

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

St. Louis, MO  
May 24, 2016

A regular meeting of the Board of Directors was held in the Living World Board Room at the St. Louis Zoological Park, St. Louis, Missouri at 12:00 p.m. on Tuesday May 24, 2016. The primary purpose of the meeting was to review the Zoo's 2015 operations and its 2016 budget.

Mr. Campbell, Chair of the Metropolitan Zoological Park and Museum District ("District"), called the meeting to order. He welcomed the Saint Louis Zoological Commissioners, Trustees and Staff.

Upon roll call, the following Board members were present:

Michelle Harris	Christine Chadwick
Darnetta Clinkscale	Thomas J. Campbell
Robert E. Eggmann	

Thomas C. Mummert and Robert Lowery, Sr. were absent. Other persons attending the meeting included Michael Chivell from Armstrong Teasdale LLP, the District's legal counsel LLP; Rick Gratz, CPA from Kerber, Eck & Braeckel LLP and District employees: J. Patrick Dougherty, Sharon L. Wilcutt and LaQuana Dilworth.

Mr. Campbell addressed the meeting and reported that Ms. Thelma V. Cook, Immediate Past Chair and Board Members of the District passed away on Monday May 16, 2016. A moment of silence in her honor was offered. Dr. Bonner reflected on Ms. Cook's accomplishments.

The Chair then called for Public Comments.

Mr. Uchitelle, a public citizen, addressed the meeting and expressed his concern on the reported \$50 million dollars of deferred repairs reported for the Zoo. He expressed distress over the proposed in sales tax Senate Bill 937 and he advocated that the Zoo and the ZMD Subdistricts be granted the right to charge admission fees to non St. Louis City/County residents.

Mr. Ray Hartmann, a public citizen, addressed the meeting and suggested the enabling legislation be amended from "Forever Free" to read "Forever Free for the residents of the Taxing District's that support it". This change would encourage expanding the District to surrounding counties. Mr. Hartman suggested that the tourist model used by all of the ZMD institutions needs to be examined and updated.

Mr. Robert Powell, a public citizen, addressed the meeting and commended the wonderful institutions within the District. Mr. Powell spoke about Missouri HB 186 authorizing the establishment of an African American Subdistrict. He encouraged the forming and funding of an African American Cultural District.

Zoological Park Subdistrict Budget Presentation: Dr. Bonner explained that a Commemorative Brick in Thelma V. Cook's honor will be installed at the Zoo.

Dr. Bonner initiated the budget presentation with an update of Association of Zoos and Aquariums accreditation including positive reviews from the association.

Dr. Bonner presented a slide presentation that represented 2015 tax support as a percent of Gross Revenues;

- Tax Revenue: \$21.5 million;
- Support & Fundraising: \$18.9 million;
- Visitor Spending: \$26.7 million;
- Investment Income: (\$700,000).

In addition the 2015 tax support as a percent of Net Operations was presented:

- Tax Revenue: \$21.5 million;
- Unrestricted Support & Fundraising: \$14.8 million;
- Visitor Spending: \$28.6 million.

Dr. Bonner then presented a detailed expense report of total expenses in 2015. He explained that 60% of the expenses are covered by the ZMD Tax support money. It was noted that salaries are not funded for employees in fundraising or in revenue generating departments (*i.e.*, food service, gift shops). Dr. Bonner further explained that tax support revenue provides funding for core functions at the Zoo, including: Animal Division, Education Department, Veterinary Hospital, Animal Research and Conservation Medicine. An overview of visitor experience, Diversity Initiatives, The Wildcare Institute, Resource Conservation and the future of Zoo expansion projects were discussed.

Dr. Bonner recapped the 2015 year in review by highlighting attendance, membership, changes in the animal division, external and internal relations, architecture and planning with regards to strategic planning, energy and water savings initiatives, diversity, the education and preschool programs and visitor surveys.

Dr. Bonner addressed the areas of concern with regards to deferred maintenance on the 100 year old Zoo campus. He explained that crumbling plaster in the Primate House, an electrical panel in the Big Cat Country Exhibit, deteriorating Antelope House enclosures, backflow water valve in the Hippo Exhibit, water and sewer pipes throughout the Zoo, restroom upgrades, glass panels at the Orangutan Exhibit, sustaining and breeding options for all Zoo animals and paved walking and surface areas were areas of focus. A discussion ensued.

Mr. Dougherty and Board Members asked for further clarification on some ongoing issues including temporary restraining order against Jeffrey Smith with regards to firearms issue, outreach programs for seniors and special needs students. A board member requested the Zoo's diversity statistics and hiring practices. In response to a question, further information on the "Library and Teacher Resource Center" was given. Questions about the future plans for expansion into neighboring counties and a request for additional information on the \$50 million dollars of planned deferred repairs were discussed.

Mr. Campbell requested that the PowerPoint presentation that is generated by the Zoo staff, be given the Board at least one week prior to the Board meeting.

Upon completion of the budget presentation the meeting recessed. Within a few minutes, Mr. Campbell called the meeting to order.

Mr. Campbell presented a recap of the April 5, 2016 meeting with a summary of the Board approved activity:

- Approval of the minutes from February 2, 2016 regular Board meeting;
- Approval of Preliminary Non-Binding Tax Rates for the Five Subdistricts;
- Approval for Kerber, Eck and Braeckel to commence the Agreed-upon procedures for internal control for each of the five institutions. Additionally, for a continuation of an Agreed-upon procedures analysis to commence for each institution, with the sequence of

institutions and starting dates to be determined based on the internal control Agreed-upon procedures that will be completed over the next few months.

Approval of Minutes: The Chair called for the approval of the regular Board meeting held on April 5, 2016. Ms. Chadwick moved that the minutes be approved and Ms. Clinkscale seconded the motion. A discussion ensued. Upon a roll call vote the motion to approve the April 5, 2016 minutes was approved with all members voting 'Aye'.

Mr. Campbell called for comments and discussion on the information presented by the Saint Zoological Park staff, the discussion included:

- Have the PowerPoint Presentation provided prior to the meeting.
- Deferred maintenance cost of \$50 million is significant – based on what was reported in the Post-Dispatch, a good portion coming due within the next three years. Why has this information not come up before and be reported to the Board? Do we need to inform all of the Subdistricts that the Board wants to be made aware of these significant obligations – maybe on a five year basis?
- If possible have the Board included in major announcements, for example the purchase of Grants Farm or the Sales Tax Bill. A discussion ensued.

Executive Director's Report: Mr. Dougherty informed the Board that, as of May 23, 2016, the balances in the District controlled bank and investment accounts approximated \$25.3 million and included:

<u>Account for the benefit of:</u>	<u>Amount</u>
Zoological Park Subdistrict	\$ 27,876.91
Art Museum Subdistrict	\$ 9,241,751.68
St. Louis Science Center Subdistrict	\$ 1,231,029.49
Botanical Garden Subdistrict	\$ 6,786,875.27
Missouri History Museum Subdistrict	\$ 2,895,775.46
District Operating Fund	\$ 5,116,957.64

Mr. Dougherty then presented the District's internal financial statements for the months of January, February and March of 2016. No discussion resulted.

Mr. Dougherty asked that the Board review the 2017 dates that were presented and reserve the dates/times for next year's Board meetings.

Mr. Dougherty asked if any improvements can be made to the information that is received in the packets. A suggestion was made to print on both sides of the paper and to send the form 990 electronically for review.

Audit Committee: Robert Eggmann had no report. An Audit Committee meeting will be scheduled for the end of June or beginning of July. A discussion ensued.

Report of Legal Counsel: Mr. Chivell had no report.

Old Business: None at this time

New Business: Mr. Rick Gratza introduced the Board to the three Audit Reports contained in the Packet. The Financial Statements – December 31, 2015 and 2014; the Independent Accountants' Report on Agreed-Upon Procedures – December 31, 2015 and the Report to the Board of Directors – December 31, 2015.

Rick Gratza presented a summary of Auditors' Results:

FINANCIAL STATEMENTS:

- Management's responsibility to prepare the financial statements;
- Auditors' responsibility to express an opinion on the financial matters;
- The financial statements only include the financial data of the District (primary government) and do not include the financial data of the Subdistricts (component units);
- Balance Sheet - Statements of Net Position – Proprietary Fund;
- Statements of Revenues, Expenses and Changes in Net Position – Proprietary Fund;
- Statements of Cash Flow – Proprietary Fund;

NOTES TO FINANCIAL STATEMENTS

There were no changes in the accounting policies from the previous year.

- Operating Revenues and Expenses note was added to distinguish between operating and nonoperational revenues and expenses.
- Note 5 included new information on GASB 68 – defined contributions plans.
- Summary of opinions were issued in:
  - Business-type activities: Unmodified;
  - Aggregate remaining fund information: Unmodified;
  - Discretely presented component units: Adverse;
  - No material weakness in internal control were identified;

No material noncompliance with laws, regulations, grants or contracts were identified. No discussion resulted.

The Chair then asked for public comments from those in attendance. No comments resulted.

There being no further business, Ms. Chadwick moved that the meeting be adjourned. Ms. Clinkscale seconded the motion and it was unanimously passed. The meeting adjourned at 2:15 p.m.

Respectfully submitted,


  
Assistant Secretary

# 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, 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, Suite 550, St. Louis Mo 63105; and at the Saint Louis Science Center, 5050 Oakland Avenue, St. Louis, MO 63110. In addition the Public Notice is posted on the District's website and mailing and/or e-mailing a copy of said Notice by ordinary mail to:

- Stephen Deere
- Diane Toroian Keaggy
- Mark Schlinkamn
- Deborah Peterson
- Patrick Brown
- St. Louis Business Journal
- Riverfront Times
- Susan C. Thomson
- Betsey Bruce
- Tonya Sinkovits
- Susan Hegger
- St. Louis Public Radio
- Rachel Lippmann
- Willis Arnold
- Alex Heuer
- Nancy Fowler
- Charlene Prost
- Ray Hartmann
- Odester Saunders
- Elise Glickert
- Pat Westhoff
- Ben Uchitelle
- Robert Powell
- Gloria Wessels
- Jeff Rainford
- Sable Campbell
- Tom Curran
- Matthew Hathaway
- Brent Benjamin
- Bert Vescolani
- Barb Boyle
- Laura Taylor
- Benjamin Washington
- Everett Dietle
- Francis Levine
- Eric Miller
- Dustin Deschamp
- Jeffery Bonner
- Katie O'Sullivan
- Peter Wyse Jackson
- Erin Nolan
- Jerry L. Kent
- Matthew W. Geekie
- John R. Musgrave
- Adrienne D. Davis
- Barbara Taylor
- Michael F. Neiforff
- Donna Wilkerson
- Marcia B. Mellitz
- Lelia J. Farr
- Richard Jensen
- Harry Rich

Signed this 21<sup>st</sup> day of June, 2016

  
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J. Patrick Dougherty, Executive Director

NOTICE OF REGULAR MEETING  
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: June 21, 2016


Time: 12:00 P.M.

Place: Saint Louis Science Center  
T. Rex Room  
Lower Level  
5050 Oakland Avenue  
St. Louis, Missouri 63110

Agenda:

1. Public Comments.
2. Budget and operations presentation by the Saint Louis Science Center officials.
3. Review, discuss and vote to approve the minutes from the May 24, 2016 regular board meeting.
4. Report from the Executive Director concerning District matters.
5. Committee Reports.
6. Old Business and such other business that comes before the District.
7. Public Comments.
8. 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 Office, 7733 Forsyth Blvd., Suite 550, Clayton, Missouri 63105, (314) 862-4222.

  
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Patrick Dougherty, Executive Director

Mission Statement

*The Mission of the Zoo Museum District is to represent the taxpayers of the District in the careful oversight of the financial affairs of the Subdistricts: Missouri Botanical Garden; Missouri History Museum; Saint Louis Art Museum; Saint Louis Science Center; and Saint Louis Zoo.*