

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

DATE : September 13, 2012

TO : County Executive Chris Abele  
Milwaukee County Board Chairwoman Marina Dimitrijevic  
Willie Johnson Jr., Co-Chair, Committee on Finance and Audit  
David Cullen, Co-Chair, Committee on Finance and Audit  
Patrick Farley, Director, Department of Administrative Services

FROM : Charles Wikenhauser, Director, Zoological Department

SUBJECT : **Notification of a Revenue Deficit for 2012 (For Information Only)**

**Issue**

Milwaukee County Ordinance 56.02 requires department administrators to submit a report to the County Executive, Finance and Audit Committee and the Department of Administrative Services when potential revenue deficits of \$75,000 or more are identified.

**Background**

As of August 31, 2012, the Zoo is \$1,635,371 short of its year-to-date revenue goal of \$15,402,998. Attendance is slightly ahead of budget by 5,749 visitors for a year-to-date attendance of 1,088,777. When comparing these numbers to the same time period in 2011, the Zoo's 2012 revenues are \$1,651,139 greater than 2011 and attendance is up by 139,815 visitors over 2011. The variance to 2011 is mainly due to ideal weather conditions in 2012 for the months of January through April and the changes made in the 2012 Budget to begin addressing the structural revenue issues.

Attendance and visitor spending are key factors that affect revenues. The mild winter and beautiful spring had a positive impact to the Zoo's revenue budget. However, weather conditions for the months of June and July were challenging with 14 days of rain and 15 days above 90 degrees with high humidity, which had an adverse impact on attendance. The other key factor, visitor spending, continues to be less than in years prior to the recession. It is also important to note that while attendance was up during the non-peak season, there are fewer opportunities to generate revenue such as outdoor shows and rides and corporate picnic area rentals.

To address the revenue deficit, the Zoo is estimating expenditure savings of \$1,635,371. Of that amount, \$158,596 cannot be used to help offset the deficit because each department was allocated vacancy and turnover funds from organizational unit 1972 and required to include in their projections the reduction to salary appropriations. With this adjustment, the Zoo is projecting a net deficit of \$158,596.


**Corrective Action Plan**

The adjusted expenditure savings through August 31 are projected to be \$1,476,775. This was accomplished by a freeze on all non-essential purchases, savings in natural gas and personnel costs. Revenues in the amount of \$4,280,058 are budgeted for the months of September through December. To meet these revenue goals, the Zoo has over 116 Group Sales events scheduled, Zoo special events such as Family Farm Weekend and Elephant Appreciation Day in September, Wolf Awareness Day, Boo at the Zoo and Halloween Spooktacular in October, two free days (November

3 and December 1) and six days of Breakfast/Lunch with Santa in December along with regular Zoo attendance. If additional shortages in revenue occur, the Zoo will attempt to identify additional savings and continue to aggressively pursue revenue opportunities.

**Recommendation**

This is an informational report required by Section 56.02 of the Milwaukee County Ordinances and requires no action.

  
Charles Wikenhauser  
Director, Zoological Department

- pc: Supervisor Gerry Boderick, Chairman, Parks, Energy and Environment Committee  
Supervisor Jason Haas, Vice-Chair, Parks, Energy and Environment Committee  
Scott Manske, Comptroller  
Amber Moreen, Chief of Staff, County Executive's Office  
Tia Torhorst, Director of Legislative Affairs, County Executive's Office  
Kelly Bablitch, Chief of Staff, County Board  
Craig Kammolz, Fiscal and Budget Administrator, Department of Administrative Services  
Cynthia Pahl, Assistant Fiscal and Budget Administrator  
Steve Cady, County Board, Fiscal and Budget Analyst  
Jessica Janz-McKnight, County Board, Research Analyst  
Vince Masterson, DAS, Fiscal and Management Analyst  
Vera Westphal, Deputy Zoo Director (Administration/Finance)  
Sue Rand, Accounting Manager