

Environment and Natural Resources Finance and Policy Committee



MINNESOTA ZOO

A Unique State Agency



MINNESOTA ZOO

- Private/public partnership
 - \$30 million annual operating budget
 - 1/3 operating support from the State
 - 2/3 of operating budget through earned revenue
 - *Closed or limited gate capacity*
 - *Closed or limited parking revenue*
 - *Closed or limited food and beverage*
 - *Closed or limited retail*
 - *Cancelled or reduced education programs and camps*
 - *No animal encounters or shows*
 - *No Zoomobile*
 - *Cancelled events (except drive through)*

COVID-19 Impact

- Zoo temporary closure on March 14, 2020 - July 24, 2020
- Customized Continuity of Operations Plan to align with pandemic response
- Analyzed financial position and developed a revised financial forecast

Cost Containment – Non Salary

- **Suspended many contracts and RFP's and pulled back spending where it was feasible**
- **Halted or delayed all major projects except those funded by asset preservation**
- **Froze expenditures**

Cost Containment – Salary

- **Laid off 48 staff members and impacted 125 positions in total by eliminating or reducing hours for many intermittent and seasonal positions**

While these measures have helped reduce costs by nearly \$8 million in FY 2020-21, concern remains over the ability to perform routine care for the animals and Zoo facilities.



The Governor's Budget Recommendation: Restart the Zoo's Economic Engine

- Sustain Zoo until vaccine is widely distributed through the population
- Rebuild beloved experiences that Minnesotans expect from the Zoo
- Return to generating 2/3 of operating budget by next biennium

| Fiscal Year | \$ in 000s |
|----------------|---------------|
| 2021 | 1,595 |
| 2022 | 5,960 |
| 2023 | 3,940 |



Reopening the gate is just the first step in a complicated recovery

- Speed of recovery limited by pandemic **and** the significant reductions to operations and programs
- Currently a one-way loop of animal viewing; no animal encounters and shows, play areas, on-site education or events
- Complex sequencing to rebuild programs, experiences, and events people expect from Zoo
- Goal of returning operation to pre-COVID level by next biennium



Governor's Recommendation: Restart the Zoo's Economic Engine

- **Admissions** limited through October, then rise back to 100% of typical by 2023
- **Membership** at 40% of typical in FY22 and 55% of typical in FY23
- **Events** at 50% of typical in FY22 and 85% of typical in FY23
- **Community Education** at 30-40% of typical in FY22 and 85% in FY23
- **School Programs** start to return in spring 2022 and rise to 50% of typical in FY23

| FY | COVID | Pre-COVID | % Diff |
|------|--------|-----------|--------|
| 2020 | 10,913 | 16,362 | -33% |
| 2021 | 5,552 | 17,010 | -67% |
| 2022 | 9,512 | 17,350 | -45% |
| 2023 | 13,471 | 17,697 | -24% |



Your State Zoo...Serving Minnesota

Our mission is to connect people, animals and the natural world to save wildlife.

- 5th largest zoo in the country; 485-acres
- 1.3 million guests annually
- Home to nearly 5,000 animals; 67 endangered/threatened species
- World recognized conservation work; including turtles, bison, butterflies, mussels
- \$226 million of annual economic impact to Minnesota
- Over 200,000 members/43,000 paid membership households
- 90,000 school group participants from nearly 1,000 schools in Minnesota
- 50 counties reached through our Zoomobile programming
- 89,000 Minnesotans from nearly all counties visit the Zoo for free through our *Free to Explore* program as we continue to strive to achieve diversity, equity, access and inclusion
- Continued commitment to conservation partnering with organizations throughout MN including DNR, U of M, MNDOT, etc.



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Questions?



John Frawley, Zoo Director



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