

Minnesota Zoo FY26-27 Budget Request: SF1902 & HF2034



John Frawley, Zoo Director

MINNESOTA ZOO

Agenda



- Zoo 101 & Highlights
- Governor's Budget Recommendation & Impact
- Minnesota Zoo's Budget Request

Minnesota Zoo: 101

***MISSION:** To connect people, animals, and the natural world to save wildlife*

- **State Agency Partnership** – Operates as a public-private partnership
- **Current Operating Model** – 37% state-funds, 63% earned revenue and private funds
- **5th Largest Zoo in the Nation** - Spans 485 acres
- **24/7/365 Campus** – 125 structures, 6.5 miles of roads, and 4.75 miles of pathways
- **Access** – Serves 120,000+ Free to Explore guests yearly from all 87 counties
- **Education Leader** – Reaches 83,000 students annually across 1,000+ schools
- **Nation's Largest Zoo Camp** – Leading immersive educational experiences
- **Award-Winning Conservation** – Saving Minnesota's wildlife
- **Aging Campus** – Nearly 50 years old, not the “New Zoo” anymore

Minnesota Zoo: Recognizing Excellence

- **Minnesota's top year-round gated attraction** - 1.5M annual visitors
- **World-class destination** – Ranked among the best by USA Today
- **World's longest Treetop Trail** – Won 10 national & state awards
- **Star Tribune 2024 Minnesota's Best:**
 1. 🏆 Gold: Best Place for a Day Trip
 2. 🏆 Gold: Best Family Attraction
 3. 🏆 Gold: Best Spring, Summer & Winter Destination
 4. 🏆 Gold: Best Family Fun Center
 5. 🏆 Gold: Best Concert Venue
 6. 🏆 Gold: Best Yoga Destination



Governor's Recommendation



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FY2026: \$343,000 = to 0.9% of our total operating budget during times of record inflation

FY2027: \$695,000 = to 1.7% of our total operating budget

TOTAL: \$1,038,000 = to 1.3% of our total operating budget



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Governor's Recommendation Impact

The proposed funding falls short of covering existing institutional expenses, **jeopardizing the Zoo's ability to sustain operations, and leading to budgetary exhaustion in FY27**. Without adequate funding, we will be forced to consider major changes like:

- Staff reductions
- Increased admission
- Increased Zoo Camp prices
- Increased membership prices
- Increased school field trip rates
- Reduced Zoo hours and days of operation
- Closing popular attractions like touchpools, Llama Trek, and Bird Show
- Fewer community events like concerts, Farm Babies, and Adult Nights
- Limited free access programs

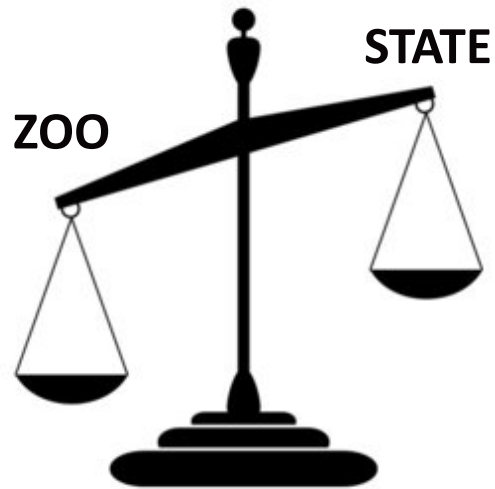


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The Minnesota Zoo FY26-27 funding
request:

\$3.5 million per year

Current Situation: Unbalanced Public/Private Partnership

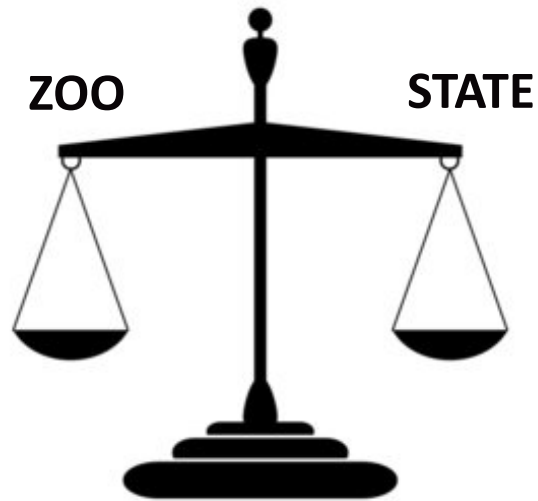


- State funding only covers 37% of the Zoo's operating budget
- The Zoo's earned revenue has grown by 40% since 2019
- The timing is critical for heading towards a 50/50 private/public partnership

50/50 Public/Private Partnership



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- Forecast modeling indicates we must achieve a 50/50 funding model with the state within the next two biennia to maintain a safe, smart, and efficient operation
- This model will ensure healthy long-term success for the Zoo



Key Cost Drivers and Operational Pressures

Workforce Challenges

- Across-the-board salary increases of 5.5%
- Implementation of a \$20 minimum wage
- Shift differential increase for a 24/7/365 operation
- Expanded paid leave benefits

Rising Operating Costs - Average 10% annual growth over five years

- 8% increase in salaries and benefits
- 22% increase in campus maintenance
- 12% increase in non-salary animal care and feed
- 11% increase in MNIT services
- 5% increase in utilities

Aging Infrastructure

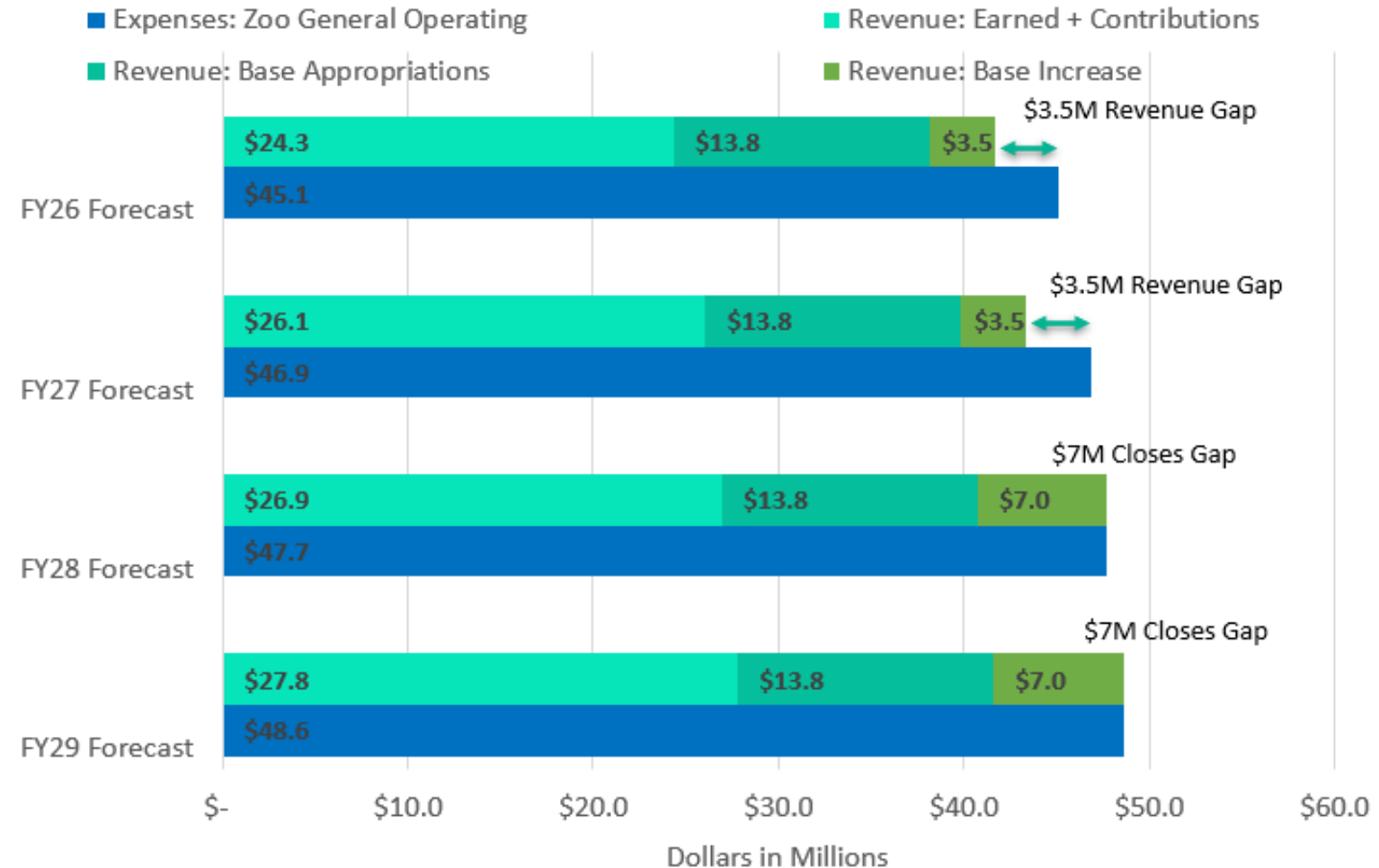
- Urgent investment required in facilities – **non-bondable** maintenance to address over 3,000 work orders annually

Increased Regulatory Standards

- Stricter animal care and welfare requirements from regulatory and accrediting agencies such as USDA, OSHA, AZA, U.S. Fish & Wildlife, FDA, and EPA

50/50 Public/Private Partnership

Our FY26-27 request moves us halfway to a 50/50 model



A Unique State Agency – Strong ROI

- Minnesota's top gated year-round attraction
- A major economic driver – contributing \$227M+ to Minnesota's economy
- Earned revenue = over 60% of general operating budget
- Minnesota's largest environmental education center
- Minnesota's leader in conservation
- The 5th largest zoo in the nation
- A statewide community resource – serving all 87 counties



Questions?