

NIABI ZOO OVERSIGHT COMMITTEE MINUTES FROM DECEMBER 12, 2016

PRESENT: Committee members –J. Craver, L. Jackson, M. Byrne, T. Brahm, W. Nelson, T. Jarrett.

ABSENT: J. Taylor.

ALSO PRESENT: Rick Biddle, Schultz & Williams(via phone); Catherine Grace, Schultz & Williams(via phone); John Ferrell, Zoological Society President; Lance Leslie, Zoological Society Treasurer; Lynsey Engels, Zoological Society; Chris Townsend, Zoological Society; Debbie Shannon, Zoological Society Secretary; Scott Lohman; various members of the press.

Vice Chairman Byrne called the meeting of the Niabi Zoo Oversight Committee to order at 4:02 PM on Monday, December 12, 2016, in the Education Room of the Administration Building at Niabi Zoo in Coal Valley, Illinois.

Roll was called:

J. Craver, L. Jackson, T. Brahm, M. Byrne, T. Jarrett, W. Nelson.

Total Present 6

J. Taylor.

Total Absent 1

Vice Chairman Byrne called for a motion to approve the consent agenda items.

MOTION: Mr. Craver moved to approve the consent agenda items. Mr. Jarrett seconded the motion.

Motion carried.

Vice Chairman Byrne stated that the newly chosen President of the Forest Preserve District was at the meeting tonight.

The Oversight Committee members and the Society Board members introduced themselves.

President Swanson introduced himself and thanked the Oversight Committee members for the progress that they've made during the year. What the Oversight Committee does matters, and the District wants to recognize that. Was particularly impressed with the PPP taskforce report. That is a good place for us to jump off from. I have experience in a slightly different form of governance. I've been in higher education for thirty years at a fairly high functioning college. Also worked for ten years on the, at the time, Trinity Medical Center board, and also the overarching Trinity Regional Health System board. I see some correlations between those organizations and this one. In those groups there is never any one group that has one hundred percent of the control; it's all about balance. Boards of a university or hospital or symphony serves as the overarching oversight, and they delegate much of what they do to professional management. Those professionals provide boundaries of metrics for performance, oversight in terms of how

things are getting done, and help keep each other apprised of what should be keeping you up at night and what doesn't need to keep you up at night. There's a good conversation going on there. Then you have others in both of these contexts who are the revenue drivers. Revenue drivers, in a college or university setting, is the faculty. In a hospital it's the doctors, and in the symphony it's the orchestra. You have philanthropy that backs those up, but those are the kinds of people who drive home the revenues. The corollary here would be the staff who are day in and day out making the magic happen. Then there is the philanthropic group. In Augustana's case it's an endowment; a very professional advancement organization. The hospital has a similar group. The Quad City Symphony Orchestra has an entire association whose job is not to pick the music for concerts, but whose job it is to provide the funding and endowed resources to keep the symphony moving forward. None of that is meant to be a direct corollary to what happens in the zoo field, but I wanted to show that when governance is put into shared balance it can propel the organization forward. That's why I appreciate what has been accomplished with the Oversight Committee, because that idea of shared governance is a foreign one in public administration. Especially in local government, so these corollaries that I'm throwing out there may be a stretch, and I understand that. What I want to do is get a sense from the Oversight Committee as to what your desired state would be a month, a year and three years from now.

Mr. Brahm asked how many new members there were on the Forest Preserve Executive Committee.

President Swanson stated that Dr. Simmer, Mr. Langdon, Mr. Cremeens, and Mr. Maranda are returning. Mr. Camlin, Ms. O'Brien, and I are new to the Forest Preserve Executive Committee.

Mr. Brahm asked if the Forest Preserve Executive Committee was still dedicated to finding the best balance in the MOU for Niabi.

President Swanson stated that even though the originally thought of what the PPP would look like isn't possible, there are still options to explore with how the public private partnership can work. There is still a committed to move forward and find the best balance for the MOU between the organizations.

Vice Chairman Byrne agreed, and stated that though there are still things to work out and details to polish, we can still move forward with a different model than we've seen in the past.

Mr. Nelson asked to confirm that he understood that the Commission doesn't have any preconceived notions of what the structure of the new agreement will be.

President Swanson stated that he did not believe anyone had any preconceived notions of the end state of the agreement or structure of the partnership. The Commission is looking for that recommendation to come from the Oversight Committee.

There were no other questions or comments for President Swanson.

Vice Chairman Byrne called for a motion approving the minutes from the November 14, 2016 meeting.

MOTION: Mr. Brahm moved to approve the minutes from the November 14, 2016 meeting. Mr. Nelson seconded the motion.

Motion carried.

Vice Chairman Byrne called on Mr. Biddle for an update from Schultz & Williams.

Mr. Biddle stated that he had been working with Mr. Jackson and Mindfire. Helping to structure some of the planning and other documents. We're looking forward to moving this forward under the leadership of the new president.

Vice Chairman Byrne stated that at one time there was talk of having someone from Brookfield Zoo come to address the Oversight Committee about their structure.

Mr. Jackson stated that the Brookfield Zoo falls under a different Act than the Forest Preserve District. I believe in the case of Brookfield, the Society owns the zoo. Mirroring Brookfield's structure is not an option for Niabi. That being said, having a conversation with Brookfield and other zoos could be worthwhile.

There was a brief discussion on the services Schultz & Williams could provide moving forward, however there would need to be a plan in place for Schultz & Williams to help support.

Vice Chairman Byrne called on Mr. Jackson for his report.

Mr. Jackson stated that there wasn't much to report since Niabi is closed for the season. There have been sixty-seven memberships sold in November. We received a few new animals, and they are currently in quarantine.

Mr. Brahm asked how the search for the Assistant Director was going.

Mr. Jackson stated that a tentative offer had been made. The salary needs to be approved by the Forest Preserve Executive Committee tomorrow.

Vice Chairman Byrne called on Mr. Ferrell for an update on the Society.

Mr. Ferrell stated that the Society has been in a holding pattern waiting for the Oversight Committee to decide how we're going to raise funds.

Mr. Lance asked if President Swanson had seen the feasibility study that stated that the community was not interested in funding the zoo until the management of the zoo was moved out of the "County" and into a "public private partnership." All the feedback that the Society got was that when that happened, they would be willing to support the zoo again.

Mr. Ferrell added that having a Zoofari in March had been discussed, but the Society wants to tie that event to something. The Society had hoped to tie it to an announcement of the PPP, but that doesn't look possible now.

Ms. Engels stated that the Society had received a grant to help cover costs of that event, but the deadline was at the end of March. That March deadline is actually an extension.

President Swanson asked to clarify if that the application for the grant stated that the money was specifically for a PPP celebration.

Ms. Engels answered that it was not. The grant was for a large fundraising event.

Mr. Jarrett asked what it would take to get the Society moving again.

Mr. Ferrell stated that the Society supported the hybrid model that had been discussed. Have to build confidence with the donors, but nothing substantial has happened to give the public confidence. The short term plans are nice, but I think it will take a long term/business plan. It's going to take support from the Commission and a commitment from the Board. What would it take for a corporation to be willing to donate to Niabi, Mr. Jarrett?

Mr. Jarrett answered that he generally agreed with the statement made by Mr. Ferrell. Talking with the people I work for, they want the hybrid model. They're concerned that the director of the zoo wants to control certain aspects of the operations without having to go through the Oversight Committee. President Swanson pointed out that there is always an oversight committee to look at some things. I don't think the Oversight Committee is here to run the zoo. The Oversight Committee is here to make suggestions and bring all sides together. Until we get to the hybrid model, I don't see the corporate community coming in to support the zoo. In talking to the people at my office, if these changes don't happen in the next couple months, they're likely to drop out like the RDA.

Mr. Ferrell stated that the Society wants Mr. Jackson to run the entire zoo. I know in the past the Society has done a lot of the concessions and other stuff. We don't want to do that stuff. It was that we were the only option at the time. Remember that it's not going to be the people here today that remain on the Society. There are supposed to be new members. There are so many different forms that the hybrid model can take. Mr. Jarrett's comments are a good example of what we've been saying, and that is that we're running out of time. There is a sense of urgency.

Mr. Jackson stated that, related to what Mr. Jarrett and Mr. Ferrell have said, and I've said this before, we need to define roles. Any reluctance that you might get from me about what direction we're going is because nobody will tell me who's supposed to do what. We come to these meetings, we have these discussions, and no action gets taken. We need to sit down, suck it up and write down the roles. I've said that a number of times, and we still don't do it.

Mr. Ferrell interjected that he felt the Society was clear on its role. Fundraising.

President Swanson stated that, based on the comments that have been made during the meeting, things seemed less clear. I want to know if the Society learns from the Committee and the Commission that we're not really going to change the foundation of the publicly held zoo but has a Committee that shows that it's willing to allow for professional management, which is the gold standard of governance, is the Society willing to work on these relationships and not point to a report and say, "Well, they're not going to support us, so why try?" For some time now, everyone's been hesitant to step forward. Given the changes in leadership, is the Society willing to take the report as a snapshot in time and a reminder of what we don't want, and move forward with the corporate and foundation communities in the Quad Cities, to say this is a cultural asset and we will work to see that the institution advances. That requires a level of trust. We're going to have to trust the administrative management team, and provide diligent oversight, which is a role that I'd like to see the Oversight Committee continue. We're joined by our love for Niabi and our desire to have it thrive. However, if we continue to use "It's not the way we want it to be." as the primary rationale for not advancing our respective works, then I'm more confused now than I ever was.

Mr. Ferrell stated that he felt that the Society wants to go out and raise the money. We need to get rid of the hurdles. That's the hurdles that have come up in the past; that 'it's government run', 'I'm always funding the valleys', and the other things you've heard before. I haven't seen any change or progress that has happened to date to get us past the hurdles.

President Swanson stated that in the Ninety Day Assessment there's an agenda of sorts. Some of the projects are smaller in scale, but some of them are pretty ambitious and aggressive. This document is something new. It didn't exist when I first became acquainted with the board. There's a PPO Task Force report that's going to be gone over tonight. An election last week doesn't necessarily mean change to everyone. However, what I've seen over the past year in continuing conversations with Mr. Biddle, and the various updates and reports that they've provided, shows change and a willingness to find a better way to do things. Niabi is a cultural treasure, and I'm looking forward to being a part of the continuing conversation regarding Niabi's governance with all parties present.

Vice Chairman Byrne felt that led into the next agenda item very well, and called for discussion on the PPP and Pro Forma Task Force.

Mr. Nelson stated that what the task force tried to do was to look at some of the other zoos and how that relationship worked. The one thing that we keep coming back to is that the zoo is government owned. There's no way to get away from that. That doesn't mean that there aren't public private partnerships, but identifying another group that is going to make decisions about the actual growth and ownership of the facility is not seen. Those decisions always come back to the governmental agency. Again, that's the will of the people. We can discuss that anytime you want to, and when we don't like what's happening we elect somebody else. That's the way government process works. What we did talk about was what this public private partnership should look like. Rather than approach it from that stand point we came back and looked at it from a slightly different point of view to come up with some discussion points about: What are the

advantages of being a part of government? What are the advantages of being part of the Society?

Advantages of being Government

- Can levy taxes to provide basic support for operations of zoo
- Has the opportunity for grant funding from state and federal programs
- The County has become more responsive to the public, making changes in line with what the public has been asking for

Advantages of being Society

- Has had a strong history of support for the zoo
- Has ability to raise funds that have the ability to be matched with grant funding
- Easier to make donations that are tax deductible
- Has the ability to specify how much money can be used at the zoo in terms of fund raising

Mr. Nelson went on to state that there were other considerations that were discussed. The District has responsibilities to the union employees and the agreement with that union. There is also the responsibilities that go with abiding by the laws and guidelines enacted to protect the animals and the public. That includes issues of ADA, playground safety, food safety, animal care, amusement requirements, landscape certifications and many others. It's all the things that we don't think about on a regular basis. The District is not allowed to give up those responsibilities. There may be other points that we should be looking at, but the idea was to take a look at that and find out if there was any really strong ones. Then we can start to build a PPO around that. The goal being to find the strong points in each and build a relationship to take advantage of the strengths on both sides. Then the Oversight Committee can make that recommendation. All this was talked about over several conversations, and this report is to summarize those discussions and give an idea of where we're at with this goal.

Vice Chairman Byrne stated that the three task force members didn't necessarily agree on everything, but we did want to give everyone an idea of the progress that had been made. Want to build three options to discuss and find which one works best. Believe the task force should meet again before the January meeting, including Mr. Jackson, and expand on this memo to define it better and develop something.

President Swanson stated that he had been going over some existing documents, including the MOU from February. What about that MOU needs to change?

Mr. Jarrett answered that the community wants all the groups, as one voice, saying which way the zoo is going to move forward. If someone gives money for a specific animal or project, they want to know it's going to go towards that. I think the zoo could take in a lot of money with a quick decision to make an oversight board that can make suggestions without running the zoo.

Mr. Jackson pointed out that we have to know what the Oversight Committee is bringing. That's what I don't know right now. What kinds of decisions is the Oversight Committee supposed to be making? No one has specifically defined that. It always comes back to defining the roles.

Mr. Ferrell stated that he knew what the Oversight Committee was supposed to be doing. They're dragging their feet. People are worried that the money they give isn't going to go to the project they gave it for, or even to the zoo. I'm sensing from my people that we're running out of time.

President Swanson stated that taking money and using it for anything other than what it was given for is a terrible practice. The goal is best practices. A best practice in philanthropy is you have a high functioning foundation/society board that is the good faith partner, and maybe you've been hurt in the past. For that I apologize, but we're trying to move to a better structure. The question becomes, is it within the capacity of the Society Board to move into that role? As Mr. Nelson pointed out in the list of the PPP Task Force, there's a lot of things that the District simply can't advocate without change in Springfield. Realizing that, can we take some of the things learned and make a common, mutual commitment to best practices, and maybe look towards a reinforced Society board that serves a lot of those roles that you're talking about. As a Forest Preserve District, many of these responsibilities we can't delegate. Everything that we can, we will try to delegate to the professional management.

Mr. Jarrett stated that he felt Mr. Ferrell and the Society would accept that willingly, and things can move forward.

President Swanson stated that there are really good example throughout our community for the how a fundraising board works with a separate managing entity.

Mr. Nelson stated that part of the goal with the task force and reports were to find where we're agreeing, and then start writing down options for how this will work.

There was a brief discussion on the three task forces, PPO, Pro Forma and Board Nominations. Mr. Brahm, Mr. Nelson and Mr. Jackson would become the PPO task force. Mr. Jackson would be on each task force.

Mr. Craver stated that with the Board Nominations task force it had been difficult because of schedules and the holidays to get Mr. Jackson, Chairman Taylor and himself together to discuss it in depth. The reason we wanted to get together for the board nominations was to review what Mr. Jackson submitted to the board last month in regards to the path forward in recruiting additional Society members and board members. Trying to gather information on what makes a successful board member and what makes a successful fund raiser. Also looking at the composition of successful models of fund raising boards, which leads into the discussion of roles and responsibilities that Mr. Jackson would like to have. Then Mr. Craver asked Mr. Ferrell to explain exactly what he envisioned in the hybrid model. That's been part of the frustration that comes from the circular conversations is not knowing who the District would be dealing with. I'm tired of coming to these meetings and spinning our wheels. I want to see the zoo grow and finally move forward. I understand that there is a trust issue with the community. I'm hearing that we don't want to pick the colors on the wall, we don't want to tell Mr. Jackson what to do, but what is the urgency to hand the control over to private management? What specifically are they looking for besides that they "want a say"? A say in what exactly? I feel like I need someone to negotiate with.

Mr. Ferrell stated that it was clear to the Society that their role involved too much long before Mr. Jackson came to Niabi. The Society was much too involved in the operations of the zoo. We've taken a huge step back, and I think two or three meetings ago I said that if you want a negotiation or a proposal brought to you, I'll be happy to do that. However, that's not my role. My role is to sit back and fund raise. We're in a catch twenty-two situation where everyone is waiting for a decision.

Mr. Craver stated that Mr. Biddle had said that an additional ten to twenty percent would be added to operating costs if we went to a management agreement. The information we're getting from Mr. Nelson coming out of this report and from the State's Attorney's Civil Division is that the District is still going to be a pass through to the board. What is the significant amount of "say"? What are those control factors, and what is the type and amount of "say"? We need to know that so we can determine what the checks and balances need to be. Again, it ties into the roles and responsibilities issues and the trust issues. A hybrid model can take many forms, so we need to decide what form it will take.

Mr. Biddle stated that the role for the Society was clear as the fund raising entity. Here are Niabi's needs, so let's go out and raise funds for those needs. Mr. Jarrett even stated that time was growing short.

Mr. Ferrell stated that what he was hearing from Mr. Biddle and President Swanson was to replace the five members of the Society board and get stronger qualified people. That's fine. However, I have people who want to be on here, but they don't want to go through this process. They have better places to be and better things to do. I don't think that simply replacing the current members on the Society is going to completely fix the problem. Then Mr. Ferrell asked Mr. Biddle how the Society would fill the need in the community with the correct people to fund raise in the current setup? I don't believe that adding new people without a strategic plan going forward of some kind of role shifts that are publicly supported is going to make a big difference at all. Sure, maybe you raise a couple hundred thousand here and there, but this needs to be done one time and done correctly.

Mr. Biddle answered that the point was that Niabi has to move forward. I believe that if we raise even a couple hundred thousand dollars that it is going to change the conversation. It will put us in a stronger position. However, if all we do is continue to talk about it then, and I believe Mr. Jarrett pointed this out, we're done. I think all the pieces are on the table, it's a matter of organizing the pieces.

Mr. Ferrell stated that he did not understand why raising a couple hundred thousand dollars would change the public dynamic of what people are saying.

President Swanson asked Mr. Ferrell if the Society leadership structure accommodated for the ability to have a planned giving strategy in place, have a sub-committee that's willing to plan, publicize and make sure a large scale fundraiser is successful, and have a strategic plan sub-committee that works with the Oversight Committee or its succedent and the Forest Preserve Commission in mutually drafting a strategic plan? If the Society doesn't have the human resources to do that, then yes, I think we need to

look at the governing structure of the Society. I'd be happy to assist in that. However, what we're talking about is, and I think this has been said, is we're working off a bias of a report that, frankly, was not the most professional report that I've ever read, that says "we just can't raise money, so why try?" What we're talking about is if we could do something to show that the Society is off the sidelines and back in the game. That's at the Society's direction, and none of us are going to tell you what that's going to be, but we can help you get to something that will fit with the strategic plan that Mr. Jackson put together. Then also build a real governance structure of its own, so that the Society board has a committee on planned giving. Estate gifts are going to be what fills the endowment. Does the Society have an endowment committee that has sharply drawn rules as to how proceeds from the endowment can and cannot be used? Does the Society have enough volunteers right now to pull off a ten thousand dollar fund raiser? If not, we're all connected in the community. We can help solicit those volunteers, but if you start from the bias of "it doesn't do any good to try anything until this block of cheese is moved" then we're not going to get anywhere. However, if we all actually work together and bring people that can serve on those sub-committees, we'll see change and movement in the right direction.

Mr. Jackson added that that movement forward does not have to be a huge exhibit. It can be a few small things that bring something new to the guest experience. To let them know that there's something new and fun for them to see when Niabi opens up in the spring.

President Swanson stated that if you get some low hanging fruit, that will give you momentum to reach higher and loftier goals.

Mr. Biddle stated that President Swanson said it very well. That's exactly what we've been saying. All the pieces are there; it's a matter of organizing them into the best structure.

Mr. Jarrett offered to meet with Mr. Ferrell before the January meeting and come up with a proposal to where we think this would move forward. Also, I prefer the word advisory to the others that have been suggested. We're an advisory group.

President Swanson stated that he was happy to get involved to whatever extent that the Oversight Committee and Society felt was useful.

Mr. Brahm stated that President Swanson said that there was a document that we were currently operating under. The MOU dated February. That document, if we all look at it as part of this discussion, is a good point to start from.

President Swanson agreed.

Vice Chairman Byrne stated that Mr. Craver and Mr. Jackson would be meeting on the board. Mr. Jarrett will work with the Society on a proposal. The Pro Forma task force seems that it might be a little premature. Does anyone have anything else that they'd like to discuss?

President Swanson stated that he wanted to thank the Society for all they've done throughout the years. I know at times it does seem like you're spinning your wheels, but everyone's doing really good work. We've just got to get into alignment. I urge everyone to stop questioning each other's motives. Questioning tactics is alright, but don't question each other's motives. We all want what's best for Niabi.

Vice Chairman Byrne called on Mr. Lohman for his public comment.

Mr. Lohman stated that it was a new day, and hopefully with that everyone will bring open and frank discussions to the table so Niabi can move forward. The three groups represented here need to work together to make that happen. The Oversight Committee has been tasked with aiding in communication, moving things forward and keeping everyone on "the same page."

Vice Chairman Byrne asked what the water issue at the zoo was. It's on the agenda for the Forest Preserve Executive Committee, but the Oversight Committee hasn't been notified of it. Isn't that something that the Oversight Committee should know about?

Mr. Craver stated that he believed that went back to the roles and responsibilities discussion that Mr. Jackson keeps asking for. If we define the roles, then determining who needs to be told what becomes clearer. It's as I said earlier regarding the MOU. The MOU defines roles and responsibilities, and the current MOU is a great starting point.

Vice Chairman Byrne consulted his copy of the Resolution that formed the Oversight Committee, and stated that he believed the water issue is one that should have been told to the Oversight Committee as an FYI.

There was nothing else to discuss.

Vice Chairman Byrne called for a motion to adjourn the meeting.

MOTION: Mr. Nelson moved to adjourn the meeting. Mr. Jarrett seconded the motion.

Motion carried.

Adjourned at 5:30 PM.

Submitted by:
Cassie Sullivan
Forest Preserve Administrative Assistant