**Riverbanks Park Commission**

**Meeting Minutes**

**18 June 2015**

**Attendance Report**

Commissioners Present: Phil Bartlett, Jan Stamps, Lloyd Liles, Alana Williams, Bud Tibshrany, Mary Howard

Commissioners Absent: Jim Smith

Staff Present: Satch Krantz, Tommy Stringfellow, Steve Hatchell

**Call to Order**

Chairman Bartlett called the meeting to order.

**Chairman’s Remarks**

Chairman Bartlett was pleased to announce that Commissioner Mary Howard has been appointed to another six-year term on the Commission. Her new term will expire in the summer of 2021.

**Chief Finance Officer’s Report**

CFO Hatchell reported that we experienced an excellent May. Total attendance for the month was 39,000 over budget, with 20,000 of that in paid attendance. For the current fiscal year, we are now above budgeted attendance by 37,000 guests and are closing the gap on last year’s attendance numbers.Paid attendance for the fiscal year through May is now only 736 below budget. Membership attendance, as a percentage of total attendance, continues to outperform budget. Memberships produced over 57,500 guests more than budgeted through May.Other highlights include:

**Balance Sheet**

* Cash is higher through May, compared to last fiscal year. This is due not only to the timing of reimbursement of bond funds (See “Due from Bond Fund” line item under Assets) but also an excellent May.

**Revenue vs Expense**

**Revenue**

* Total Revenue is $772,797 over budget through May and $733,768 over compared to the same month last year. This is primarily due to admissions revenue and other revenue surpassing last fiscal year’s amounts.
* Admissions revenue for the year is now over budget by $ 288,434 and above the same period last year by $437,636. For the month of May, admissions revenue was $872,466, which is $317,552 above budget for the month and $172,840 over May 2014.
* SSA Commissions were also over budget for the month of May by $101,000. For the current fiscal year, we are now $78,000 over budget in SSA Commissions.
* Attractions/Rides revenue is $137,471 over budget for the current fiscal year. The most profitable attractions were the Carousel and Train which continue to be well above both budget and last year.
* Rhythm and Blooms did not have the anticipated success due to the major sponsor moving their support to Destination Riverbanks. In spite of this, the event did break even.
* Other Revenues, as mentioned in previous reports, continues to be $185,000 over budget and $160,000 over the same time period last year due to the property tax reduction and refund for some Rivermont properties, as well as continued rental income from the remaining two rental properties (which were budgeted at zero dollars). Pool Table Plus vacated the property in May and the Columbia Jazz Company will be vacating at the end of June.
* Governmental support from Richland County has now caught up to budget.

**Expenses**

* Total Expenses are $164,208 under budget.
* Marketing and Public Relations is under budget through May by $262,869 due to timing of advertising placement in relation to when we budget for the expense. We anticipate having some of these expenses utilized in the month of June.

**2015 -2016 General Fund Budget**

Krantz presented the proposed 2015 – 2016 General Fund budget. He noted that due to the scheduled opening of most of the Destination Riverbanks projects throughout the 2015-2016 fiscal year, preparing the General Fund budget proved to be a little more complicated and created a number of revenue and expense challenges. Chief among these challenges is attendance – the foundation of the Zoo’s earned revenue. Equally important is visitor per capita spending, which has been steadily increasing over the past two years due to the success of the fee-based attractions and SSA sales. Conversely, the expense side will be impacted by increases in personnel and operating costs related to the new exhibits and facilities. Based upon these challenges, the Commission’s Finance Committee and staff are recommending a conservative budget that reflects $12,615,906 in total revenue, an increase of $1,014,471 over the current fiscal year budget.

Overall, the increase in revenue is related to adjustments made as a result of actual 2014-15 budget performance as well as increasing the attendance projection to 1,100,000. We are also projecting a conservative visitor per cap expenditure of $4.35. The per cap number provides some cushion if revenue and/or expenses projections prove to be incorrect, since currently the admission’s per cap stands at $4.70. Additional cushion is available through the Commission and Society’s combined undesignated reserves, which currently stand at over $2 million.

On the expense side, the budget includes a number of new full-time positions that are directly associated the new exhibits and facilities. They are as follows:

* + - Three Animal Keepers for the Seal/Sea Lion Exhibit. Hiring will be staggered from September 2015 through January and February 2016.
    - One Commissary Technician. This position will be filled in November 2015.
    - Two Horticulturist/Education staff members for the Children’s Garden. These positions were actually budgeted and filled during the current fiscal year.
    - One Life Support Systems Technician. Due to the additional aquatic exhibits (grizzly, otter, sea lion, children’s garden water play), this position is needed to assist our LSS Manager on a seven-day basis. This position will be hired in January 2016.

The proposed budget provides for a modest 2% salary increase for all qualified employees. Unlike recent budgets, it does not include funding for major repairs, renovations or capital. The Finance Committee and staff decided that these kinds of expenditures would be addressed on as as-need basis from the Commission and Society surpluses. The budget is balanced with a small, $39,477 surplus.

The Commission entered into a discussion regarding attendance and access, especially parking. It was noted that even with the new Rivermont parking lot, there would still be days when parking and access will be a problem.

Tibshrany moved, Howard seconded, m/c unanimous, to approve the 2015 – 2016 General Fund budget as presented.

Krantz thanked the Finance Committee (Commissioners Smith and Tibshrany) as well as Chairman Bartlett for their valuable assistance with the budget.

**Destination Riverbanks Update**

Krantz presented the following report on the Destination Riverbanks projects:

* **Entry/Grizzly/Otter (EGO)** – The grizzly bear and otter exhibits opened to the public on Wednesday, June 10, and were an instant hit with our guests. We are still on target to open the new gift shop on July 3 and the entry on July 23. The only significant items remaining are the completion of the entry gate and signage in the plaza outside the gate.
* **Sea Lion --** Rodgers continues to make tremendous progress on the sea lion exhibit. All of the foundation work and exterior walls on both the sea lion holding building and the public viewing building is complete, as is the slab-on-grade floors. Work has now shifted to exterior walls.
* **Children’s Garden --** Construction at all levels of this project continues to progress. Krantz noted that construction has reached a level at which the size and scope of the garden can now be appreciated.
* **Rivermont Parking Lot --** The new Rivermont parking lot was completed on Friday, May 15, and has performed as hoped. Krantz reminded the Commission that the final one-and-a-half-inch layer of asphalt on the new lot will not be installed until after the CSX bridge is complete next year.
* **CSX Pedestrian Bridge –** On May 27, 2015, a meeting was held at the Richland County Transportation Penny office between a number of Riverbanks, Rodgers Builders and Richland County staff to discuss the Riverbanks/CSX bridge project. Commission Chairman Bartlett also attended the meeting. Based on Riverbanks’ intention to have Rodgers Builders construct the bridge as a Change Order to the existing contract, the discussion centered around Small Local Business Enterprise (SLBE) participation (there will be no Disadvantaged Business Enterprise (DBE) participation due to an absence of federal funding); however, it was made clear that SLBE participation is very important to Richland County Council. The County’s procurement staff noted that they would assign an SLBE goal for the bridge based on the engineer's estimate provided by Todd Sease. Several days after the meeting Krantz was informed that the goal was set at 21%, an amount far exceeding expectations. This was communicated to Rodgers and they have been working diligently ever since to recruit qualified subcontractors to meet that goal.

A discussion was then held about what other items might be covered by the Transportation Penny Tax in the Zoo’s overall bridge project cost, in particular design and engineering. The County staff never directly answered this question but simply agreed to review this topic once a construction price is set. The County did agree that costs associated with CSX requirements regarding construction of the bridge (flagmen, etc.) are legitimate costs. Krantz inquired about the County’s intended use of the remaining funds. The County was clear that some if not all funding identified for the “second phase” of the project must be directed towards the Greystone interchange ramp. Krantz asked about directing some of these funds to the new Rivermont parking lot as previously discussed, based on the Zoo’s position that this parking lot is a main component of reducing traffic back-up onto the ramp and I-126. Rob Perry denied having previously agreed to this position. Following the meeting, Commission Chairman Bartlett and Krantz held a sidebar discussion with Perry who again denied having agreed previously to fund the Rivermont parking lot.

* **Rain Event –** 4.67 inched of rain fell on the Zoo last Tuesday night/Wednesday morning, causing flooding throughout the EGO and Sea Lion construction sites. The worst flooding occurred in the grizzly bear life support room, submerging nearly all of the LSS equipment. Approximately $40,000 in damage resulted, mainly to several pumps.

**Destination Riverbanks Capital Campaign**

Krantz reported that he and members of the Riverbanks Society board of directors are still meeting with prospective donors to the Destination Riverbanks capital campaign.

**Chief Operating Officer’s Report**

COO Stringfellow reported that his staff has begun to plan for the opening of the various EGO facilities and exhibits. He noted that the Zoo’s ad agency, CNG, recently visited the site and is now making plans for filming the new exhibits. He noted that according to Rodgers Builders they are still on-schedule for a late July opening.

**Chief Executive Officer’s Report**

* AZA Accreditation – Krantz reminded the Commission that the AZA Accreditation Visiting Committee will be on-site next Monday, Tuesday and Wednesday.

**Tour**

Commissioners were taken on a tour of the new Destination Riverbanks facilities.

The Meeting was adjourned.

Approved and adopted on the \_\_\_\_\_ day of June 2015.

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