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Minnesota Zoological Garden

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<http://www.mnzoo.org/>

AT A GLANCE

- A world-class conservation organization that is home to nearly 5,000 animals —many endangered
- 485-acre campus with 121 buildings and related facilities
- Nearly 1 million guests in FY22
- The state’s largest environmental educator, serving over 70,500 participants in FY22
- More than 64,000 free admissions to Minnesotans who qualify for public assistance programs through the “Free to Explore” admission program in FY22

PURPOSE

The mission of the Minnesota Zoological Garden (Minnesota Zoo or Zoo) is ***to connect people, animals, and the natural world to save wildlife.***

The Minnesota Zoo is an expansive environmental marvel with a campus including 124 buildings, 6.5 miles of roads, and 3.5 miles of pathways within nearly 500 acres of picturesque woodland and aquatic landscapes. Housing nearly 5,000 animals—including many threatened and endangered species from around the world—the Zoo is the state’s largest environmental learning center and a leader in wildlife conservation.

The Zoo provides engaging and hands-on learning and play opportunities for children to experience Minnesota’s native environment through amenities like the Hanifl Family Wild Woods and Woodland Adventure. Zoo guests can also learn about the natural world around the globe while visiting cutting-edge exhibits such as Discovery Bay, 3M Penguins of the African Coast, Medtronic Minnesota Trail, Tropics Trail, Northern Trail, Wells Fargo Family Farm, and Russia’s Grizzly Coast. These venues are designed to be intentional about building a bridge for collectively appreciating the treasures that Minnesota’s natural environment has to offer, as well as building awareness of global conservation issues.

The Zoo is ardently committed and actively engaged in saving wildlife and protecting the ecosystems upon which they rely in Minnesota and around the world. Minnesota Zoo experts use science, in partnership with other state and federal agencies, to focus on the reintroduction of the state’s most imperiled butterflies and the restoration of the prairieland they need to survive. Additional current conservation initiatives focus on threatened aquatic turtles, restoring native endangered freshwater mussels, and reintroducing wild bison herds onto Minnesota lands. Its international conservation efforts through the renowned black rhino project, reintroduction of Asian wild horses, and championing tiger conservation for decades led to the Minnesota Zoo’s recognition as a catalyst for wildlife conservation.

As a leading environmental education institution, the Minnesota Zoo has long offered a wide variety of expertly created educational and interpretive programming designed to build understanding and respect for nature and empower students to become change agents for protecting wildlife and wild places. In FY22, 78,861 students enjoyed educational programming offered through in-person and virtual community programs, school/youth group field trips, and classes. Also, over 700 in-person and virtual Summer Zoo Camp participants received age-appropriate professional education, animal encounters, special zoo experiences, active games, and tours in FY22.

Leveraging its proven environmental education model, the Minnesota Zoo continues to reimagine and offer new educational opportunities. The Zoo’s “Show Us Your Mussels” campaign inspires middle and high school students to create original digital media campaigns to educate the public about the importance of native mussels, their impact to water quality, and what actions are needed to ensure their survival. Last Fall, the Minnesota Zoo

piloted an in-person Wild Wonders Preschool to connect nearly 60 kids with nature by encouraging their innate affinity for the outdoors through dramatic play, art, stories, songs, and animal encounters.

The Minnesota Zoo continues to prioritize diversity, equity, access, and inclusion initiatives so that a zoo experience is never limited due to economic, cultural, physical, geographic, or other barriers. The “Zoo Explorers Fund” provides financial assistance to under-served schools throughout the state so that all students can experience the awe of a close encounter with a wild animal. Also, in FY22, 64,573 guests accessed the Zoo through the “Free to Explore” program, which ensures Zoo admission is free for Minnesotans who qualify for public assistance programs, such as the Supplemental Nutrition Assistance Program, MinnesotaCare, and the Special Supplemental Nutrition Program for Women, Infants, and Children.

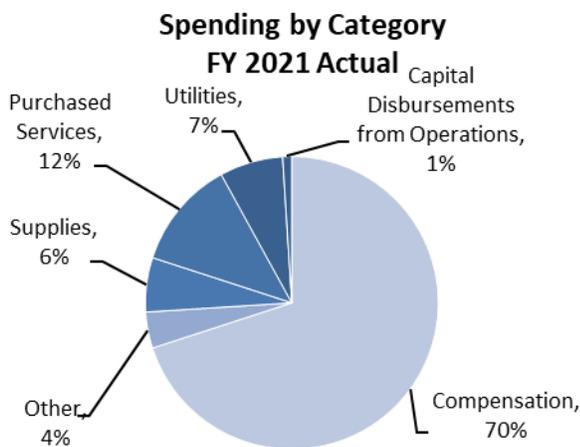
Furthermore, the Zoo offers a variety of programs which serve communities with special and differing needs. Recent examples include: American Sign Language (ASL) days at the Zoo, Dream Night for children with chronic healthcare needs, early access to special events for those requiring a less crowded and stimulating environment, autism camps, as well as a 2018 launch of MNZoo4All, an app to help people with autism and sensory-processing disorders navigate the Zoo in ways that best meet their needs. The Zoo bridges additional access barriers by providing maps of the campus in ten languages, ASL interpreters, sighted guides, tactile and virtual tours.

BUDGET

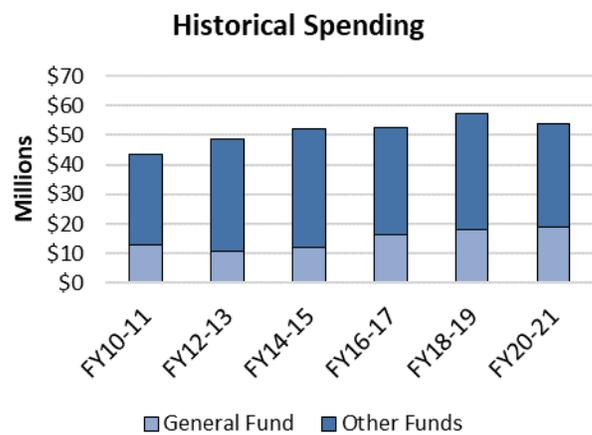
We are committed to using our resources efficiently and effectively. In addition to the State’s investment, we have a diverse mix of earned revenue, private investment and corporate support through charitable contributions and volunteer services. In a typical year, more than 1,100 volunteers collectively donate more than 105,053 hours of time each year, serving an essential role in the Zoo’s daily operations.

The Zoo’s primary source of revenue is earned from admissions, memberships, food and gift concessions, programs, events and facility rentals. In a typical year, the State’s investment in our operating budget through the General Fund and the Natural Resources Fund represents about one-third of the Zoo’s operating revenue. The Zoo also receives funding from the Arts & Cultural Heritage Fund, federal grants, and the Environment and Natural Resources Trust Fund dedicated to specific projects and programs. Charitable contributions to our nonprofit partner, the Minnesota Zoo Foundation, also support the Zoo’s mission. During FY21-23, the Zoo received additional state appropriations and federal grants to support the Zoo’s recovery from the impact of the COVID-19 pandemic.

The State’s investment is key to maintaining the sustainability of our business. Investment from the General Fund ensures our ability to withstand the unanticipated expenses inherent in running a large campus with many outdoor areas, such as extreme weather events or fluctuations in the economy that can negatively affect our attendance.



Source: Statewide Integrated Financial Tools System (SWIFT)



Source: Consolidated Fund Statement

Because the Zoo cares for nearly 5,000 animals and a 485-acre campus regardless of whether the Zoo is open for admission, it has significant fixed operating costs. In a typical year, 68 percent of the Zoo’s budget is allocated to personnel compensation and related expenses. Another five percent (approximately \$1.85 million) covers fixed utility costs. As state personnel costs and utility expenses continue to rise, the Zoo’s fixed costs increase correspondingly.

STRATEGIES

In response to the COVID-19 pandemic, the Minnesota Zoo team pivoted quickly to develop strategic priorities that have guided the Zoo as it navigated the global pandemic. These strategies have served the Zoo well as we rebuild and recover. We have accomplished an incredible amount despite pandemic-related challenges.

1. People First
 - a. Work to rebuild the Zoo’s staffing teams to pre-pandemic levels
 - b. Prioritize diversity, equity, access and inclusion initiatives
2. Advance Animal Care, Health and Conservation
 - a. Maintain accreditation by the Association of Zoos and Aquariums
 - b. Grow state-wide conservation efforts to help at-risk wildlife species throughout Minnesota
3. Serve Minnesota
 - a. Open our doors to millions of guests and visitors from across the state and offer a safe and educational world-class experience
 - b. Work to ensure that the Zoo remains accessible and free for those who need it to be, through our Free to Explore program
4. Connect People to Nature
 - a. Begin construction on the innovative and groundbreaking Treetop Trail which will bring people in close connection with Minnesota’s natural resources throughout all its seasons
 - b. Pilot the Zoo’s new Wild Wonders nature preschool which will serve youth and their families through environmental education and immersive experiences with nature
5. Reimagine the Zoo Experience
 - a. Evolve and expand our special events offerings in order to reach new audiences and serve the needs of our community
 - b. Ensure year-round offerings to our guests in order to maintain the Zoo as a world-class destination and portal into nature throughout all seasons
6. Stabilize Finances
 - a. Diversify revenue streams by creating new events and special experiences to ensure year-round offerings and revenue
 - b. Demonstrate continued diligence on expense management and risk mitigation

RESULTS

| <i>Type of Measure</i> | <i>Name of Measure</i> | <i>Previous</i> | <i>Current</i> | <i>Dates</i> | <i>Zoo Strategy Alignment</i> |
|------------------------|------------------------|-------------------------|------------------------|--------------|-------------------------------|
| Quantitative | Zoo Staff | 259 Zoo staff members | 325 Zoo staff members | FY21/22 | 1 |
| Quantitative | Zoo Attendance | 563,789* guests | 989,007 guests | FY21/22 | 2,3 |
| Quantitative | Free to Explore | 23,853* free admissions | 64,573 free admissions | FY21/22 | 3 |

| Type of Measure | Name of Measure | Previous | Current | Dates | Zoo Strategy Alignment |
|------------------------------|---|--|--|--------------|-------------------------------|
| Qualitative | Association of Zoos and Aquariums accreditation | Accredited | Accredited | FY21/22 | 2 |
| Qualitative | Wild Wonders Nature Preschool | NA | Pilot new Wild Wonders nature preschool | FY22 | 4 |
| Qualitative and Quantitative | Conservation Impact | Dakota skipper and Poweshiek skipperling butterflies reintroduced; endangered freshwater mussels reintroduced; threatened freshwater turtles reared and released into the wild | Reared and released record numbers of endangered Dakota skipper and Poweshiek skipperling; reared and released thousands of freshwater mussels into Minnesota waterways; dozens of state-threatened wood turtles released back into the wild | FY21/22 | 2 |
| Qualitative and Quantitative | Conservation Impact | Show Us Your Mussels campaign did not run during FY21 due to global pandemic* | 330 students participated in the educational Show Us Your Mussels campaign | FY21/22 | 2 |
| Qualitative | Treetop Trail | NA | Began construction on the Zoo's Treetop Trail- the world's longest elevated pedestrian loop | FY21/22 | 4 |
| Qualitative and Quantitative | Special Events | Event did not run in FY21 due to global pandemic* | Connected over 100,000 guests with seasonal event Jack-O-Lantern Spectacular, generating over \$2.2 million in ticket revenue | FY21/22 | 5,6 |
| Qualitative | Special Events | NA | Created new Wild Nights festival series, bringing music, food, and art to thousands of guests and connecting them with Zoo's conservation mission | FY21/22 | 5,6 |

*NOTE: *Due to the COVID-19 pandemic, the Zoo was closed to all guests periodically beginning in March 2020 and throughout portions of FY21.*

Performance Measure Notes:

Attendance: Attendance is directly related to our long-term financial sustainability and ability to deliver our conservation message. Attendance numbers are captured daily. Many factors affect our attendance, including weather, marketing, price and general economic conditions. And, most recently, COVID-19. While we cannot control many of these elements, we remain responsible for creating the best experience for our guests. Guest satisfaction with their Zoo experience is directly related to future attendance. In turn, attendance has a demonstrable impact on the economy of the region.

Conservation: The conservation impacts include increased numbers and healthy populations of endangered species in the Zoo’s care; increased rearing and reintroductions of endangered butterflies; a growing rearing and release program for state-threatened freshwater turtles; increased engagement with partners in the field (in situ initiatives) and recognition of the Zoo’s work by professional partners, peers and other stakeholders. Outreach programs like *Show Us Your Mussels* get local students involved in the Zoo’s conservation work and generate new educational materials.

See Minnesota Statutes Chapter 85A (<https://www.revisor.mn.gov/statutes/?id=85A>) for an overview of the Minnesota Zoo’s purpose, organization and authority.

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base FY24 FY25 | | Governor's Recommendation FY24 FY25 | |
|---|----------------|----------------|----------------|------------------|----------------------------|---------------|---|---------------|
| <u>Expenditures by Fund</u> | | | | | | | | |
| 1000 - General | 9,665 | 9,809 | 9,809 | 9,809 | 10,267 | 10,267 | 13,989 | 13,557 |
| 1251 - COVID-19 Minnesota | | 6,000 | | | | | | |
| 2000 - Restrict Misc Special Revenue | 14,056 | 2,879 | 9,782 | 33,149 | 18,602 | 19,425 | 18,602 | 19,425 |
| 2050 - Environment & Natural Resources | 476 | 412 | 390 | 1,063 | | | | |
| 2110 - Zoos Lottery In Lieu | 190 | 190 | 330 | 190 | 190 | 190 | 190 | 190 |
| 2301 - Arts & Cultural Heritage | 2,490 | 1,726 | 2,033 | 2,000 | | | | |
| 2403 - Gift | 3,971 | 2,403 | 3,986 | 11,738 | 1,800 | 1,800 | 1,800 | 1,800 |
| 3000 - Federal | 101 | 51 | 7,329 | 151 | 125 | | 125 | |
| 3015 - ARP-State Fiscal Recovery | | | 5,877 | 5,618 | | | | |
| Total | 30,950 | 23,470 | 39,536 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |
| Biennial Change | | | | 48,834 | | (40,588) | | (33,576) |
| Biennial % Change | | | | 90 | | (39) | | (33) |
| Governor's Change from Base | | | | | | | | 7,012 |
| Governor's % Change from Base | | | | | | | | 11 |
| <u>Expenditures by Program</u> | | | | | | | | |
| Minnesota Zoo | 30,950 | 23,470 | 39,536 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |
| Total | 30,950 | 23,470 | 39,536 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |
| <u>Expenditures by Category</u> | | | | | | | | |
| Compensation | 19,402 | 17,098 | 20,984 | 23,524 | 20,170 | 20,543 | 23,042 | 23,833 |
| Operating Expenses | 11,278 | 6,192 | 17,917 | 20,424 | 10,814 | 11,139 | 11,664 | 11,139 |
| Grants, Aids and Subsidies | 131 | 50 | 49 | | | | | |
| Capital Outlay-Real Property | 76 | | | 19,770 | | | | |
| Other Financial Transaction | 62 | 131 | 586 | | | | | |
| Total | 30,950 | 23,470 | 39,536 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |
| Total Agency Expenditures | 30,950 | 23,470 | 39,536 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |
| Internal Billing Expenditures | 322 | 68 | 106 | | | | | |
| Expenditures Less Internal Billing | 30,627 | 23,402 | 39,430 | 63,718 | 30,984 | 31,682 | 34,706 | 34,972 |

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | | Governor's Recommendation | |
|-------------------------------------|--------|--------|--------|----------|---------------|--------|---------------------------|--------|
| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY24 | FY25 |
| <u>Full-Time Equivalents</u> | 235.31 | 193.92 | 214.26 | 253.21 | 217.65 | 216.59 | 235.65 | 234.59 |

Minnesota Zoological Garden

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY20 | Actual FY21 | Actual FY22 | Estimate FY23 | Forecast Base FY24 FY25 | | Governor's Recommendation FY24 FY25 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|---------------|---|---------------|
| 1000 - General | | | | | | | | |
| Direct Appropriation | 9,665 | 9,809 | 9,809 | 9,809 | 10,267 | 10,267 | 13,989 | 13,557 |
| Expenditures | 9,665 | 9,809 | 9,809 | 9,809 | 10,267 | 10,267 | 13,989 | 13,557 |
| Biennial Change in Expenditures | | | | 144 | | 916 | | 7,928 |
| Biennial % Change in Expenditures | | | | 1 | | 5 | | 40 |
| Governor's Change from Base | | | | | | | | 7,012 |
| Governor's % Change from Base | | | | | | | | 34 |
| Full-Time Equivalents | 109.07 | 104.59 | 124.49 | 110.20 | 113.08 | 110.87 | 131.08 | 128.87 |

1251 - COVID-19 Minnesota

| | | | | | | | | |
|-----------------------------------|--|--------------|--|---------|--|---|--|---|
| Direct Appropriation | | 6,000 | | | | | | |
| Expenditures | | 6,000 | | | | | | |
| Biennial Change in Expenditures | | | | (6,000) | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | | | | | |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | |
| Full-Time Equivalents | | 64.10 | | | | | | |

2000 - Restrict Misc Special Revenue

| | | | | | | | | |
|-----------------------------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | 4,035 | 1,457 | 11,462 | 16,725 | 102 | | 102 | |
| Receipts | 11,172 | 9,210 | 15,046 | 16,526 | 18,500 | 19,425 | 18,500 | 19,425 |
| Internal Billing Receipts | 322 | 76 | 92 | | | | | |
| Transfers In | 35 | 0 | | | | | | |
| Transfers Out | 35 | | | | | | | |
| Balance Forward Out | 1,151 | 7,789 | 16,725 | 102 | | | | |
| Expenditures | 14,056 | 2,879 | 9,782 | 33,149 | 18,602 | 19,425 | 18,602 | 19,425 |
| Biennial Change in Expenditures | | | | 25,996 | | (4,904) | | (4,904) |
| Biennial % Change in Expenditures | | | | 154 | | (11) | | (11) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | 0 |
| Full-Time Equivalents | 93.55 | 6.74 | 3.52 | 43.17 | 85.40 | 88.13 | 85.40 | 88.13 |

2050 - Environment & Natural Resources

| | | | | | | | | |
|--------------------|-----|-----|-------|-------|--|--|--|--|
| Balance Forward In | 368 | 813 | 1,081 | 1,063 | | | | |
|--------------------|-----|-----|-------|-------|--|--|--|--|

Minnesota Zoological Garden

Agency Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | | Governor's Recommendation | |
|-----------------------------------|------------|------------|------------|--------------|---------------|---------|---------------------------|---------|
| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY24 | FY25 |
| Direct Appropriation | 829 | 680 | 391 | | | | | |
| Cancellations | | 0 | 20 | | | | | |
| Balance Forward Out | 721 | 1,081 | 1,062 | | | | | |
| Expenditures | 476 | 412 | 390 | 1,063 | | | | |
| Biennial Change in Expenditures | | | | 565 | | (1,453) | | (1,453) |
| Biennial % Change in Expenditures | | | | 64 | | (100) | | (100) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | |
| Full-Time Equivalents | 3.22 | 2.71 | 2.90 | 2.96 | | | | |

2110 - Zoos Lottery In Lieu

| | | | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Direct Appropriation | 190 | 190 | 330 | 190 | 190 | 190 | 190 | 190 |
| Expenditures | 190 | 190 | 330 | 190 | 190 | 190 | 190 | 190 |
| Biennial Change in Expenditures | | | | 140 | | (140) | | (140) |
| Biennial % Change in Expenditures | | | | 37 | | (27) | | (27) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | 0 |
| Full-Time Equivalents | 1.99 | 1.88 | 1.39 | 1.39 | 1.39 | 1.39 | 1.39 | 1.39 |

2301 - Arts & Cultural Heritage

| | | | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|---------|---|---------|
| Balance Forward In | 845 | 108 | 133 | | | | | |
| Direct Appropriation | 1,750 | 1,750 | 1,900 | 2,000 | 0 | 0 | 0 | 0 |
| Cancellations | 0 | | | | | | | |
| Balance Forward Out | 105 | 132 | | | | | | |
| Expenditures | 2,490 | 1,726 | 2,033 | 2,000 | | | | |
| Biennial Change in Expenditures | | | | (184) | | (4,033) | | (4,033) |
| Biennial % Change in Expenditures | | | | (4) | | (100) | | (100) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | |
| Full-Time Equivalents | 15.61 | 10.58 | 8.71 | 14.14 | | | | |

2403 - Gift

| | | | | | | | | |
|--------------------|-------|-------|-------|-------|--|--|--|--|
| Balance Forward In | 1,519 | 3,512 | 5,721 | 9,766 | | | | |
|--------------------|-------|-------|-------|-------|--|--|--|--|

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | | Governor's Recommendation | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------------------|--------------|
| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY24 | FY25 |
| Receipts | 4,158 | 3,442 | 8,031 | 1,972 | 1,800 | 1,800 | 1,800 | 1,800 |
| Balance Forward Out | 1,707 | 4,550 | 9,766 | | | | | |
| Expenditures | 3,971 | 2,403 | 3,986 | 11,738 | 1,800 | 1,800 | 1,800 | 1,800 |
| Biennial Change in Expenditures | | | | 9,350 | | (12,124) | | (12,124) |
| Biennial % Change in Expenditures | | | | 147 | | (77) | | (77) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | 0 |
| Full-Time Equivalents | 11.13 | 2.84 | 13.07 | 16.85 | 16.52 | 16.20 | 16.52 | 16.20 |

3000 - Federal

| | | | | | | | | |
|-----------------------------------|------------|-----------|--------------|------------|------------|---------|------------|---------|
| Receipts | 101 | 51 | 7,329 | 151 | 125 | | 125 | |
| Expenditures | 101 | 51 | 7,329 | 151 | 125 | | 125 | |
| Biennial Change in Expenditures | | | | 7,327 | | (7,355) | | (7,355) |
| Biennial % Change in Expenditures | | | | 4,803 | | (98) | | (98) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | |
| Full-Time Equivalents | 0.74 | 0.48 | 0.46 | 1.38 | 1.26 | | 1.26 | |

3015 - ARP-State Fiscal Recovery

| | | | | | | | | |
|-----------------------------------|--|--|--------------|--------------|--|----------|--|----------|
| Balance Forward In | | | | 5,618 | | | | |
| Direct Appropriation | | | 11,495 | | | | | |
| Balance Forward Out | | | 5,618 | | | | | |
| Expenditures | | | 5,877 | 5,618 | | | | |
| Biennial Change in Expenditures | | | | 11,495 | | (11,495) | | (11,495) |
| Biennial % Change in Expenditures | | | | | | (100) | | (100) |
| Governor's Change from Base | | | | | | | | 0 |
| Governor's % Change from Base | | | | | | | | |
| Full-Time Equivalents | | | 59.72 | 63.12 | | | | |

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|---|---------------|---------------|---------------|---------------------|
| Direct | | | | |
| Fund: 1000 - General | | | | |
| FY2023 Appropriations | 9,809 | 9,809 | 9,809 | 19,618 |
| Base Adjustments | | | | |
| Current Law Base Change | | 458 | 458 | 916 |
| Forecast Base | 9,809 | 10,267 | 10,267 | 20,534 |
| Change Items | | | | |
| Maintain Current Service Levels | | 2,872 | 3,290 | 6,162 |
| Public Safety & Security Systems | | 850 | | 850 |
| Total Governor's Recommendations | 9,809 | 13,989 | 13,557 | 27,546 |
| Fund: 2110 - Zoos Lottery In Lieu | | | | |
| FY2023 Appropriations | 190 | 190 | 190 | 380 |
| Forecast Base | 190 | 190 | 190 | 380 |
| Total Governor's Recommendations | 190 | 190 | 190 | 380 |
| Fund: 2301 - Arts & Cultural Heritage | | | | |
| FY2023 Appropriations | 2,000 | 2,000 | 2,000 | 4,000 |
| Base Adjustments | | | | |
| One-Time Legacy Fund Appropriations | | (2,000) | (2,000) | (4,000) |
| Forecast Base | 2,000 | 0 | 0 | 0 |
| Total Governor's Recommendations | 2,000 | 0 | 0 | 0 |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Planned Spending | 33,149 | 18,602 | 19,425 | 38,027 |
| Forecast Base | 33,149 | 18,602 | 19,425 | 38,027 |
| Total Governor's Recommendations | 33,149 | 18,602 | 19,425 | 38,027 |
| Fund: 2403 - Gift | | | | |
| Planned Spending | 11,738 | 1,800 | 1,800 | 3,600 |
| Forecast Base | 11,738 | 1,800 | 1,800 | 3,600 |
| Total Governor's Recommendations | 11,738 | 1,800 | 1,800 | 3,600 |
| Fund: 3000 - Federal | | | | |
| Planned Spending | 151 | 125 | | 125 |
| Forecast Base | 151 | 125 | | 125 |
| Total Governor's Recommendations | 151 | 125 | | 125 |

(Dollars in Thousands)

| | FY23 | FY24 | FY25 | Biennium 2024-25 |
|---|--------|--------|--------|---------------------|
| Revenue Change Summary | | | | |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Forecast Revenues | 16,526 | 18,500 | 19,425 | 37,925 |
| Total Governor's Recommendations | 16,526 | 18,500 | 19,425 | 37,925 |
| Fund: 2403 - Gift | | | | |
| Forecast Revenues | 1,972 | 1,800 | 1,800 | 3,600 |
| Total Governor's Recommendations | 1,972 | 1,800 | 1,800 | 3,600 |
| Fund: 3000 - Federal | | | | |
| Forecast Revenues | 151 | 125 | | 125 |
| Total Governor's Recommendations | 151 | 125 | | 125 |

Minnesota Zoological Garden

FY 2024-25 Biennial Budget Change Item

Change Item Title: Maintain Current Service Levels

| Fiscal Impact (\$000s) | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|--|-----------|-----------|-----------|-----------|
| General Fund | | | | |
| Expenditures | 2,872 | 3,290 | 3,290 | 3,290 |
| Revenues | 0 | 0 | 0 | 0 |
| Other Funds | | | | |
| Expenditures | 0 | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 | 0 |
| Net Fiscal Impact = (Expenditures – Revenues) | 2,872 | 3,290 | 3,290 | 3,290 |
| FTEs | 18 | 18 | 18 | 18 |

Recommendation:

The Governor recommends additional funding of \$2.872 million in FY 2024 and \$3.290 million in each subsequent year from the general fund to maintain the current level of service delivery at the Minnesota Zoo.

Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

For the Minnesota Zoo, operating cost pressures exist in multiple categories—increases in compensation and insurance costs at the agency, increasing costs to maintain our current staff complement in a challenging labor market, and increasing IT costs. If an operational increase is not provided, the services Minnesota Zoo delivers to Minnesotans will be impacted, including:

- The care and well-being of nearly 5,000 animals, many of which are threatened or endangered.
- A world-class zoo experience at the state’s largest environmental learning center.
- Safety and security for over 1 million guests annually.
- Maintenance and utilities across the Zoo’s 485-acre campus.

Proposal:

The Governor recommends increasing agency operating budgets to support maintaining the delivery of current services. For the Minnesota Zoo, this funding will cover anticipated cost increases for employee compensation, animal care, safety and security, maintenance, utilities, and fuel.

Results:

This proposal is intended to allow the Minnesota Zoo to continue to provide current levels of service and information to the public.

Minnesota Zoological Garden

FY 2024-25 Biennial Budget Change Item

Change Item Title: Public Safety & Security Systems

| Fiscal Impact (\$000s) | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|--|----------|----------|----------|----------|
| General Fund | | | | |
| Expenditures | 850 | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 | 0 |
| Net Fiscal Impact = (Expenditures – Revenues) | 850 | 0 | 0 | 0 |
| FTEs | 0 | 0 | 0 | 0 |

Recommendation:

The Governor recommends \$850,000 as a one-time investment to improve public safety and security at the Minnesota Zoo. Increased security camera coverage, new access controls, and reliable communications are necessary for the safety of animals, volunteers, staff, and over 1 million guests annually. This appropriation matches a related investment in safety and security systems already made by the Minnesota Zoo.

Rationale/Background:

The Zoo operates on the scale of a small city—with 6.5 miles of roads, 3.5 miles of pathways, and 124 buildings within nearly 500 acres of woodland and aquatic landscapes. Modern public safety and security systems are critical to protecting staff, volunteers, guests on the Zoo’s campus each day, as well as the nearly 5,000 animals who call the Minnesota Zoo home.

The Minnesota Zoo currently operates with obsolete public safety and security infrastructure, which interferes with the ability to operate efficiently and keep animals and people safe and secure. This proposal would address the following critical issues:

- **Inadequate security camera coverage.** Existing cameras do not have adequate coverage or high enough resolution to meet modern security needs of a major cultural attraction.
- **Outdated analog radio system that no longer meets federal requirements.** The Zoo uses a two-way radio system to communicate in real-time about the safety of guests, animals, and staff. The Zoo’s analog radio system must be replaced to ensure greater reliability across the nearly 500-acre site, to protect Zoo radio traffic from unauthorized users, and to meet the federal mandate to convert to a digital system.
- **Inadequate access controls.** The Zoo controls access to the campus as a whole and to non-public areas within the campus through a patchwork of gates, badge readers, and locks. Replacing locks with badge readers in high-traffic or highly sensitive areas will permit security staff to monitor who is accessing these areas and immediately remove access when necessary to protect public safety. Re-coring locks and padlocks in the highest priority areas will reduce the risk of unauthorized access by people who possess keys but no longer have a business need to enter those areas.
- **Obsolete phone system.** The Zoo’s phone system is nearly 20 years old and the cabling it runs on is 40 years old. The system is no longer supported by the manufacturer, can no longer receive security patches, and does not have basic functions like caller ID.

Keeping pace with aging physical infrastructure, rising staff compensation costs, and the high fixed costs of animal care has limited the Zoo’s ability to invest in security improvements over time. While the Zoo recently leveraged a major construction project to make a significant investment in security camera coverage and a public-address system for a portion of the campus, many critical needs remain in other areas. This request supports further improvement of public safety and security systems without affecting pricing or programming.

Proposal:

This request will greatly improve the Zoo’s ability to maintain safety and security for over 1 million annual visitors by supporting critical public safety and security upgrades, including:

- Expanded security camera coverage (\$110,000)
- Installing badge readers or re-coring locks in highest priority areas (\$295,000)
- Upgrade of radio system from analog to digital (\$135,000)
- Replacement of an obsolete analog phone system (\$310,000)

Impact on Children and Families:

The Minnesota Zoo is a trusted family destination. It is our responsibility to respond to safety and security situations quickly, effectively and accurately; however, our current public safety and security infrastructure may inhibit our ability to do so. With this funding, the Minnesota Zoo will be able to better balance the open campus environment provided to guests, students, volunteers, and staff while maximizing modern infrastructure required to ensure public safety and security.

Equity and Inclusion:

The Minnesota Zoo continues to prioritize diversity, equity, access, and inclusion initiatives so that a zoo experience is never limited due to economic, cultural, physical, geographic, or other barriers. All who enjoy the Zoo benefit from a more safe and secure environment.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

IT Costs

| <i>Category</i> | <i>FY 2024</i> | <i>FY 2025</i> | <i>FY 2026</i> | <i>FY 2027</i> | <i>FY 2028</i> | <i>FY 2029</i> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Payroll | | | | | | |
| Professional/Technical Contracts | | | | | | |
| Infrastructure | 110 | | | | | |
| Hardware | | | | | | |
| Software | | | | | | |
| Training | | | | | | |
| Enterprise Services | 310 | | | | | |
| Staff costs (MNIT or agency) | | | | | | |
| Total | 420 | | | | | |
| MNIT FTEs | | | | | | |
| Agency FTEs | | | | | | |

Results:

With this investment, the Zoo expects the following results:

- Expanded security camera coverage and higher camera resolution to priority locations throughout the campus to allow security staff to monitor for and take immediate action in the event of security breaches and other public safety issues.
- Full conversion to digital radio system and 100% digital compatible radios increasing the ability to communicate in real-time across campus, which is vital to rapid and effective crisis response.
- Greater ability to monitor who is accessing non-public areas and when these areas are accessed, and to prevent unauthorized access.
- Ensure everyday business and critical emergency phone communications continue without significant disruption. Allow significantly faster phone line moves/adds/changes (from hours to minutes).

Statutory Change(s):

None.

Minnesota Zoological Garden

Federal Funds Summary

(Dollars in Thousands)

| Federal Agency and CFDA # | Federal Award Name and Brief Purpose | FY 2022 Actual | FY 2023 Revised | FY 2024 Revised | FY 2025 Revised | Required State Match or MOE? | FTEs |
|--|---|----------------|-----------------|-----------------|-----------------|------------------------------|------|
| Interior/US Fish & Wildlife Service CFDA 15.662 | Great Lakes Restoration Initiative #3 (0081) <i>Poweshiek Skipperling Husbandry, Head Starting, and Risk Analysis</i> Provides supplies, staff, and sample analysis for <i>ex situ</i> prairie butterfly conservation. The project involves rearing and releasing Poweshiek skipperling butterflies and examining the impact of pesticides on prairie butterfly populations. | \$ 45 | \$ - | \$ - | \$ - | No | 0.0 |
| Interior/US Fish & Wildlife Service CFDA 15.662 | Great Lakes Restoration Initiative #4 (0083) <i>Poweshiek Skipperling Husbandry, Head Starting, and Risk Analysis</i> Provides supplies, staff, and sample analysis for <i>ex situ</i> prairie butterfly conservation. The project involves rearing and releasing Poweshiek skipperling butterflies and examining the impact of pesticides on prairie butterfly populations. | \$ 23 | \$ 37 | \$ 17 | \$ - | No | 0.38 |
| Interior/US Fish & Wildlife Service CFDA 15.662 | Great Lakes Restoration Initiative #5 (0084) <i>Poweshiek Skipperling Conservation, Research, and Outreach</i> Provides supplies, staff, and sample analysis for <i>ex situ</i> prairie butterfly conservation. The project involves rearing and releasing Poweshiek skipperling butterflies and examining the impact of pesticides on prairie butterfly populations. | \$ 5 | \$ 64 | \$ 47 | \$ - | No | 0.20 |
| Interior/US Fish & Wildlife Service CFDA 15.662 | Great Lakes Restoration Initiative (0085) <i>Improving Our Understanding of Rusty Patched Bumble Bee</i> Provides staff and supplies to test the efficacy of radio telemetry to track dispersal behavior to inform conservation of the endangered and newly designated Minnesota state bee. | \$ 6 | \$ 10 | \$ - | \$ - | No | 0.00 |
| Interior/US Fish & Wildlife Service CFDA 15.662 | Great Lakes Restoration Initiative #6 (0086) <i>Poweshiek Skipperling Husbandry, Head Starting, and Risk Analysis</i> Provides supplies, staff, and sample analysis for <i>ex situ</i> prairie butterfly conservation. The project involves rearing and releasing Poweshiek skipperling butterflies and examining the impact of pesticides on prairie butterfly populations. | \$ - | \$ 40 | \$ 61 | \$ - | No | 0.00 |

Minnesota Zoological Garden

Federal Funds Summary

(Dollars in Thousands)

| Federal Agency and CFDA # | Federal Award Name and Brief Purpose | FY 2022 Actual | FY 2023 Revised | FY 2024 Revised | FY 2025 Revised | Required State Match or MOE? | FTEs |
|--|--|------------------|-----------------|-----------------|-----------------|------------------------------|-------------|
| U.S. Small Business Administration CFDA 59.075C | Shuttered Venue Operators Grant Provided emergency assistance to maintain operations amidst loss of revenue between April and December 2020 due to the COVID-19 pandemic. | \$ 7,195 | \$ - | \$ - | \$ - | | - |
| FEMA / Federal Emergency Management Agency CFDA 97.036C | Federal FEMA Grant Funded COVID-related safety measures required for opening and operating of facilities at the Minnesota Zoo during the pandemic. | \$ 54 | \$ - | \$ - | \$ - | | - |
| | Federal Fund [3000 Fund]– Agency Total | \$ 7,329 | \$ 151 | \$ 125 | \$ - | | 0.58 |
| U.S. Department of the Treasury CFDA 21.027C | Minnesota Zoo Recovery from COVID-19 Impact Supported the Minnesota Zoo's recovery from the impact of the COVID-19 pandemic during which multiple closures, dramatically reduced capacity, and other pandemic related effects reduced earned revenue that typically supports two-thirds of the Zoo's annual operating cost. Funds sustained Zoo operations amidst the ongoing impact of COVID-19 surges, addresses animal collection issues and deferred maintenance needs that were exacerbated by the pandemic, and provided resources to rebuild staffing, programs, and experiences that were drastically reduced due to the pandemic. | \$ 5,877 | \$ 5,618 | \$ - | \$ - | No | - |
| | ARP-State Fiscal Recovery Fund [3015 Fund] – Agency Total | \$ 5,877 | \$ 5,618 | \$ - | \$ - | | 0 |
| | All Federal Funds - Agency Total | \$ 13,206 | \$ 5,769 | \$ 125 | \$ - | | 0.58 |

Narrative

Federal funding to the Minnesota Zoo provides additional resources to advance its mission of connecting people, animals and the natural world to save wildlife. The Minnesota Zoo’s Conservation department receives and spends federal funds from competitive grants and cooperative agreements. Federal grants generally allow the Minnesota Zoo to hire staff and purchase equipment that it would not otherwise be able to within existing resources. Federal funds represent less than 1 percent of the Minnesota Zoo’s FY 2024-25 base. The Minnesota Zoo will continue seeking out federal funding resources when they are in line with the Zoo’s mission and strategic plan. Estimates provided here reflect awarded grants and grant applications that continue current work.