

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

St. Louis, Missouri
September 26, 2019

A regular meeting of the Board of Directors of the Metropolitan Zoological Park and Museum District was held in Conference Room A, Second Floor, of the Pierre Laclede Center, 7733 Forsyth Boulevard, on Thursday, September 26, 2019 at 12:00 p.m.

Christine Chadwick, Chair of the Metropolitan Zoological Park and Museum District (“District”), called the meeting to order. Upon roll call, the following Board members were present:

Christine Chadwick
Darnetta Clinkscale
Michelle Harris

Thomas Campbell
Robert Eggmann, via telephone

Pat Coleman joined the meeting immediately following roll call. Thomas Mummert was absent. Others attending the meeting included: Michael A. Chivell from Armstrong Teasdale LLP, the District’s legal counsel, and District employees: J. Patrick Dougherty, Matthew L. Pollock and LaQuana S. Dilworth.

Public Comments: The Chair asked for public comments from those in attendance; no comments resulted.

The Chair introduced Matthew Pollock, the District’s newly hired Deputy Executive Director.

Public Hearing: The Chair opened the Public Hearing regarding the proposed 2019 Subdistrict tax rates. The Chair called for questions and or comments regarding the Public Hearing; none resulted. A **Notice of Public Hearing** (EXHIBIT I) was published in the Daily Record (City of St. Louis) and the St. Louis Countian (St. Louis County) on September 19, 2019. A **Notice of Public Hearing** was also posted at the Metropolitan Zoological Park and Museum District office and on the District’s website, www.mzdsl.org. The proposed rates, calculated according to guidelines and forms issued by the Missouri State Auditor, are as follows:

	Real Estate, <u>Personal and Other Property</u>
Art Museum Subdistrict	\$0.0727
Botanical Garden Subdistrict	\$0.0365
Missouri History Museum Subdistrict	\$0.0365
Science Center Subdistrict	\$0.0365
Zoological Park Subdistrict	\$0.0727

On each \$100 of assessed valuation of taxable property in the City and County of St. Louis.

Mr. Dougherty explained that the December 31, 2018 measurement of the January 1, 2018 net assessed valuation of property within the District decreased by approximately \$246,145,280 or -0.868448% from

the post-Board of Equalization (December 31, 2018) valuation of identical property. Incorporating the 2018 net assessment data, measured at December 31, 2018, within the rate computation resulted in an increase in the tax rate ceilings of the Zoological Park and Art Museum Subdistricts. The revised 2018 tax rate ceiling increased to from 7.73 cents to 7.80 cents, each. The 2018 Science Center, Missouri History Museum, and Botanical Garden Subdistricts' revised tax rate ceilings increased from 3.88 cents to 3.91 cents, each. The mathematical methods utilized to determine the 2018 Subdistrict tax rates in September 2018 were repeated to quantify the impact of the adjustment of the assessed valuation, measured at December 31, 2018. This re-computation resulted in no assessment growth. Since a growth factor could not be included in the computation of the 2018 gross tax revenue, the 2018 gross tax revenue must equal the prior year (2017) adjusted revenue. The maximum 2018 adjusted revenue, resulting from the levies for the Zoological Park and the Art Museum Subdistricts, each totaled \$21,919,027; the maximum adjusted revenue resulting from the 2018 levies for the Botanical Garden, History Museum, and Science Center Subdistricts each totaled \$10,987,906. The proposed 2019 tax rates for the Zoo and Art Museum included a 0.0006 cent recoupment; and the Botanical Garden, History Museum and Science Center Subdistricts include a 0.0003 cent recoupment.

He informed the Board that the 2019 Subdistrict tax rate ceilings and the recoupments were reviewed by personnel within the Office of the Missouri State Auditor, without revision.

Tax Rates for 2019: The Chair asked the Board to consider setting the proposed 2019 tax rates. The Chair called for questions and or comments regarding the Public Hearing; no comments resulted.

Mr. Campbell moved that based on the Art Museum Subdistrict's needs, as reflected in budgets submitted in the summer of 2019 and reviewed by the District Board, the 2019 tax rate, for the Art Museum Subdistrict, be set as indicated in the Resolution of the Metropolitan Zoological Park and Museum District Board Setting Tax Rates for 2018 Assessments ("Tax Resolution"), a copy of which is attached hereto and made a part hereof:

Art Museum Subdistrict - 7.27 cents on each \$100 of assessed valuation of taxable property in the District.

Ms. Coleman seconded the motion. The Chair asked for a discussion; none resulted.

A roll call vote was taken to approve the motion. The motion passed with Mr. Campbell, Ms. Chadwick, Ms. Clinkscale, Ms. Coleman, Mr. Eggmann and Ms. Harris voting 'Aye'.

Mr. Campbell moved that based on the Botanical Garden Subdistrict's needs, as reflected in budgets submitted in the summer of 2019 and reviewed by the District Board, the 2019 tax rate, for the Botanical Garden Subdistrict, be set as indicated in the proposed Tax Resolution:

Botanical Garden Subdistrict – 3.65 cents on each \$100 of assessed valuation of taxable property in the District.

Ms. Coleman seconded the motion. The Chair asked for a discussion; none resulted.

A roll call vote was taken to approve the motion. The motion passed with Mr. Campbell, Ms. Chadwick, Ms. Clinkscale, Ms. Coleman, Mr. Eggmann and Ms. Harris voting 'Aye'.

Mr. Campbell moved that based on the History Museum Subdistrict's needs, as reflected in budgets submitted in the summer of 2019 and reviewed by the District Board, the 2019 tax rate, for the History Museum Subdistrict, be set as indicated in the proposed Tax Resolution:

Missouri History Museum Subdistrict – 3.65 cents on each \$100 of assessed valuation of taxable property in the District.

Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted.

A roll call vote was taken to approve the motion. The motion passed with Mr. Campbell, Ms. Chadwick, Ms. Clinkscale, Ms. Coleman, Mr. Eggmann and Ms. Harris voting 'Aye'.

Mr. Campbell moved that based on the Science Center Subdistrict's needs, as reflected in budgets submitted in the summer of 2019 and reviewed by the District Board, the 2019 tax rate, for the Science Center Subdistrict, be set as indicated in the proposed Tax Resolution:

Science Center Subdistrict – 3.65 cents on each \$100 of assessed valuation taxable property in the District.

Ms. Clinkscale seconded the motion. The Chair asked for a discussion; none resulted.

A roll call vote was taken to approve the motion. The motion passed with Mr. Campbell, Ms. Chadwick, Ms. Clinkscale, Ms. Coleman, Mr. Eggmann and Ms. Harris voting 'Aye'.

Mr. Campbell moved that based on the Zoological Park Subdistrict's needs, as reflected in budgets submitted in the summer of 2019 and reviewed by the District Board, the 2019 tax rate for the Zoological Park Subdistrict, be set as indicated in the proposed Tax Resolution:

Zoological Park Subdistrict - 7.27 cents on each \$100 of assessed valuation taxable property in the District.

Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted.

A roll call vote was taken to approve the motion. The motion passed with Mr. Campbell, Ms. Chadwick, Ms. Clinkscale, Ms. Coleman, Mr. Eggmann and Ms. Harris voting 'Aye'.

The Chair asked for a motion to approve the Resolution Setting Tax Rates for 2019 Assessments (EXHIBIT II). Mr. Campbell moved to approve the Tax Resolution. Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted. The Tax Resolution was approved unanimously with all Board Members voting 'Aye'.

The Chair closed the Public Hearing.

Approval of the Minutes: The Chair called for the approval of the minutes from the regular Board meeting held on August 6, 2019. Mr. Campbell moved that the minutes be approved. Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted. The minutes were approved with

all members voting 'Aye'.

Finance/Audit Committee Report: Mr. Eggmann had no report.

Executive Director's Report: Mr. Dougherty discussed the District's internal financial reports for April, May and June 2019.

Communications Committee Report: Ms. Harris reported that SLM Media is expected to send a proof for the Report to the Community next week. After the proof has been reviewed and approved, the report will go to the printer immediately.

Mr. Campbell suggested sending the annual report to city officials and cultural institutions outside of the St. Louis area. The Board decided to revisit the distribution list at the next meeting.

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

Old Business: Mr. Chivell updated the Board on the Shared Services engagement letters. RSM issued its response to each of the engagement letters for each of the Subdistricts. There were only a few comments and they were distributed to the legal counsel of each Subdistrict. After approval from legal counsel, the engagement letters will then be finalized.

Mr. Chivell then discussed proposed revisions to the District's Code of Ethics that were also reviewed by Mr. Campbell, Mr. Eggmann and Mr. Mummert. Amendments were proposed in Article I – Declaration of Policy and Article IV – Avoidance of Conflicts of Interest. A redline version of the Code of Ethics, specifically detailing the proposed amendments, is included as Exhibit III.

The Chair called for a motion to amend the Code of Ethics as shown on Exhibit III. Mr. Campbell moved that the Code of Ethics be approved with all of the recommended revisions. Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted. The motion was approved with all members voting 'Aye'.

New Business: Mr. Dougherty addressed the potential distribution of the District's 2018 "excess administrative revenue" to the Subdistricts. The distribution factors and the maximum distribution amounts are displayed below:

	Distribution Factor	Resulting Distribution
Zoological Park Subdistrict	28.51538%	\$977,888.19
Art Museum Subdistrict	28.51538%	\$977,888.19
Science Center Subdistrict	14.32308%	\$491,186.54
Botanical Garden Subdistrict	14.32308%	\$491,186.54
Missouri History Museum Subdistrict	14.32308%	\$491,186.54

The Chair called for a motion to approve the distribution of the District's 2018 "excess administrative revenue". Ms. Clinkscale moved to approve the distribution of the 2018 "excess administrative revenue". Mr. Campbell seconded the motion. Following a discussion, the motion was approved with all members voting 'Aye'.

Mr. Chivell reported that the Botanical Garden Subdistrict requested the Board to approve a change in its fiscal year to September 30th to match the fiscal year of the Botanical Garden. The Subdistrict's bylaws provides that its Commissions shall have the power to fix and, from time to time, change the fiscal year of

the Subdistrict. The District's Financial Policies provides that "the annual reports submitted by the Subdistricts (to the District) shall be prepared on the basis of a calendar year." Mr. Chivell recommends amending Section 2 of the District's Financial Policies if the Board approves the Botanical Garden Subdistrict's request for change.

The Chair called for a motion to approve a change in the Botanical Garden Subdistrict's fiscal year to September 30th to match the fiscal year of the Botanical Garden. Mr. Campbell moved to approve the motion. Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted. The motion was approved unanimously with all Board Members voting 'Aye'.

The Chair called for a motion to amend Section 2 of the District's Financial Policies to read "Unless otherwise approved by the District Board, the annual financial statements submitted by the Subdistricts shall be prepared on the basis of the calendar year in accordance with the provisions of Section 184.380 of the Statutes." Mr. Campbell moved to approve the motion. Ms. Harris seconded the motion. The Chair asked for a discussion; none resulted. The motion was approved with all Board Members voting 'Aye'.

Public Comments: The Chair asked for public comments from those in attendance; no comments resulted.

There being no further business of the Board, Ms. Clinkscale moved that the meeting be adjourned. Ms. Harris seconded the motion which was unanimously approved.

Respectfully submitted,



Darnetta Clinkscale
Secretary

METROPOLITAN ZOOLOGICAL PARK AND MUSEUM DISTRICT
NOTICE OF PUBLIC HEARING

The Metropolitan Zoological Park and Museum District Board will hold a public hearing at noon on September 26, 2019 in Conference Room A, Second Floor, Pierre Laclede Building, 7733 Forsyth Blvd., Clayton, Missouri 63105. During the hearing, citizens may be heard with respect to the proposed tax rates to be set by the District Board:

Pursuant to R.S. Mo. Sections 67.110 and 137.073, the following information is presented with respect to assessed valuations, revenues, and tax rates in the District, which is comprised of the City of St. Louis and St. Louis County, to wit:

1. Assessment valuation, by categories, subject to ad valorem property tax rates:

	<u>2018</u>	<u>2019</u>
Real Estate	\$ 23,962,587,023	\$ 27,570,519,358
Personal Property	4,024,849,726	4,094,453,800
Other Tangible Property	503,405,006	517,594,970
Total	<u>\$ 28,490,841,755</u>	<u>\$ 32,182,568,128</u>

2. The amount of gross revenue required to be provided from each tax rate to be levied:

	<u>2019</u>
Zoological Park Subdistrict	\$ 22,787,004
Art Museum Subdistrict	22,787,004
Saint Louis Science Center Subdistrict	11,437,049
Botanical Garden Subdistrict	11,437,049
Missouri History Museum Subdistrict	11,437,049
Total	<u>\$ 79,885,155</u>

3. Proposed Tax Rates for 2019:

	<u>Per \$100 of Assessed Valuation for Real Estate, Personal and Other Property</u>
Zoological Park Subdistrict	7.15 cents
Art Museum Subdistrict	7.15 cents
Saint Louis Science Center Subdistrict	3.59 cents
Botanical Garden Subdistrict	3.59 cents
Missouri History Museum Subdistrict	3.59 cents
Total	<u>25.07 cents</u>

**RESOLUTION OF THE METROPOLITAN
ZOOLOGICAL PARK AND MUSEUM DISTRICT
BOARD SETTING TAX RATES FOR 2019 ASSESSMENTS**

WHEREAS, the Metropolitan Zoological Park and Museum District (the "District") has heretofore held public hearings at which the Zoological Park Subdistrict, the Art Museum Subdistrict, the Museum of Natural History (the "St. Louis Science Center Subdistrict"), the Botanical Garden Subdistrict, and the Missouri History Museum Subdistrict (collectively, the "Subdistricts") have presented their respective budgets for the years 2019 and 2020; and

WHEREAS, the District Board has reviewed in detail the budgets submitted by the said Subdistricts and determined the extent of the needs of the Subdistricts for the years 2019 and 2020 on the basis of said budgets; and

WHEREAS, it is necessary to partially fund each of said budgets through tax revenues to be collected throughout the District; and

WHEREAS, the Board of the District formerly had the power under R.S.Mo. Sections 184.350 to 184.384 to levy on each \$100.00 of assessed valuation of taxable property within the District amounts as follows:

For the Zoological Park Subdistrict - up to 8 cents

For the Art Museum Subdistrict - up to 8 cents

For the St. Louis Science Center Subdistrict - up to 4 cents

For the Botanical Garden Subdistrict - up to 4 cents

WHEREAS, because of the general reassessment of real property, the authorized rates of levy for the foregoing Subdistricts were revised in 1985 in accordance with the provisions of R.S.Mo. Section 137.073, as amended; and revised in 1987 in accordance with the provisions of Section 137.115 as amended; and

WHEREAS, the 1991 tax rates were also revised as a result of a Missouri Supreme Court ruling; and

WHEREAS, the voters of the District, pursuant to an election duly called and held on November 3, 1987, approved the establishment of a Missouri History Museum Subdistrict and authorized the District to levy a tax for the Missouri History Museum Subdistrict of up to four cents (\$.04) per hundred dollars of assessed valuation of taxable property within the District; and

WHEREAS, the tax rates for each Subdistrict have been calculated in accordance with R.S.Mo. Section 137.115, as amended, and

WHEREAS, the District has heretofore held a public hearing at which the District established that tax rates for the benefit of each Subdistrict for the year 2019 be levied and collected; and

WHEREAS, pursuant to the provisions of applicable law, including without limitation, R.S.Mo. Sections 137.073 and 67.110, as amended, the 2019 ad valorem property tax rates to be fixed for the Subdistricts are as follows:

Zoological Park Subdistrict	7.27 cents
Art Museum Subdistrict	7.27 cents
St. Louis Science Center Subdistrict	3.65 cents
Botanical Garden Subdistrict	3.65 cents
Missouri History Subdistrict	<u>3.65 cents</u>
Total	25.49 cents

WHEREAS, pursuant to statute, the District Board is authorized to set aside up to 5% of all tax receipts based on 2019 assessments to be collected for the use of the Subdistricts to defray the cost of operating the District, said fund to be deducted from the revenues to be set aside in separate accounts of each of the Subdistricts in the same ratio as each Subdistrict tax rate bears to the total tax rate for all Subdistricts;

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Zoological Park and Museum District Board as follows:

Section 1. That pursuant to the provisions of Article X, Section 22 of the Constitution of Missouri, all applicable statutes, including without limitation, R.S.Mo. Sections 184.350 to 184.384, as amended, further pursuant to the authority granted to the District and its Board by the voters of the District at elections duly called and held on April 6, 1971, April 5, 1983 and November 3, 1987 and further pursuant to the provisions of HB 1150, and further pursuant to the provisions of R.S.Mo. Sections 137.073 and 67.110, as amended, the Board, for and on behalf of each of said Subdistricts, hereby finds and determines and hereby establishes and orders that a tax for the benefit of each Subdistrict for the year 2019 be levied and collected as follows:

- (a) For the Zoological Park Subdistrict, a tax at the rate of seven and twenty-seven one-hundredths cents (\$.0727) on each one hundred dollars of the properties hereinafter described in Section 2;
- (b) For the Art Museum Subdistrict, a tax at the rate of seven and twenty-seven one-hundredths cents (\$.0727) on each one hundred dollars of the properties hereinafter described in Section 2;
- (c) For the St. Louis Science Center Subdistrict, a tax at the rate of three and sixty-five one-hundredths cents (\$.0365) on each one hundred dollars of the properties hereinafter described in Section 2;
- (d) For the Botanical Garden Subdistrict, a tax at the rate of three and sixty-five one-hundredths cents (\$.0365) on each one hundred dollars of the properties hereinafter described in Section 2;
- (e) For the Missouri History Museum Subdistrict, a tax at the rate of three and sixty-five one-hundredths cents (\$.0365) on each one hundred dollars of the properties hereinafter described in Section 2;

Said rates of tax aggregating twenty-five and forty-nine one-hundredths cents (\$0.2549) on each one hundred dollars of the properties hereinafter described in Section 2.

Section 2. The taxes hereinabove authorized to be levied and collected shall be levied and collected for 2019 at the rates hereinabove specified in Section 1, on each one hundred dollars of:

- (a) The assessed value of all real, personal and other property, within the corporate limits of the City of St. Louis and County of St. Louis, which said City and County comprises the geographical boundaries of the Metropolitan Zoological Park and Museum District, including all property made taxable by law for state purposes, including, to the extent applicable, but not by way of limitation, all real and tangible personal property owned by railroads, street railways, boats, vessels, bridge companies, telegraph companies, electric light and power companies, electric transmission line companies, pipe line companies, express companies, and other companies and public utilities whose property is assessed by the State Tax Commission.

Section 3. That the Assessor of the City of St. Louis, the Director of the Department of Revenue of the County of St. Louis, and all other officers in said City and County charged by law with the assessment of taxes, be and are hereby requested and directed to enter upon the assessment books of taxable property in said City and County, before delivering the same to the collector or other officials charged with the duty of collecting taxes, the taxes levied and to be collected pursuant to Sections 1 and 2 hereof.

Section 4. That any officer of the Board, without limitation, including the Treasurer of this Board, be and hereby is authorized and directed to furnish a copy of this resolution, duly certified according to law, to all parties required by law to receive the same including, but not limited to, the Comptroller, the City Register, and Collector of Revenue, the Assessor and the License Collector of the City of St. Louis, the County Clerk, the Assessor, the Collector, the Director of the Department of Revenue of the County of St. Louis and the Office of the Missouri State Auditor.

Section 5. That any officer of the Board, without limitation, including the Treasurer of the District Board, be and hereby is authorized and directed to collect and receive all revenues levied and collected pursuant to Sections 1, 2 and 3 hereof, and thereafter to separate the funds of each Subdistrict in the same proportion as the tax levied for such Subdistrict bears to the total taxes to be levied pursuant to this resolution and to deposit said funds in separate bank accounts; provided, however, that the Treasurer is hereby authorized and directed to deduct, prior to depositing said Subdistrict funds in separate accounts, an amount up to 5% of the total amount of tax receipts based on 2019 assessments, for the purpose of providing the funds necessary to defray the costs of operating the District, all in accordance with R.S.Mo. Section 184.356.

Passed this 26th day of September, 2019.

Attest:

(SEAL)



Chair



Vice Chair