

B U D G E T S U M M A R Y

| Category | 2018 Actual | 2019 Actual | 2020 Budget | 2021 Budget | 2021/2020 Variance |
|-----------------------------------|---------------------|---------------------|---------------------|----------------------|--------------------|
| Expenditures | | | | | |
| Personnel Costs | \$7,608,102 | \$7,989,867 | \$8,814,444 | \$8,662,007 | (\$152,437) |
| Operation Costs | \$6,289,429 | \$6,031,188 | \$7,315,310 | \$7,488,236 | \$172,926 |
| Debt & Depreciation | \$0 | \$ | \$0 | \$0 | \$ 0 |
| Capital Outlay | \$751,979 | \$486,148 | \$408,865 | \$512,336 | \$103,471 |
| Interdepartmental. Charges | \$514,424 | \$569,488 | \$546,596 | \$590,844 | \$44,248 |
| Total Expenditures | \$15,163,934 | \$15,076,691 | \$17,085,215 | \$17,253,423 | \$168,208 |
| Revenues | | | | | |
| Direct Revenue | \$14,522,176 | \$14,975,501 | \$17,905,058 | \$18,634,772 | \$729,714 |
| Intergovernmental Revenue | \$0 | \$ | \$0 | \$0 | \$ 0 |
| Indirect Revenue | \$0 | \$ | \$0 | \$0 | \$ 0 |
| Total Revenues | \$14,522,176 | \$14,975,501 | \$17,905,058 | \$18,634,772 | \$729,714 |
| Tax Levy | \$641,758 | \$101,190 | (\$819,843) | (\$1,381,349) | (\$561,506) |
| Personnel | | | | | |
| Full-Time Pos. (FTE) | 128.6 | 151.5 | 151.5 | 151.5 | 0.0 |
| Seasonal/Hourly/Pool \$ | \$1,526,418 | \$1,179,446 | \$1,202,290 | \$1,199,452 | (\$2,838) |
| Overtime \$ | \$238,670 | \$200,339 | \$288,084 | \$306,012 | (\$17,928) |

Department Mission:

The Milwaukee County Zoo will inspire public understanding, support, and participation in global conservation of animal species and their environment by creating a unifying bond between visitors and the living earth and will provide an environment for personal renewal and enjoyment for guests.

Department Description:

The Milwaukee County Zoo includes four divisions that provide services in support of Wisconsin's largest zoo: Administration, Finance & Operations, Marketing and Communications, Maintenance, Grounds & Environmental Services, and Animal Management & Health.

Major Changes in FY 2021

The 2021 Budget continues to position the Zoo to increase attendance and revenues in admissions, Society memberships, Group Sales, revenue share contracts/leases, special exhibits, and special events. Due to the impact of the pandemic in 2020, the Zoo is not recommending an admission fee increase. The budget also focuses on implementing operational efficiencies and/or cost savings while maintaining assets at an acceptable level.

This budget incorporates the County's strategic focus areas of Creating Intentional Inclusion, Bridging the Gap, and Investing in Equity by the following:

- **Bridging the Gap:** The top annual exit survey response for the question “why you visit the Zoo” is to be with family and friends. This Zoo offers a safe, family atmosphere and will continue to provide excellent customer service to its guests.
- **Investing in Equity:** The budget includes revenue-generating events and education programs, including a partnership with the Zoological Society to serve children and families experiencing high economic need. Below provides a short summary and more details can be found under the appropriate division sections.
- **Creating Intentional Inclusion:** The Zoo is focusing on a more diverse staff beginning with two Zookeeper interns and programming and one business intern, developing a pricing strategy that incorporates affordability and more accessibility, and adjusting the marketing strategy to focus more on broader and diverse audience. The budget also continues the Teens Grow Greens partnership.

The COVID-19 pandemic has had significant impacts to the Zoo in 2020, including temporary closure of operations, followed by phased re-openings with limitations on attendance as well as reduced opportunities to host large events. These closures and limitations have led to reduced Zoo revenue collections in 2020, and have resulted in a need to identify savings through various methods including staff furloughs, hiring and spending freezes, and other savings.

In order to avoid more substantial cuts that might be required for possible revenue deficits in 2021, the Zoo has identified \$908,400 of savings in multiple areas including staffing costs, commodities and services, and operating capital. While funding for these costs are included in the 2021 budget, accounts will be “frozen” until it can be demonstrated that revenue collections can support the expenditures. The Zoo will work with the Office of Performance, Strategy & Budget to monitor public health conditions and operational feasibility for revenue generating functions. Failure to earn the revenues associated with the segregated operational funding will require corrective action including but not limited to the already identified savings options.

The Zoo budget is heavily based on generating revenue to support its operation. For 2021, a pricing strategy will be developed for implementation in the 2022 Budget. The goals will be to grow earned revenue while remaining affordable and accessible, mitigate revenue loss when attendance is down, grow advanced ticket sales on-line, increase attendance during off-peak times, and enhance forecasting models. This pricing strategy will also include a marketing and social media plan to inform guests of the changes and promote the new structure.

This budget includes changes to reimage/rebrand special events to enhance attendance, appeal, and profitability. More details can be found under the Marketing and Communications Division.

The Zoo now operates the zip line and ropes course in-house. See the Administration /Finance/ Operations Division section for details.

The special exhibit will be an animal superpowers exhibit made with Lego bricks. See the Administration /Finance/ Operations Division section for details.

The 2020 budget eliminated the special programs function and reassigned the duties to various positions. The budget did incorporate funds for reclasses to compensate for the additional responsibilities. Due to the COVID-19 pandemic and resulting fiscal challenges, only two of the five positions were reclassified. The 2021 Budget includes funding to complete the 2020 reorganization and is completely offset with reduced seasonal hours.

The 2021 Budget includes funding to reclass four positions that have serious pay equity issues. Funding for this is completely offset with reduced seasonal hours.

Focus continues on updating exhibits to address U.S. Department of Agriculture, Animal and Plant Health Inspection Services and Association of Zoos and Aquariums standards and to enhance the guest experience. The 2020 Budget included funds for Phase 3 of Adventure Africa Master Plan to renovate the Rhino Exhibit. Planning continues into 2021 and it is anticipated that the Zoo’s 2022 Capital Budget Request will include construction funds. This phase of the project will not be submitted until the Zoological Society of Milwaukee commits to 50% of the costs of the project.

Strategic Program Area 1: Administration, Finance & Operations

Service Provision: Discretionary

| How We Do It: Program Budget Summary | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|---------------------------|
| Category | 2018 Actual | 2019 Actual | 2020 Budget | 2021 Budget | 2021/2020 Variance |
| Expenditures | \$4,205,370 | \$3,810,586 | \$4,975,352 | \$4,932,392 | (\$42,960) |
| Revenues | \$11,618,014 | \$11,914,080 | \$13,826,011 | \$13,699,124 | (\$126,887) |
| Tax Levy | (\$7,412,644) | (\$8,103,494) | (\$8,850,659) | (\$8,766,732) | \$83,927 |
| FTE Positions | 18.0 | 20.0 | 21.0 | 21.0 | 0.0 |

| What We Do With It: Activity Data | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Activity | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Zoo Attendance | 1,146,045 | 1,242,162 | 1,351,500 | 1,351,500 |
| General Admission Rev | \$5,015,335 | \$5,465,209 | \$6,723,014 | \$7,636,707 |
| Zoo Rides Revenue | \$919,527 | \$1,046,867 | \$1,109,203 | \$1,110,000 |
| Vendor Revenues | \$2,577,127 | \$2,609,247 | \$2,912,319 | \$3,019,421 |
| Society Membership Rev | \$3,195,655 | \$3,315,477 | \$3,356,554 | \$3,356,554 |

| How Well We Do It: Performance Measures | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Performance Measure | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Average visitor spending* | \$12.67 | \$12.06 | \$13.25 | \$13.78 |
| AZA Accreditation Status | Accredited | Accredited | Accredited | Accredited |
| Guest Survey: Excellent or Very Good Food Service** | 85.1% | 66.3% | 90% | 90% |
| Guest Survey: Excellent or Very Good Service at Retail Outlets** | 87.8% | 81% | 90% | 90% |
| Guest Survey: Excellent or Very Good Service at Ride Locations** | 90.6% | 82% | 90% | 90% |
| Guest Survey: Excellent or Very Good Service at Gates/Admissions* | 93.7% | 84.4% | 90% | 90% |

* Average visitor spending = total revenue/total attendance

** Annual Exit Survey Results

Strategic Overview:

Administration, Finance and Operations Division provides effective leadership for all Zoo functions and responsibilities. Direct oversight includes business analytics, cash management, financial and capital project planning, accounts payable and receivable, personnel and payroll, reception, radio dispatch, information technology, safety and security services, contract review, program evaluations, performance measures, oversight of Guest Experience and Safety committees, manages school field trips, other general office services, management of major revenue sources, such as admissions, parking, miniature train, Zoomobile, and the carousel rides, special

exhibit and the zip line and ropes course. Staff from this program area also oversee revenue generating contracts and leases with outside vendors.

Strategic Implementation:

The Milwaukee County Zoo partners with the Zoological Society of Milwaukee Education Department to provide six programs serving children and their families attending schools with high economic need. In 2019, 40,250 students and 133 adults were served from Milwaukee Public Schools, six local parochial schools, West Allis and West Milwaukee and Milwaukee Sign Language. The budget continues this partnership.

The Accounting Section is re-organized to focus more on business data analytics and while general ledger, auditing and account reconciliation are important functions, a broader range of focus is needed to stay up to date with business trends and strategies. Included is the creation of a summer intern program geared towards underserved and/or economically challenged student populations living in metro-Milwaukee to expose students to a career in data analytics. The reorganization has an expenditure savings of about \$36,000.

The operation of the Zip Line / Ropes Course is now handled in-house. Based on the proforma data from the prior vendor, net revenues after sales tax are estimated at \$183,986 with \$74,496 in expenditures for a net profit of \$109,490. The following position action is needed to staff the amenity.

The 2021 special exhibit will be an animal superpowers exhibit made with Lego bricks. Admission to the exhibit is \$3 per person and will run from Memorial Day weekend through Labor Day.

The Zoo has two types of revenue share contracts – 1) the vendor pays the Zoo directly and 2) the Zoo collects the revenues and pays the vendor their portion of the revenue per the contracts. For 2021, the collection and payment to vendor contracts are reduced by \$159,040 to better reflect experience for a zero net tax levy impact. For the Sea Lion Show contract with Ocean Connections, the vendor will use the Zoo’s point-of-sale equipment and the Zoo will pay the vendor their share of the ticket sales. Estimates include \$180,000 in revenue collection with \$135,000 payment to the vendor for a net revenue to the Zoo of \$45,000.

As part of the reimage/rebranding of special events, a new Holiday Night Lights event is planned for 2021. The event will run for 15 nights with a maximum capacity of 4,500 guests per night. Expenditures for the event total \$247,422. Revenues are projected at a 65% fill rate which totals \$810,631 for a net profit of \$563,209. Ticket prices are \$20 and \$18 for adults and children respectively. Position impacts to the Administration, Finance and Operation Division to support the event are as follows:

The budget maintains the 2020 Admission and parking fees. A new pricing strategy is planned for the 2022 Budget.

The Zoo Director maintains authority to discount or waive fees and provide one free admission day during the months of January, February, March, October, November, and December. The Zoo is also authorized to enter into the following Professional Service Contracts in 2021. They are included in the budget in lieu of separate review and approval during the budget year. These contracts are with an identified vendor.

| Contract Amount | Description | Provider |
|------------------------|-------------------------------------|----------------------|
| \$135,000 | Sea Lion Show | Ocean Connections |
| \$55,000 | Strollers and Wheelchairs | Scooterbug Inc. |
| \$35,000 | Mold-a-Ramas | William A. Jones Co. |
| \$33,000 | Pony Rides | Patch 22 |
| \$60,000 | Digital food tickets for a la Carte | Magic Money |

Strategic Program Area 2: Marketing and Communications

Service Provision: Discretionary

| How We Do It: Program Budget Summary | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|---------------------------|
| Category | 2018 Actual | 2019 Actual | 2020 Budget | 2021 Budget | 2021/2020 Variance |
| Expenditures | \$2,253,380 | \$2,386,160 | \$2,535,882 | \$2,767,101 | \$231,219 |
| Revenues | \$2,810,530 | \$2,938,469 | \$3,823,502 | \$4,663,585 | \$840,083 |
| Tax Levy | (\$557,150) | (\$552,309) | (\$1,287,620) | (\$1,896,484) | (\$608,864) |
| FTE Positions | 10.3 | 10.8 | 9.8 | 9.8 | 0.0 |

| What We Do With It: Activity Data | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Activity | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Advertising Expenditures | \$566,588 | \$581,450 | \$598,000 | \$598,000 |
| Group Sales Revenue | \$1,733,848 | \$1,632,131 | \$2,246,344 | \$2,246,344 |
| # of Public Special Events | 24 | 20 | 25 | 20 |
| Social Media Followers | 134,532 | 174,899 | 165,000 | 225,000 |
| # of Sponsorships | 30 | 29 | 32 | 23 |

| How Well We Do It: Performance Measures | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Performance Measure | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Guest experience survey: Extremely or Very Satisfied* | 98.3% | 94.4% | 90.0% | 90% |
| Guest educational value survey Extremely or Very Educational* | 95.4% | 95.4% | 90.0% | 90% |
| Attendance at Public Special Events | 221,995 | 249,375 | 308,060 | 330,458 |
| Attendance for Special Exhibit | 214,549 | 147,952 | 215,034 | 168,980 |
| Sponsorship Revenue | \$278,051 | \$364,213 | \$345,000 | \$455,000 |

* Annual Exit Survey Results

Strategic Overview:

The Marketing and Communications Division facilitates Zoo programs and materials that promote and market the Zoo. Through advertising, public and media relations, social media marketing, promotional activities, sponsorship, public special events, private event rentals, the full and seasonal staff in this area seek to increase public use, enjoyment and awareness of the Zoo, which ultimately generates revenue and attendance.

Strategic Implementation:

The budget is shifting a larger portion of the marketing strategy including advertising, social media and public relations to a broader and more diverse audience to help foster a more inclusive community.

The Special Events section is refreshing and reworking events to broaden audience reach and increase profitability. Revenues from the event makeovers generate additional revenues of \$103,062.

A new event, Holiday Night Lights is planned for 2021. The event will run for 15 nights with a maximum capacity of 4,500 guests per night. Expenditures for the event total \$247,422. Revenues are projected at a 65% fill rate which totals \$810,631 for a net profit of \$563,209. Ticket prices are \$20 and \$18 for adults and children respectively.

Strategic Program Area 3: Maintenance & Facilities

Service Provision: Discretionary

| How We Do It: Program Budget Summary | | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|--------------------|
| Category | 2018 Actual | 2019 Actual | 2020 Budget | 2021 Budget | 2021/2020 Variance |
| Expenditures | \$3,881,431 | \$3,966,367 | \$4,451,164 | \$4,631,157 | \$179,993 |
| Revenues | \$1,642 | \$6,349 | \$58,000 | \$65,700 | \$7,700 |
| Tax Levy | \$3,879,789 | \$3,960,018 | \$4,393,164 | \$4,565,457 | \$172,293 |
| FTE Positions | 28.0 | 45.0 | 45.0 | 45.0 | 0.0 |

| What We Do With It: Activity Data | | | | |
|------------------------------------|-------------|-------------|-------------|-------------|
| Activity | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Number of Work Orders Completed | 2,925 | 987 | 2,500 | 1,100 |
| Dollars Spent on Asset Maintenance | \$959,139 | \$892,947 | \$873,585 | \$993,199 |
| Number of Energy Savings Projects | 6 | 5 | 7 | 7 |

| How Well We Do It: Performance Measures | | | | |
|---|--|--|-------------|-------------|
| Performance Measure | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Guest Survey: Excellent or Very Good Cleanliness* | 96.4% | 95.7% | 90.0% | 90% |
| Work Orders completed in a timely manner | 87.0% | 91% | 90.0% | 90% |
| Energy Usage Reduction | Natural Gas 4.7% Electricity 1.7% Water (8.7%) | Natural Gas (.7%) Electricity (1.8%) Water 6.3% 6.3% | -5.0% | -5% |

* Annual Exit Survey Results

Strategic Overview:

This program area provides maintenance, improvement and overall grooming of the grounds. The state of the grounds is critical to visitor satisfaction and return visits. Also included in this program area are mechanical and preventative maintenance programs for equipment, ventilating, air-conditioning, heating systems, minor electrical and plumbing repairs, housekeeping and general cleaning of the entire Zoo. Along with the 197 acres of zoo grounds, there are 48 buildings requiring HVAC care and an additional 81 buildings to maintain. This division also partners with Teens Grow Greens to connect the Zoo with the Community.

Strategic Implementation:

This division partners with the non-profit Teens Grow Green and the Zoological Society to assist in providing an apprenticeship opportunity for Teens Grow Green graduates, including management learning. This program accomplishes the following: connects the Zoo with the community's high school aged youth and involvement in the Milwaukee community; provides horticulture career pathway development; and provides encouragement and discourse around horticulture as a career path for youth.

One of the goals of this division is to have a successful preventative maintenance program to establish consistent practices designed to improve the performance and safety of the buildings and equipment on Zoo grounds. This program extends the useful lifecycle of assets decreasing the need for capital replacements, enhances the efficiency of equipment keeping them running more efficiently and lowering power expenses, and enhances the performance of assets by increasing uptime. To support this goal, the Commodities and Services accounts increase \$48,342 to align the budget close to actual experience for building and roadway materials.

An appropriation of \$88,614 is included to repair the pathway that is heavily used during the Zoo's 4-day a la Carte event. The pathway is a safety hazard and needs to be fixed.

As part of the reimage/rebranding of special events, a new Holiday Night Lights event is planned for 2021. The event will run for 15 nights with a maximum capacity of 4,500 guests per night. Expenditures for the event total \$247,422. Revenues are projected at a 65% fill rate which totals \$810,631 for a net profit of \$563,209. Ticket prices are \$20 and \$18 for adults and children respectively.

Strategic Program Area 4: Animal Management & Health

Service Provision: Discretionary

| How We Do It: Program Budget Summary | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|---------------------------|
| Category | 2018 Actual | 2019 Actual | 2020 Budget | 2021 Budget | 2021/2020 Variance |
| Expenditures | \$4,823,753 | \$4,913,578 | \$5,122,817 | \$4,922,773 | (\$200,044) |
| Revenues | \$91,990 | \$116,603 | \$197,545 | \$206,363 | \$8,818 |
| Tax Levy | \$4,731,763 | \$4,796,975 | \$4,925,272 | \$4,716,410 | (\$208,862) |
| FTE Positions | 72.3 | 75.8 | 75.8 | 75.8 | 0.0 |

| What We Do With It: Activity Data | | | | |
|---|--------------------|--------------------|---------------------|---------------------|
| Activity | 2018 Actual | 2019 Actual | 2020 Target* | 2021 Target* |
| # of Species in collection | 326 | 352 | 400 | 360 |
| # of Specimens in collection | 2,447 | 2,222 | 2,800 | 2,400 |
| Value of staff time on conservation messages* | \$122,514 | \$143,162 | \$153,252 | \$222,245 |
| Dollars towards conservation/research* | \$815,022 | \$352,532 | \$698,146 | \$294,604 |

* Combined Zoo and Society.

| How Well We Do It: Performance Measures | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Performance Measure | 2018 Actual | 2019 Actual | 2020 Target | 2021 Target |
| Participation in AZA Species Survival Plans | Yes | Yes | Yes | Yes |
| Reduce the number of exhibits that appear empty with no reason | 7.6% | 7% | 10.5% | 10.5% |
| Percentage of budget towards conservation and research | 6.1% | 4.5% | 5.0% | 3% |

Strategic Overview:

This program area is responsible for the care and management of the Zoo's extensive animal collection. To allow for conservation, propagation, and display, this includes monitoring and maintaining the animals and providing safe and enriching environments, well-balanced and nutritious diets, and high-quality preventive and clinical veterinary care for the 360 species of 2,400 mammals, birds, fish, amphibians, reptiles and invertebrates represented. The animal facilities are designed and programs are presented to provide educational and entertaining experiences for the visitors. This division is also responsible for evaluating and approving requests from local, regional, national and international scientists seeking to conduct behavioral, cognitive or physiological research with the animal collection.

Strategic Implementation:

The Family Farm operation requires a leadership level role to facilitate specialized animal programs, education programs, visitor experiences, contractor support and a dynamic team of animal care professionals. The 2021 Budget

incorporates succession planning, increased operational independence and both volunteer and diversity programs with the following budget actions. Initial savings of \$5,220 is generated due to step changes with a maximum impact of \$3,000 once the new position reaches the top step.

Abolish upon vacancy 1 position of Heritage Farm Supervisor
 Create 1 position of Assistant Curator – Family Farm

For 2021, one of the Animal Division intern programs mentioned above will partner with Vincent High School Agriculture Program to provide students the unique opportunity that includes summer employment in the Family Farm.

The 2021 Capital Budget includes \$4M for an Elephant filtration system for the new elephant exhibit. The original plan included a waterhole filtration system for the exhibit, but it was eliminated to reduce project costs. Surplus funds are available from the Hippo Project (see table below) and are being requested to help fund the filtration system. Benefits of the waterhole filtration system include: 1) estimated water savings of 3.6 million gallons; 2) repurposing labor hours 3) reduced risk for potential injuries since staff will no longer need to enter confined spaces to fill and empty the waterhole; and 4) provides clean (outside) drinking water for elephants.

| Elephant Filtration System | |
|-----------------------------------|---------------|
| Project Cost | \$4.0 M |
| Less Society Hippo Surplus | (\$1.8M) |
| Less County Hippo Surplus | (\$0.9M) |
| Net | \$1.3M |
| 2021 Society Contribution | \$0.2M |
| 2021 County Contribution | \$1.2M |

The free bird show is eliminated in 2021 due to fiscal constraints at a cost savings of \$105,000.

The Zoo has a goal of contributing the equivalent of three percent of the budget towards conservation and research efforts through field conservation, education, staff programs and training, green practices and contributions. For 2021, that goal is \$516,850.

Railroad Expendable Trust Account (Org. 0320)

The Railroad Fund exists for the purpose of recording the receipt of all revenue derived from the operation of the Zoo's miniature passenger railroad. Expenditures include personnel costs for engineers and operators, repair and maintenance of locomotives, and other commodities and supplies.

| Expenditure | Revenue | Tax Levy |
|--------------------|----------------|-----------------|
| \$1,053,000 | \$1,053,000 | \$0 |

The Zoomobile fee is increasing from \$3 to \$5 to help generate budgeted revenues of \$86,000.

SPECIMEN EXPENDABLE TRUST ACCOUNT (Org. 0319)

The Specimen Fund exists for the purpose of recording receipts from the sale of animals. Disbursements are made for the purchase of animals and related expenditures such as, freight and express charges on the shipment of animals.

| Expenditure | Revenue | Tax Levy |
|--------------------|----------------|-----------------|
| \$55,570 | \$55,570 | \$0 |

CONSERVATION/RESEARCH PROGRAM TRUST ACCOUNT (Org. 0330)

A Conservation/Research Program Trust is created in 2017 to record donations and contributions towards conservation, research and green practices which allows expenditure authority to support these functions in addition to supporting other expenses for the benefit or improvement of the Zoo and to support the Zoo's mission.

| Expenditure | Revenue | Tax Levy |
|--------------------|----------------|-----------------|
| \$98,500 | \$98,500 | \$0 |