

Major Changes to the Operating Agreement
with Racine Zoological Society

- Four year agreement
- The proposal includes a 5% reduction for 2013 that stays flat for 2014. In 2015 the city has the discretion to reduce the subsidy by another 10%. This plan gives the Society an opportunity to find other sources of revenue to compensate for the anticipated loss from the city.
- Insurance requirements and language are significantly increased. These changes will increase cost to Society annually by approximately \$700 in each year of the contract.
- Better defined capital improvement language. The City shall be responsible for major Capital Improvements typically provided in a "landlord-tenant" relationship. Removed the line item for maintenance from the budget.
- City to approve of all capital expenditures that require competitive bidding per Wis. Stat. 62.15.
- Society Executive Board size to be 15, with 4 appointed by the mayor.
- Majority of the Society board members to reside or work in the city.