELIMINARY**

	<u>APRIL 2016 YTD ACTUAL</u>	<u>APRIL 2015 YTD ACTUAL</u>	<u>BETTER/(WORSE) THAN PRIOR YEAR</u>	<u>% VARIANCE</u>
REVENUES:				
Property Tax Revenues	\$ 2,777,865	\$ (1,643)	\$ 2,779,508 (A)	
Admission Revenues	49,413	40,266	9,147	} (B)
Parking Lot Revenues	(3,845)	17,581	(21,426)	
Interactive Site Revenues	514	-	514	
Interest Income	-	-	-	
Other Revenues	4,419	(141)	4,559 (C)	
TOTAL REVENUES	\$ 2,828,366	\$ 56,064	\$ 2,772,302	4944.9%
EXPENSES:				
Personnel Services				
Salaries & Wages - Full Time	\$ 327,646	\$ 340,642	\$ 12,996	
Salaries & Wages - Seasonal	108,644	89,199	(19,445)	
Benefits	177,030	182,711	5,681	
Total Personnel Services	613,320	612,551	(768) (D)	0.1%
Controllable Expense				
Supplies	41,652	28,728	(12,924) (E)	
Animal Care	94,635	85,451	(9,183) (F)	
Purchased Services	119,044	133,639	14,595 (G)	
Utilities	6,501	8,903	2,402	
Rentals & Leases	-	-	-	
Other Expenses	35,202	45,479	10,277 (H)	
Total Controllable Expense	297,034	302,201	5,167	-1.7%
Non-Controllable Expense				
Utilities	61,428	81,393	19,965 (I)	
Insurance	52,859	45,094	(7,764) (J)	
IT Support Expense	17,869	20,052	2,183	
Other Expenses	245	239	(6)	
Total Non-Controllable Expense	132,400	146,778	14,378	-9.8%
TOTAL EXPENSES BEFORE CAPITAL	1,042,754	1,061,531	18,777	-1.8%
OPERATIONAL SURPLUS/(DEFICIT)	1,785,611	(1,005,467)	(2,791,079)	277.6%
Capital Expenses				
Capital Improvements	317,804	106,818	(210,986) (K)	
Machinery & Equipment	-	-	-	
Total Capital Outlay	317,804	106,818	210,986	
TOTAL EXPENSES	\$ 1,360,559	\$ 1,168,349	\$ 229,763	16.5%
TOTAL CHANGE IN FUND BALANCE	\$ 1,467,807	\$ (1,112,285)	\$ 2,542,539	232.0%
FUND BALANCE AS OF 12-31-2015	\$ 133,826			
END OF MONTH FUND BALANCE	\$ 1,601,633			

ATTENDANCE REPORT TO BE DISTRIBUTED AT MEETING