

**Riverbanks Park Commission
Meeting Minutes
21 January 2016**

Attendance Report

Commissioners Present: Phil Bartlett, Mary Howard, Jan Stamps, Alana Williams, Bud Tibshrary, and Jim Smith

Commissioners Absent: Lloyd Liles

Staff Present: Satch Krantz, Tommy Stringfellow, Steve Hatchell

Call to Order

Chairman Bartlett called the meeting to order.

2014/2015 Audit

Michael Slapnik of Scott and Company presented the results of the Report of Audit of Financial Statements of the Riverbanks Park Commission (Park District) for the fiscal year ending June 30, 2015. The audit did not identify any deficiencies in internal control of the Commission's financial reporting. There was discussion about the implementation of GASB Statement Nos. 68 and 71 during 2015. The change requires the Commission to record its proportionate share of the State Retirement System net pension liability. A restatement was recorded to reduce beginning net position by \$9,637,721. Following the presentation and discussion Smith moved, Tibshrary seconded, m/c unanimous to accept the audit as presented.

Chief Finance Officer's Report

CFO Steve Hatchell provided the following report:

As of December 31, 2015, the Commission is showing a deficit of \$775,757. This amount is actually a *positive* variance of \$291,000 when compared to budget.

Attendance

- Over 103,000 people attended the Zoo and Garden during the month of December. This exceeds the budget for the month by approximately 7,000 guests. Paid attendance for the month was 43,500 guests, which was just slightly over budget.
- For the fiscal year, actual attendance exceeds budget by 36,000 guests. Paid attendance is under budget by 18,000, membership attendance is over budget by 41,000 and free attendance is over by 13,000 guests (due mainly to the free days during the October flood).

Balance Sheet

- Assets
 - Cash remains in a positive position at the end of December.
- Liabilities
 - Accounts Payable is slightly up compared to last fiscal year. This is due to timing of the distribution of checks as compared to the end of the month.

- The amount Due to Society is higher in December when compared to the prior fiscal year. This is due to timing of the reconciliation of revenues (less expenses) that the Commission collects on behalf of the Society.

Revenue vs Expense

Revenue

- Total Revenue for December was \$1,401,000—\$40,000 above budget. This was primarily due to Lights Before Christmas' net revenue, which was \$70,000 over budget. For the fiscal year, we are at \$5,567,000, which is \$175,000 over budget.
- Admissions revenue through December 2015 is in line with budget and \$71,000 over the prior fiscal year.
- Events net revenue for the fiscal year is \$101,000 over budget and \$136,000 over last fiscal year. This is due to the fact that Lights Before Christmas and Boo at the Zoo were both successful.

Expenses

- Administrative expenses through December were \$129,000 over budget. This is due to the payment of architectural fees associated with the pedestrian bridge project (not included in the bond package). We also had an upgrade to our payroll services contract due to the reporting requirements associated with the Affordable Care Act.
- Marketing/Public Relations expenses are under budget by \$311,000 due to timing of paid advertising and production costs (which typically occur late in the fiscal year).
- Guest Services expenses are over budget by \$72,000. After reviewing this discrepancy, it was determined that this issue was due to a calculation error in the budget worksheets. The operations of the Guest Services departments appear to be in line with what was anticipated. However, we will continue to see this line item over budget for the remainder of the year.

Destination Riverbanks Update

Krantz presented the following report on the Destination Riverbanks projects:

- **Sea Lion** – Krantz was pleased to announce that the sea lion exhibit is rapidly nearing completion. In spite of the inclement weather over the past few weeks, Rodgers continued to make significant progress. Major developments related to the sea lion exhibit since the November meeting include:
 - The indoor holding areas, including caging, is nearly complete.
 - The gunite rockwork (in and around the pool) is complete and artists are now painting the concrete as specified.
 - The public indoor viewing room is nearly finished, except for the interpretive package.
 - The rooftop viewing deck is complete.
 - Asphalt paving behind the Holding Building is complete.
 - The public sidewalks surrounding the exhibit are mostly complete.

- Melodie and her crew have installed nearly all of the large plant material around the exhibit.

Krantz noted that although the exhibit itself is nearly complete there are several weeks built into the schedule for concrete curing and “shake down” of the life support system.

- **Waterfall Junction Children’s Garden** -- This project continues to progress towards completion. Krantz provided a brief report on each of the garden’s main features:
 - The education center is now nearly complete.
 - The vegetable garden is complete.
 - The dino dig feature is complete.
 - The treehouses are nearly complete with only one of the five roof structures remaining to be installed.
 - Cost of Wisconsin has made revisions to the splash pad and stream, and we are now awaiting final DHEC approval.
 - Riverbanks and the two contractors have addressed many of the changes suggested by our safety consultants.
- **CSX Pedestrian Bridge**
 - On Monday, January 18, CSX forwarded the fully executed construction agreement between Riverbanks and CSX. We are now authorized to move forward with construction.
 - On Tuesday, January 5, a preconstruction meeting was held between Riverbanks staff, Rodgers Builders and Arcadis (CSX consulting engineers) regarding the pedestrian bridge. It appears that everything is now in order and construction is anticipated to begin the first week of February with an 8 to 9 month timeframe for completion.

Destination Riverbanks Capital Campaign Update

Krantz reported that the Destination Riverbanks capital campaign stands at 93% of its \$4 million goal with commitments of \$3,747,105 to date. He also noted that this includes the \$700,000 in anticipated funds from the Lexington County Riverbanks Escrow Fund Balance. \$252,895 remains to be raised. Krantz noted that the Society’s current undesignated fund balance will easily “bridge” the time between completion of the Destination Riverbanks capital projects and the payment of pledges.

Chief Operating Officer’s Report

COO Stringfellow provided the following report:

- Lights Before Christmas – Lights 2015 was quite successful with Gross Revenues of \$406,000 compared to the budget of \$328,000. This was due mainly to the fact that attendance was over budget by 10,000 guests. SSA also experienced a strong per cap during Lights. A more detailed report will be provided once all expenses and revenues have been reported.
- Riverbank Society Membership Update – The Society is close to reaching its all-time membership high (35,000) with over 34,000 households currently on the books. It is anticipated that as the sea lion and children’s garden are opened this spring we will easily pass the old record. Stringfellow reminded the Commission

that new membership pricing was rolled out on January 1 with nearly all categories increasing by \$10. Membership visitation is up to budget by 41,036 YTD.

- **Sea Lion/Children's Garden Opening** – Waterfall Junction media day is scheduled for Thursday, April 7 with opening to the public the following day. Our plans are to be ready to open/operate by late March in order to have some dry run days with new staff and sneak preview for members. Sea Lion Landing opening is slated for the first week of June, just after school is out. We plan to conduct some VIP Tours and sneak previews in late May. Interestingly, we are already getting requests for private event bookings and back area tours.

Chief Executive Officer's Report

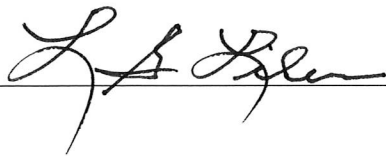
- **Botanical Parkway** – The status of the Botanical Parkway closing was discussed. As previously noted, a portion of the road was washed away during the October flood and, as a result, the road is now closed to all traffic. According to the County, the best option to reconstruct the crossing is to use a concrete box culvert as opposed to the corrugated aluminum pipe that failed during the flood. This will require additional engineering and approval by the Army Corps of Engineers and FEMA. Lexington County estimates it will cost \$1.2 million to repair the road. It is estimated that it will take 2 months to design/engineer a solution and approximately 4 months to construct. If this timetable is accurate, the road will not open until mid-summer at the earliest. According to Lexington County Administrator Joe Mergo, the Botanical Parkway crossing will be the County's single most expensive project associated with the October flood. On Monday, January 11, Krantz and members of the staff met with the City of West Columbia administrator and police chief to develop a strategy to safely route traffic down Seminole and Mohawk Drives.
- **Lexington Fund Balance** – On December 8, Commissioners Howard and Stamps along with CEO Krantz appeared before the Lexington County Council Committee of the Whole to review and request the Commission's need for \$700,000 from the Lexington County Riverbanks Escrow Fund Balance (as discussed and approved at the November Commission meeting). The request was met with unanimous support and was formally placed on the January 12 Council agenda where it received unanimous first reading approval. Two readings and a public hearing remain before the funds are made available. Those meetings are scheduled as follows:
 - January 26 – 2nd reading
 - February 9 – Public hearing
 - February 23 – 3rd & final reading
- **Solar Installation** – Krantz was pleased to report that the PaCE-sponsored solar array has been installed on the Guest Relations roof and is now fully functional. A live performance summary of the installation was shown to the Commission. This is Riverbanks' first solar power installation. It is anticipated that PaCE will hold some kind of press event in the near future.
- **Garden River Trail** – As noted at the November meeting, the October flood caused a great deal of damage to many paved areas throughout the Zoo and

Garden. At the time, the full extent of the damage to the River Trail asphalt path and bridges was not completely known. In fact, two of the wooden foot bridges sustained extensive damage when rushing water undermined the support posts and beams. As a result, we were forced to close the trail and make repairs. To date, we have addressed most of the issues related to the trail immediately adjacent to the river, but there are still potentially dangerous issues with the hillside section.

- **Dive Program** – Due to a recent ruling by OSHA, zoos and aquariums may no longer manage their dive programs using the “scientific” exemption. Instead, we must now manage our program under commercial dive regulations. This will impact our budget since it will require that we add one additional full-time position and one part-time position. This is because each of our dives will require between 1½ and 2 dive tender hours, including up-front equipment checks, assisting with suiting up, monitoring of divers in the water, including the air compressor, air lines, harnesses and extraction lines and assisting with un-suiting. Once the sea lion exhibit is open, Riverbanks will have a total of 26 dives each week including in penguin, the ARC and sea lion. Thirty-three divers will participate in these dives.
- **Komodo Dragon Exhibit** – Krantz was pleased to report that the outdoor Komodo dragon exhibit is nearly complete. This exhibit resulted from re-using the temporary ticket booth structure as a barn and the old wallaby exhibit for the yard. The dragons have been on exhibit for about six weeks and will be provided access to the outdoor exhibit once temperatures reach acceptable levels in the spring.

The meeting was adjourned.

Approved and adopted on the 16th day of February 2016.



_____, Secretary