

MINUTES OF THE REGULAR MEETING OF THE BOARD OF THE
METROPOLITAN ZOOLOGICAL PARK AND MUSEUM DISTRICT

St. Louis, Missouri
March 27, 2014

A regular meeting of the Board of Directors of the Metropolitan Zoological Park and Museum District was held in the District office, 7733 Forsyth Blvd., Suite 550 at 3:00 p.m. on Thursday March 27, 2014. The primary purpose of the meeting was to review and discuss the preliminary non-binding 2014 tax rates.

Thelma Cook, Chair of the Metropolitan Zoological Park and Museum District ("District"), called the meeting to order. Upon roll call, the following Board members were present:

Ben Uchitelle	Robert A. Powell
Gloria Wessels	Thelma V. Cook
Pat Whitaker	Thomas Campbell
Robert G. Lowery	Charles E. Valier

Other persons attending the meeting included Michael Chivell from Armstrong Teasdale LLP, the District's legal counsel, and District employees: J. Patrick Dougherty and Sharon L. Wilcutt.

Other persons attending included:

Sable Campbell-Jones, Deputy Chief of staff to Mayor Slay;
Matt Hathaway, Communications Department, Saint Louis Art Museum;
Barbara Boyle, Vice President and CFO, St. Louis Science Center;
Nancy Fowler, St. Louis Public Radio;
Eric Miller, DVM, Vice President, Zoo Operations and
Tom Curran, St. Louis County Director of Intergovernmental Affairs.

Thelma Cook commented on an internet article posted on the March 21, 2014 Huffington Post website: *'26 Reasons to Appreciate the Hidden Gem of St. Louis'*; affirming that the article reflected an extremely positive overview of the Subdistrict institutions and the City of St. Louis.

Thelma Cook asked for public comments from those in attendance.

Approval of Minutes – The Chair called for the approval of the Minutes from the January 29, 2014 regular Board meeting. Tom Campbell moved that the minutes be approved and Pat Whitaker seconded the motion. Upon a motion duly made, the January 29, 2014 minutes were approved with all members voting 'aye'.

Executive Director's Report: Patrick Dougherty reported that, as of March 26, 2014 the balances in the District controlled bank accounts approximated \$30.4 million and included:

<u>Account for the benefit of:</u>	<u>Amount</u>
Zoological Park Subdistrict	\$ 187,741.40
Art Museum Subdistrict	\$ 12,622,362.21
St. Louis Science Center Subdistrict	\$ 940,478.37
Botanical Garden Subdistrict	\$ 6,699,002.79
Missouri History Museum Subdistrict	\$ 5,293,914.80
District Operating Fund	\$ 4,683,449.79

Ben Uchitelle inquired as to the current interest rate that the District receives at First National Bank St. Louis.

Patrick Dougherty explained that the District receives .22% interest on all accounts and added that the District pays no fees or service charges relating to banking transactions. A discussion ensued.

Patrick Dougherty reported that a request was made regarding increasing the D&O limit of liability and the cost related with the increased premium. The current policy maintains a \$3 million dollar limit of liability, at a premium cost of \$10,689 per year. An estimate for \$14,500 was received from Daniel and Henry Company, the District's current broker, for an increase to \$5 million dollar for a maximum limit of liability for the D&O policy. A discussion ensued.

Mike Chivell reviewed a portion of the language in the Missouri Statue for additional clarification.

Charlie Valier asked what additional steps can be taken to provide a first layer of defense on liability to the Directors of the District and strengthen the Director and Officer Liability policy. It was determined that a committee of Tom Campbell, Mike Chivell and Charlie Valier would discuss potential options. Charlie Valier suggested that the District cover the \$50,000 retention amount on the revised D&O policy.

Tom Campbell explained that a committee meeting and assessment of the current policy will delay the renewal that is due by April 23, 2014. A discussion ensued. The consensus was to forgo the committee.

Ben Uchitelle moved to increase the current Director and Officers Liability Policy to a maximum limit of liability and maintain a \$5 million dollar coverage for all claims each policy year at an estimated cost of \$14,500 per year. In addition, that the District cover the \$50,000 retention amount included in the policy. Tom Campbell seconded the motion. A discussion ensued. Upon a motion duly made, the decision to increase the Director and Officers Liability Policy to maintain \$5 million dollar coverage for all claims each policy year and to cover the \$50,000.00 retention involving any claim against a Director or Officer was approved with all members voting 'aye'.

Robert Lowery moved to adjust the 2014 District Budget to include the additional cost of the increased premium. Ben Uchitelle seconded the motion. The motion to amend the District Budget for payment of the Director and Officers Liability policy was approved with all members voting 'aye'.

Patrick Dougherty informed the Board that the Missouri History Museum asked to present their Budget Report at the April 21, 2014 meeting date. In addition, due to scheduling conflicts, the History Museum asked that the meeting be held at either 8:00 a.m. or at 3:00 p.m. A discussion ensued. The consensus was to accept the 3:00 p.m. time.

Patrick Dougherty stated that work has been completed by Kerber, Eck and Braeckel, LLP on the District Audit. The Audit Committee will meet and review the District's Draft December 31, 2013 and 2012 Financial Statements and Independent Auditors' Report.

Charlie Valier explained that he will not be able attend the June 26, 2014 or the September 8, 2014 scheduled meetings. Ben Uchitelle informed the Board that he will be able to participate via phone for the June 26, 2014 meeting.

Thelma Cook explained that establishing the meeting dates is a complex task and every effort is made to accommodate Board members schedules. The District has been asked to standardize meeting dates, the Board voted to include quarterly meetings. A discussion ensued. It was agreed that the meeting dates as scheduled are final.

Meeting Date	Meeting Purpose
Monday April 21, 2014	Subdistrict budget meeting
Thursday May 8, 2014	Subdistrict budget meeting
Thursday May 22, 2014	Subdistrict budget meeting
Monday June 9, 2014	Subdistrict budget meeting
Thursday June 26, 2014	Subdistrict budget meeting; quarterly meeting
Monday September 8, 2014	Review and discuss the 2014 Agreed-upon Procedures engagement report
Monday September 29, 2014	Setting 2014 Subdistrict tax rates; quarterly meeting
Thursday December 11, 2014	Review the District's 2015 administrative budget; quarterly meeting

Charlie Valier asked if a Board decision has been reached as to which of the two remaining Subdistrict's (Saint Louis Zoo or Missouri Botanical Garden) will be the next Agreed-upon procedure engagement.

Tom Campbell moved that the Saint Louis Zoological Park be the next Subdistrict that the District conducts an Agreed-upon procedure. Robert Lowery seconded the motion. The motion to conduct the Agreed-upon procedure engagement at the Saint Louis Zoological Park was approved with seven members voting 'aye'. Charlie Valier abstained.

Report of Audit Committee: Robert Powell had no report.

Report of Legal Counsel: Mike Chivell had no report.

Gloria Wessels inquired if Mike Chivell had additional information with reference to the modifications and amendments to the District Code of Ethics that was adopted at the January 29, 2014 board meeting.

Mike Chivell explained that board members were sent a variety of formats of Code of Ethics and Code of Ethics Standards for review and comment.

Tom Campbell stated that the discussion on the Code of Ethics was not on the current agenda and asked that the matter be tabled until the next regular board meeting.

Old Business: Thelma Cook opened the discussion on the ZMD Board's response to the St. Louis Board of Alderman Parks and Environmental Matters Report. The final report was issued January 23, 2014 and a copy was sent to all Board members. Thelma Cook explained that an oral response will be offered to the Committee at a future Parks and Environments Matters Meeting.

Charlie Valier explained that he has questions for Alderman Roddy about the final report. Tom Campbell explained that Alderman Roddy is no longer chair of the Park and Environmental Committee; Alderwoman Lyda Krewson is now the Chair.

Ben Uchitelle stated that the final document has a number of different provisions than the preliminary report.

Tom Campbell stated that the additional provisions are a reflection of the Committee members who amended the draft of the Committee report. He further stated that the final draft is the only report that the Board needs to respond to.

Gloria Wessels mentioned the summary of recommendations from the report and stated that the Park and Environmental Committee has made some very good recommendations and suggested that the District

adopt some of them. One of the recommendations made was that the ZMD Board should help to develop a regional plan to expand the public support of cultural institutions in our region.

Thelma Cook agreed, but explained that the ZMD should have a plan and an identifiable mission, the Board needs to take time to compile a summary of District objectives. Thelma Cook then nominated a subcommittee of the Board consisting of Robert Powell, Ben Uchitelle and Tom Campbell to review the Parks and Environmental report. Thelma Cook encouraged all Board Members to forward suggestions and comments to the subcommittee for inclusion in the report. She further stated that the collective effort of the subcommittee will be presented to the entire Board for final review.

Thelma Cook requested that Patrick Dougherty contact Alderwoman Lyda Krewson to schedule a convenient time for the District Board to present the Boards response to the Parks and Environmental Matters Committee. Thelma Cook asked that the subcommittee meet as soon as possible.

Thelma Cook opened the discussion on the Board Training. A discussion ensued.

A motion was duly made by Ben Uchitelle that the ZMD Board strongly recommend to each of the Subdistrict Commissioners that they participate in Board Training once a year; the District office will assume the cost of the training sessions. Tom Campbell seconded the motion.

Thelma Cook stressed communication with the Commissioners and Trustees of the Subdistricts. Information sharing is an important component of governance. The direction of the training is for the Subdistrict Commissioners, but the District should encourage the leadership of the Trustees as another governance entity to participate.

Ben Uchitelle clarified that the training sessions would not be exclusive training sessions and he stressed that the Trustees would be offered the opportunity to attend.

The motion to provide Board training, with the cost of the training to be paid by the District, to the five institutions Subdistrict Commissioners was approved with all members voting 'aye'.

Thelma Cook presented the option of facilitators for the Board training sessions. Two candidates were considered, Dan Sise and Barry Rosenberg who together conducted the District training session.

Pat Whitaker commented that the Board has observed both facilitators and each presenter covered different aspects of the training. A discussion ensued.

The vote for facilitator for Subdistrict Training:

Board Training Options			
	Dan Sise	Barry Rosenberg	Dan Size and Barry Rosenberg
Thelma Cook			X
Ben Uchitelle		X	
Robert Powell		X	
Charles Valier		X	
Gloria Wessels		X	
Pat Whitaker		X	
Tom Campbell	X		
Robert Lowery			X

The consensus to retain Barry Rosenberg as facilitator was approved with a majority of five votes.

Tom Campbell requested that the District office notify the five Subdistricts of the desire to conduct training sessions and informing the institutions that additional information will follow.

Thelma Cook addressed the Request for Proposal for Agreed-upon procedures accounting service and legal representation. A discussion ensued.

Tom Campbell moved that barring evidence of inability to perform the function, the District retain Kerber, Eck, & Braekel, LLP to continue to perform the Agreed-upon procedure engagement for the remaining two Subdistricts; Saint Louis Zoo and Missouri Botanical Garden. Robert Powell seconded the motion. A discussion ensued.

The motion to retain Kerber, Eck & Braekel, LLP to continue the Agreed-upon procedure engagement for two years, was approved with Ben Uchitelle, Thelma Cook, Tom Campbell, Robert Lowery, Pat Whitaker and Robert Powell voting 'aye' and Gloria Wessels and Charlie Valier voting 'no'.

Ben Uchitelle reminded the Board that the District office is issuing a Request for Proposal for the auditing work to be done at the District office.

Gloria Wessels addressed the legal representation for the District.

Mike Chivell stepped out of the meeting.

Tom Campbell explained that the agenda item addresses a discussion regarding the request for proposal for legal services only.

Gloria Wessels made a motion for the District office to issue a Request for Proposal for legal representation. Robert Lowery seconded the motion. A discussion ensued.

Gloria Wessels reviewed several months of legal services and questioned the hourly fee that was billed the District, along with the explanation of subject matter. She further stressed that an explanation of services was not fully reported to the District during regular Board meetings. A discussion ensued.

Robert Powell left the meeting.

Charlie Valier explained that he took a survey of about ten different public institutions, in all cases the fees that the counsel charges for attendance at Board meetings is at a lower rate than regular hourly rate.

The motion to issue a Request for Proposal for Legal representation failed with Ben Uchitelle, Thelma Cook, Tom Campbell, Pat Whitaker voting 'no' and Robert Lowery, Gloria Wessels and Charlie Valier voting 'yes'.

Mike Chivell returned to the meeting.

New Business: Patrick Dougherty discussed the need for the District to establish 2014 preliminary non-binding tax rates. He further explained the process for establishing the proposed rates and the Resolution for doing so which was provided to the Board.

Robert Lowery moved that the Board adopt a resolution establishing preliminary non-binding 2014 tax rates. Tom Campbell seconded the motion.

	<u>Real Estate and Personal Property</u>
Zoological Park Subdistrict	\$ 0.0799
Art Museum Subdistrict	\$ 0.0799
St. Louis Science Center Subdistrict	\$ 0.0398
Botanical Garden Subdistrict	\$ 0.0398

on each \$100 of assessed valuation for real estate and personal property in the City and County of St. Louis.

The motion to adopt the 2014 non-binding tax rates was approved with Ben Uchitelle, Thelma Cook, Tom Campbell, Robert Lowery, Pat Whitaker and Charlie Valier voting 'aye' and Gloria Wessels abstained.

A copy of the resolution is attached as Exhibit I and made a part hereof.

Tom Campbell moved to accept Organizational Certification and Directive from First National Bank of St. Louis for all eight bank accounts maintained at the Bank, in addition that a Request for Proposal for banking services be issued within the next twelve months. Robert Lowery seconded the motion. The motion was approved with all Board members voting "aye."

A copy of the Organizational Certification and Directive is attached as Exhibit II and made a part hereof.

Thelma Cook introduced the 2014 District Audit Committee: Robert Powell, Thelma Cook and Tom Campbell and the 2014 District Compensation Committee: Thelma Cook, Ben Uchitelle and Robert Lowery.

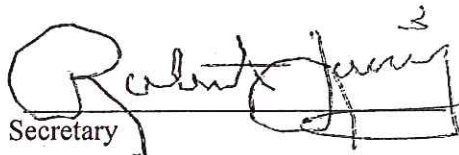
Closed Session: Thomas Campbell then called for a motion to close the meeting pursuant to RSMo. § 610.021 (3) and (13) to discuss personnel matters. Robert Lowery seconded the motion with all members voting "aye". Minutes from the closed session were prepared by Mike Chivell and will be filed at the office of Armstrong Teasdale LLP.

The closed session was adjourned and the regular meeting was then reopened to the public.

There being no other business, Thomas Campbell moved that the meeting be adjourned. Robert Lowery seconded the motion, which was adopted unanimously with all members voting "aye."

The meeting adjourned at 5:30 p.m.

Respectfully submitted,


Secretary

NOTICE OF REGULAR MEETING - REVISED

METROPOLITAN ZOOLOGICAL PARK AND MUSEUM DISTRICT

Pursuant to Section 610.020 of the Revised Missouri Statutes, notice is hereby given that a Regular Meeting of the Metropolitan Zoological Park and Museum District Board will be held as follows:

Date: March 27, 2014

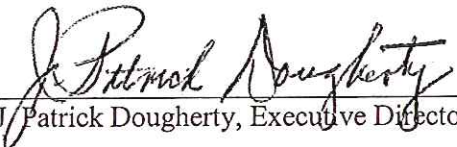
Time: 3:00 P.M.

Place: Pierre Laclede Center
7733 Forsyth Boulevard
Suite 550
St. Louis, MO

Agenda:

1. Discussion related to the ZMD Board's response to the St. Louis Board of Aldermen Parks and Environmental Matters Report to the Board of Aldermen as agreed by Resolution Number 33 dated May 3, 2013.
2. Discussion regarding Board training – ZMD and Subdistricts.
3. Discussion and approval of the 2014 preliminary non-binding 2014 tax rates. A vote on the rates will follow the discussion.
4. Board vote on banking resolution (First National Bank) – Organizational Certification and Directive.
5. Report from the Executive Director concerning District matters.
6. The Board may also hold a closed session, with a closed vote and record, as authorized by Section 610.021 (1), (2) and (3), Revised Statutes of Missouri, related to legal issues, real estate and/or personnel, negotiation of a contract pursuant to 610.021 (12) RSMO, proprietary information pursuant to Section 610.021 (15) and/or confidential or privileged communications with our auditor pursuant to (17).

Further information may be obtained at the District Offices, 7733 Forsyth Blvd., Suite 550, Clayton, Missouri 63105, (314) 862-4222

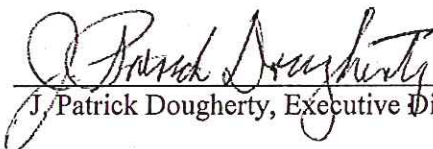

J. Patrick Dougherty, Executive Director

CERTIFICATE

I, J. Patrick Dougherty, do hereby certify that the attached Notice of Regular Meeting was published in accordance with the provisions of Section 610.020 of the Revised Missouri Statutes, by posting said Notice at least twenty-four hours in advance of the date of said meeting in a prominent place easily accessible to the public at the Pierre Laclede Center Building, 7733 Forsyth Boulevard, Clayton, Missouri, 63105 and by mailing and/or e-mailing a copy of said Notice by ordinary mail to:

- David Hunn
- Stephen Deere
- St. Louis Business Journal
- Riverfront Times
- Susan C. Thomson
- Dale Singer
- Mark Schlinkmann
- Betsey Bruce
- Patrick Brown
- Jeff Rainford
- Mary Ellen Ponder
- Pat Westhoff
- Nancy Fowler
- Eric Miller
- Erin M. Nolan
- Diane Toroian Keaggy
- Deborah Peterson
- Elsie Glickert
- Charlene Prost
- Susan Hegger
- Martha Fitz
- Adam Allington
- Odester Saunders
- Tonya Sinkovits /John Butler
- Tom Curran
- Matthew Hathaway
- Rachel Lippmann
- St. Louis Public Radio
- Barb Boyle
- Bert Vescolani

Signed this 27th day of March 2014



J. Patrick Dougherty, Executive Director