

Riverbanks Park Commission
Meeting Minutes
16 June 2016

Attendance Report

Commissioners Present: Mary Howard, Bud Tibshrary, Jim Smith, Jan Stamps
Commissioners Absent: Phil Bartlett (international travel), Alana Williams (family vacation); Lloyd Liles (illness)
Staff Present: Satch Krantz, Tommy Stringfellow, Breta Rheney

Call to Order

Vice Chair Howard called the meeting to order. She reminded Commissioners that Chairman Bartlett is traveling out of the country. Mrs. Howard also asked that members of the Commission keep Commissioner Liles in their thoughts and prayers as he continues to recuperate from his recent accident.

Reading of the Minutes

The May 2016 minutes were approved as distributed.

Chief Finance Officer's Report

CFO Breta Rheney provided the following report on the May 2016 financial statements:

As of May 31, 2016, the Commission is showing an excess of revenue over expenses of \$1,008,432.

Attendance

- Attendance remains strong. The annual budgeted attendance of 1,100,000 guests was surpassed during the month of May, one month before the end of the fiscal year. At the end of May we were 43,151 guests ahead of the 1.1 million budget.

Balance Sheet

Assets

- Reimbursement has been requested from Richland County's penny tax fund.

Liabilities

- The amount Due to Society will be settled prior to year-end.

Revenue vs Expense

Revenue

- Total Revenue is approx. \$1,274,393 ahead of budget, mostly from:
 - Admissions \$552,481
 - SSA Commissions \$229,740
 - Attractions/Rides \$212,553

- Richland County tax collections remitted to us this fiscal year have exceeded budget by \$93,350.

Expenses

- Department Expense increases are:
 - Consulting & Contracted Services Fees
 - Credit Card Processing Fees
 - AZA Accreditation Expenses
 - Facilities Contracted Services and Repairs
 - Personnel cost overages for Public Safety and Grounds
- Marketing & Public Relations savings are expected to be timing differences.
- Utilities overage is largely water and sewer fees.

2016/2017 Operating Budget

Krantz and Rheney presented the proposed 2016/2017 general fund budget for discussion. It was noted that Commissioner Smith met with Krantz, Rheney and Stringfellow on Thursday, June 9, to review the proposed budget in detail. (Commissioner Tibshirany was unable to attend due to a conflicting appointment).

In reviewing the budget, it was noted that the staff is budgeting \$14.6 million in net revenues, offset by \$14.1 million in expenses, generating a \$475,000 surplus. Surplus funds will be used to address an extensive list of deferred maintenance items as well as some capital needs. This represents a 16% increase over the 2015/2016 budget. The budget also includes a cost-of-living increase of 2.5% for all eligible employees.

They noted that this budget was quite difficult to prepare based on the many challenges presented by the recent unprecedented increase in attendance. It appears that the Zoo and Garden will finish the 2015/2016 fiscal year with 1.2 million visitors, a 20% increase over last year. To put this into perspective, the 20% increase equates to the annual attendance of the South Carolina State Museum. The extra 200,000 visitors taxed the Zoo and Garden in a number of ways including access and parking issues, inconvenient lines at food and retail outlets, and increased demand at all fee-based attractions. The 14% increase in the proposed budget is almost exclusively in response to these issues or, put another way, to ensure the best possible experience for our guests.

The budget also reflects the costs (both personnel and supplies) associated with the recent opening of Waterfall Junction and Sea Lion Landing. Lastly, the budget reflects the unanticipated costs associated with the recent ruling by OSHA that zoos and aquariums should no longer manage their dive programs using the scientific exemption.

The following major budget items were presented:

Attendance

- Attendance is projected at 1.2 million visitors. Staff assume that since Waterfall Junction and Sea Lion Landing opened so late in the fiscal year, we have yet to experience the full impact of their popularity. This could be viewed as an

aggressive projection and one worthy of discussion. The Commission agreed that while the proposed number is aggressive, there is little reason to doubt that it can't be attained. Krantz noted that the staff is prepared to cut certain items, mostly in seasonal positions, if the projected attendance is not reached. As in the past, Society and other free (mostly Lexington/Richland schools and children under 3) comprise 51% of total projected attendance. The remaining attendance is comprised of regular admission, groups and facility rentals.

Fees

- Staff is proposing a \$2.00 increase in the adult and child admission fees effective July 1, 2016 (with all other fees adjusted accordingly). Adult admission will thus increase from \$13.95 to \$15.95. This increase is warranted based upon expenses associated with the Destination Riverbanks additions as well as increased value. The proposed fees are in line with similar, regional AZA zoos. The Commission agreed that the increase is warranted.
- Staff also strongly suggests a discussion be held between the Commission and Society regarding adjusting membership fees in conjunction with the admission fee increase. The Commission was in full agreement with this suggestion.

Revenues

- Commissions paid by SSA on retail and food sales reflect a \$63,000 increase over last fiscal year. This number was provided by SSA and includes their estimates for facility rentals.
- Society Operating Support is budgeted as \$200,000 over the prior year, increasing to \$1.7 million. Given the recent growth in the number of new memberships, the Commission and Society may want consider developing some kind of annual funding formula.
- Governmental Revenues
 - Richland County's budget will include \$82,000 more than requested by the Zoo staff.
 - Lexington County is proposing a \$51,795 increase over the current fiscal year.

Expenses

- Personnel costs account for approximately 60% of the total budget. This is in line with our historical Human Resources expenses as well as the personnel costs of similar-sized AZA zoos.
 - Total personnel cost increases for FY16/17 is projected to be approximately \$250,000, of which almost \$180,000 is related to four new Life Support Systems (LSS) positions, compared to the prior year budget of one position. The budget also includes staffing for Waterfall Junction. Personnel costs related to Waterfall Junction are estimated to be approximately \$130,000—much less than anticipated.
 - The budget includes pay increases to a handful of employees based on changes in their duties and responsibilities, along with the cost-of-living adjustments.
 - All employees who participate in the state retirement system will incur a 0.5% increase effective 7/1/2016. To offset this added expense, all eligible active employees will receive a 0.5% increase. All active employees

- employed prior to 1/1/2016 are proposed to receive an additional 2.0%, resulting in a total cost of living increase of 2.5%.
- The personnel budget also includes two new full-time and two new part-time positions:
 - Zoo Horticulturist - full-time - \$23,962 (related to approximately 1 acre in newly landscaped areas around the new entrance and pedestrian bridge)
 - 2 Maintenance Technicians – part-time - \$35,963 total (to reflect additional duties associated with Waterfall Junction, Sea Lion Landing, Grizzly/Otter and Guest Relations)
 - Attractions Supervisor – full-time - \$29,411 (to assist in additional duties in Waterfall Junction).
 - Employer cost of State Retirement expense will also increase by 0.5% effective 7/1/2016.
 - Employer insurance cost will increase on 1/1/2017 by 0.8% for State health and 15% for State dental.
 - Other Operating Expenses
 - Other operating costs include the new Life Support department. The proposed costs are projected to be slightly under \$180,000, almost one-half of the projected increase in the other operating expenses category.
 - Other significant increases are projected for:
 - IT-related expenses
 - Credit card processing fees
 - Utilities

Following some additional discussion, Tibshrary moved, Stamps seconded, m/c unanimous, to approve the 2016/2017 General Fund budget as presented.

Destination Riverbanks Update

Krantz submitted the following report on the Destination Riverbanks projects, as well as the CSX pedestrian bridge:

- Waterfall Junction (WFJ) – Krantz reviewed the status of the WFJ “lower pond.” The lower pond is one of two water features within WFJ, the other being the splash pad. The lower pond is licensed by DHEC as a “natural swimming area,” similar to a lake or pond in a state park and is supplied with water from the river. The lower pond was modeled after a similar pond in the children’s garden at the Morton Arboretum in Chicago. Staff anticipated that the lower pond would be little more than a place for children to stand and watch the small fish, frogs and tadpoles. Surprisingly, the exact opposite occurred. For every child on the splash pad there are 6 to 8 children playing in the lower pond. Approximately four weeks ago we began having water quality issues in the lower pond. Various attempts were made to remedy the situation, including draining, cleaning and refilling the pond every night, to no effect. Out of an abundance of caution, staff closed the lower pond. We have reached the conclusion that the water quality issues are related to a much higher than anticipated usage as well as the condition of the river water itself. Based on this, the staff are now exploring the possibility

of converting the lower pool into a second splash pad, perhaps restricted to smaller children. An RFP to that effect has been issued.

- CSX Pedestrian Bridge – The pedestrian bridge is progressing well. Rodgers Builders will soon reroute parking lot traffic under the bridge. Elevator installation is now scheduled for July 8 and will take approximately one month. Completion date of the bridge is scheduled for August 29.

Chief Operating Officer's Report

COO Stringfellow provided the following report:

- Sea Lion Landing Opening – Sea Lion Landing was opened ahead of schedule on Thursday, May 26. Stringfellow noted that the exhibit opened at 9:00am that morning, and received excellent coverage from all local TV stations ahead of the Memorial Day weekend. Press coverage has continued almost non-stop ever since.
- Twilight in the Garden – On Friday, June 10, the first of three Twilight in the Garden events was held in the Botanical Garden. The evening included time to explore Waterfall Junction followed by a family movie in the amphitheater. Nearly 600 adults and children attended the event, far outnumbering the largest such event previously held in the Zoo.

Chief Executive Officer's Report

CEO Krantz provided the following report:

- Water Main Break – The Zoo experienced a major interruption in water service on May 23, when a City of Columbia water main burst on Candi Lane. The staff was forced to perform a “soft close,” meaning the guests were asked to leave the Zoo at a leisurely but quick pace. Riverbanks’ guest relations staff offered departing guests either complimentary tickets for a return visit or refunds. Within days we received refund requests totaling \$10,944.45, almost all of which came from the many school groups who were in the Zoo at the time of the break.
- Cincinnati Zoo Gorilla Incident -- Krantz reviewed the recent tragic Cincinnati Zoo incident in which an adult male gorilla was shot and killed by Cincinnati Zoo staff members in order to protect the life of a small child who had fallen into the animal’s exhibit. The incident dominated the national news as well as social media for over two weeks. Krantz noted that the Cincinnati Zoo acted quickly and professionally to ensure the safety and welfare of the child, given that they were forced to make a split second decision. Riverbanks staff is in total agreement that they made the correct decision and would have acted in a similar manner.
- Service Animals – Krantz reported that over the past two years there has been a dramatic increase in the number of “service dogs” entering the Zoo and Garden. It is now not unusual to see two to three dogs in the Zoo on any given day. Historically, we would see no more than half-a-dozen animals per year (almost exclusively Seeing Eye dogs). The increase is due to a very confusing and vague description of the term “service animal” included within the Americans with Disabilities Act (ADA). This confusion has resulted in a great deal of misuse. The vast majority of these dogs are brought in by individuals who claim to be

suffering from a mental or emotional disorder, so there usually is no visible sign of a disability. In situations where it is not obvious that the dog is a service animal, the ADA allows employees to only ask two specific questions: (1) Is the dog a service animal because of a disability? and (2) What work or task has the dog been trained to perform? Likewise, staff are *not* allowed to request any documentation for the dog, require that the dog demonstrate its task, or inquire about the nature of the person's disability. There are also a number of for-profit websites aimed at providing official looking documents and dog "jackets" that give the appearance of legality. As a result, zoos and theme parks are experiencing an explosion of "service dogs" entering their facilities on a daily basis. Some of these dogs and owners have caused problems for Riverbanks. In addition to those who use the pretense of a disability, we are also seeing a number of guests claiming to have service dogs in order to avoid boarding fees or leaving their dog in their cars. The AZA has spent considerable time on this matter, but given the vagueness of the ADA language there is little that can be done. The staff is currently exploring legal advice on what options might be available to help keep non-conforming dogs out of the Zoo.

Executive Session

A brief executive session was held to discuss a personnel issue. No action was taken.

The meeting was adjourned.

Approved and adopted on the 18 day of August 2016.


_____, Secretary