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

St. Louis, Missouri
August 13, 2013

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 12:00 p.m. on Tuesday August 13, 2013.
The primary purpose of the meeting was to review proposals/presentations related to the District
sponsored board training program.

Mr. Ben Uchitelle, 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
Jerome E. Glick  
Charles E. Valier – via phone
Robert G. Lowery, Sr. – via phone
Thomas J. Campbell – arrived at 12:30 p.m.

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

Other persons attending included:

Stephen Gregali, Special assistant to the Mayor, City of St. Louis;
Dale Singer, Saint Louis Beacon;
Matt Hathaway, Communications Department, Saint Louis Art Museum;
Elise Glickert, Citizen;
John Bosch, Special assistant to the St. Louis County Executive; and
David Hunn, St. Louis Post Dispatch.

Mr. Uchitelle asked for public comments from those in attendance.

Mrs. Glickert addressed the Board. Mrs. Glickert explained that she is representing the Sutter-Meyer
Society a 501(c)(3) non-profit organization working to preserve the 19th-century Sutter-Meyer
Farmhouse, the oldest building in University City, Missouri. Mrs. Glickert requested that the Sutter-
Meyer Society be added to the agenda for the next District Board meeting for a brief presentation. Mrs.
Glickert also requested that the Board consider have fixed meeting days scheduled for planning purposes.

Finance/Audit Committee Report: Mrs. Wessels reported that the Audit Committee met on June 5, 2013
to reviewed four proposals for Board training. The Audit committee selected two providers to present
proposals to the full Board. Mrs. Wessels then introduced Mr. Dan Sise.

Mr. Dan Sise, J.D. works with the nonprofit management & leadership program (NPML Program) at the
University of Missouri St. Louis. He began his presentation with a review of his credentials and an
overview of information that he would present, if selected, for training:

- Verify compliance with the all IRS and State of Missouri guidelines.
- Review By-Laws and governance check list.
• Bring in a speaker from the Attorney General’s office – Bob Carlson, Assistant Attorney General to review legal issues and responsibilities regarding nonprofits.
• Reviewing oversight issues and defining possible conflicts of interest.
• Review standards - best practices - from the Better Business Bureau and the United Way as applied to nonprofits and 501(c)(3) organizations.
• Tailor each two hour session to apply to each specific organization. Potentially once a quarter.

Mrs. Wessels asked if recommendations/guidelines can be provided to improve oversight at individual institutions. Mr. Sise explained that he sits on various boards that provide funding and he is aware of different evaluation procedures that are achievable and the procedures can be included into the presentation.

Mr. Uchitelle explained that the District and Subdistricts are similar to, but not specifically 501(c)(3) organizations and inquired if the program he proposed would apply the District’s institutions. Mr. Sise explained that the Subdistricts are still tax exempt and the TEGE Sections of the IRS regulations would still apply. Mr. Uchitelle further explained that the training should emphasize; fiduciary duty, conflict of interest, responsibility to serve appropriately, meeting attendance and supervising the Chief Executive Officer. Mr. Sise responded that he teaches a class specifically addressing these issues and that can be incorporated into the training.

Mr. Uchitelle inquired as to the cost for the proposed training. Mr. Sise informed the Board that a cost of $500.00 per two hour session with a variety of sessions available for each institution.

Mrs. Cook explained that each Subdistrict has its own set of by-laws and guidelines and inquired if a thorough review of each institution by-laws will be conducted prior to each session to adjust for each individual Subdistricts mission and outreach to the community. Mr. Sise explained that he does not propose any changes to each institutions by-laws, but he does review for conflict of interest policies, whistle blower policies, public meeting notice policy and check to verify that all of the guiding principles are being followed.

Mr. Valier asked if the standard varies on conflict of interest policies with entities that are tax supported versus entities that are 501(c)(3)’s. Mr. Sise explained that the conflict of interest issues are the same.

Mr. Valier inquired about IRS regulations on ‘waiver of conflicts’ with regards to a board member performing a service for an organization. Mr. Sise responded that the ultimate standard is: Is this in the best interest of the organization. Mr. Sise gave an example that often smaller organizations require a service that a board member can assist, and submits the lowest bid. The Board then can make a rational decision that even though it appears to be a conflict of interest – it is still in the best interest of the organization.

Mr. Valier inquired about the proposed schedule of classes, and if the topics are going to be fungible to multiple Subdistricts. Mr. Sise recommended two sessions each year if going with a basic presentation, with the option for Mr. Sise to present one session every year to each individual Subdistrict. Dates and times are negotiable.

Mr. Uchitelle thanked Mr. Sise and he departed the meeting.

Mr. Uchitelle welcomed Mr. Barry Rosenberg, and asked him to begin his presentation.

Mr. Rosenberg has thirty-seven years of non-profit experience; President and CEO of the Jewish Federation of St. Louis and teaching Master level course on Board Governance and Adjunct at the George Brown School of Social Work at Washington University.
Mr. Rosenberg began his presentations with a summary of various options and explanation of his perspective that while complying with the law and exercising best management practices, governance practices should fit the unique needs of each Subdistrict.

First Proposal - Tailored training for each Subdistrict:

Phase 1:
- Begin with a discussion with Audit Committee; meet all relevant officials to identify relevant provisions; and interview Subdistrict Commissioners Chairs to ascertain their perspective on training and related governance and assess their support.

Phase 2:
- Formulate specific proposal for training sessions(s) for each of the five Subdistrict Commissions. One or two sessions, with some relevant reading assignments.
- Share proposal for feedback with Audit Committee and Subdistrict Chairs.
- Finalize proposal for Audit Committee approval and review relevant materials and design training program.

Phase 3:
- Schedule and conduct Subdistrict training programs.
- Administer post-training, on-line survey to assess impact and identify issues for further exploration.
- Prepare brief summary report and forward to Audit Committee.

Second Proposal - Large group session for all Commissioners proposal:

Phase 1:
- Begin with a discussion with Audit Committee; meet all relevant officials to identify relevant provisions; and review relevant materials and design training program.

Phase 2:
- Conduct one four hour session, administer post-training, on-line survey to assess impact and identify issues for further exploration.
- Prepare brief summary report and forward to Audit Committee.

Mr. Rosenberg stated that subject to acceptance, a detailed scope of service will be presented. Mr. Rosenberg estimated the cost for his proposed program would be approximately $8,500 - $11,000.

Mr. Glick asked if Mr. Rosenberg saw himself as an advisor to the District Board. Mr. Rosenberg stated that part of the survey responses from the Subdistricts would be a valuable tool for the District Board.

Mr. Uchitelle inquired if Mr. Rosenberg planned to offer Board training to the District Board prior to the Subdistricts. Mr. Rosenberg explained that training the District Board first, would be a logical way to go.

Mrs. Cook asked for clarification on the cost of the program, specifically if the proposed cost of $8,500/$11,000 would include any additional follow up sessions. Mr. Rosenberg explained the proposal was budgeted at $750/$800 a day. He explained that follow up fees could cost approximately $500 a session.

Mr. Vallier asked if separate presentations that would speak to the unique needs of each Subdistrict will be made, or if a uniformed presentation is prudent. Mr. Rosenberg stated that both options will be offered. Mr. Vallier asked for specific guidelines with regards to conflict of interest best practice issues with Commissioners and Directors. Mr. Rosenberg suggested a very conservative approach to presenting conflict of interest issues.

Approval of Minutes: Mr. Uchitelle called for the approval of the minutes from the regular Board meeting held on July 9, 2013. Mr. Campbell moved that the minutes be approved and Mr. Powell seconded the motion. Mrs. Cook asked that the minutes be amended to include her comments about the
Garden’s positive outreach programs for the visually and hearing impaired, she expressed her admiration on the tenacity of the Garden to reach out to organizations that assist members of the public and make the Garden accessible to all individuals. An amended draft, with revisions, will be sent to all Board members for review. The July 9, 2013 minutes were unanimously approved, pending acceptance of the suggested revision, by all members by voting “aye”.

Executive Director’s Report: Mr. Dougherty reported that, as of August 12, 2013 the balances in the District controlled bank accounts approximated $19.4 million and included:

<table>
<thead>
<tr>
<th>Account for the benefit of</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoological Park Subdistrict</td>
<td>$229,382.94</td>
</tr>
<tr>
<td>Art Museum Subdistrict</td>
<td>$12,884,384.57</td>
</tr>
<tr>
<td>St. Louis Science Center Subdistrict</td>
<td>$21,276.39</td>
</tr>
<tr>
<td>Botanical Garden Subdistrict</td>
<td>$4,042,226.91</td>
</tr>
<tr>
<td>Missouri History Museum Subdistrict</td>
<td>$567,441.56</td>
</tr>
<tr>
<td>District Operating Fund</td>
<td>$1,657,727.59</td>
</tr>
</tbody>
</table>

Mr. Dougherty then presented the District’s internal financial statements for the months of June 2013. Mrs. Wessels asked for additional clarification on the legal fees for five months through May of 2013. Mrs. Wessels inquired if District counsel, Armstrong Teasdale, LLP, will be able to stay within the $120,000 budget. Mrs. Wessels asked Mr. Dougherty to prepare and distribute a summary of the month to month detail of legal services incurred to date.

Mr. Dougherty explained that the majority of the budget meetings occur in the spring (first five months) of the year; Mr. Dougherty stated that he will prepare a schedule and provide a summary of services from Armstrong Teasdale, LLP to all board members.

Mr. Chivell stated that he anticipates ending the year under the proposed budget. Mr. Chivell further stated that given the various issues that have occurred for the District, it is complicated to estimate billings.

Mr. Valier renewed his request and queried about the likelihood of a reduced rate of legal fees from the District Counsel while Counsel is attending District Board Meetings. Mr. Valier explained that the rate reduction option was posed to Mrs. Tessa Trelz, Attorney with Armstrong Teasdale, LLP at the April 4, 2013 Board meeting. Mr. Chivell responded that he has not had a discussion regarding discounted meeting attendance fees. Mr. Chivell explained that under the current engagement, the District is already receiving a discounted hourly rate.

Mr. Uchitelle suggested a conversation be arranged with Mr. Chivell, the Executive Director and the Chair and prior to the next meeting; a report will then be presented to the Board with regards to the matter.

Mr. Dougherty briefly explained the District’s time-line for setting the tax rates. October 1, 2013 is the final date to submit the approved tax rate information to the City of St. Louis and to St. Louis County. Mr. Dougherty informed the Board that the 2012 post-Board of Equalization assessment data is the base for determining the 2012 Subdistrict property tax rates. The assessment data is received from the City in early September, the County information is received at the District office after September 15, 2013.

Mr. Dougherty explained according to R. S. Mo. Sections 67.110 and 137.073 the ‘Notice of Public Hearing’ is required to be published seven days prior to the meeting date. The ‘Notice of Public Hearing’ will also be posted at the Zoo Museum District office, St. Louis City Hall, the St. Louis County
Government Center, the St. Louis County Library, St. Louis Public Library, in addition the notice is posted on the District's web site. Mr. Dougherty stated that the published rates can be modified at the public meeting, prior to final approval.

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

**Old Business:** Mrs. Wilcutt informed the Board that an analysis of several new digital recording devices was conducted. After evaluation, the Olympus DS3500 offered options that will accommodate the District's needs. Mr. Dougherty explained that a motion to amend the budget for depreciation is necessary. The cost, including software and speakers, for the new recorder will be $1,200. Mr. Lowery moved to amend the budget to purchase the Olympus DS3500 Digital Recorder. Mrs. Wessels seconded the motion. The motion was approved with all members voting 'aye'.

Mrs. Wessels asked if a request can be made from the Subdistricts for copies of the minutes, included minutes that have yet to be approved, from all of the Subdistrict Meetings, Trustee Meetings and Subcommittee Meetings. Mrs. Wessels asked if copies of the minutes can be emailed to Board members as they are received.

Mrs. Wessels suggested that the District consider sending a representative from the District to all Subdistrict meetings. Mrs. Wessels suggested hiring four or five individuals to attend and prepare minutes for the Boards evaluation. A discussion ensued.

A motion was made by Mr. Valier, subject to legal review, for a two week turnaround request on copies of the minutes from all Committee, Trustee and Board Meetings from the five Subdistrict public institutions. Mr. Lowery seconded the motion. The motion was approved with all members voting 'aye'.

Mr. Campbell explained that a distribution of minutes, followed by interaction among Board members may constitute a meeting and might be subject to open meeting notice. Mr. Campbell recommended that any concerns or issues that may arise from the minutes received from the Subdistricts should be directed to the Chair and an open meeting can be scheduled to review and discuss the matter.

A motion was made by Mr. Glick to send a paid representative to observe all Subdistrict meetings. Mrs. Wessels seconded the motion. A discussion ensued. Mr. Valier amended the motion to begin the process of investigating the potential issues involved in sending representatives to observe all Subdistrict meetings. Mrs. Wessels seconded the motion. Mr. Uchitelle moved to table the motion until the next meeting. The suggestion to table the motion was approved with all members voting 'aye'.

**New Business:** A motion was duly made by Mr. Campbell for the 2013 Agreed upon procedure engagement to be conducted at the Saint Louis Art Museum. Mrs. Cook seconded the motion. Mr. Glick reminded the Board that the Agreed upon procedure conducted at the History Museum has not been approved. Mr. Campbell recommended that the approval of the Agreed upon procedure from the History Museum be included on the agenda at the next Board meeting. A discussion resulted. A roll call vote was taken to conduct the 2013 Agreed upon procedure at the St. Louis Art Museum. The motion passed with Mrs. Cook, Mr. Campbell, Mr. Uchitelle, Mr. Powell, Mrs. Wessels, Mr. Lowery (via phone), and Mr. Valier (via phone) voted 'aye' and Mr. Glick voted 'no'.

Mrs. Wessels proposed that the Audit Committee consider the selection of a different auditing firm to conduct the 2013 Agreed Upon procedure. Mr. Dougherty explained that time is needed for a 'request for proposal' to be published prior to engaging a new firm.

Mr. Uchitelle asked for public comments from those in attendance.
Mr. Uchitelle suggested that the training programs be presented in their entirety to the District Board prior to presenting to the Subdistrict commissioners. A discussion resulted.

Mr. Glick informed the Board that he is a friend of Mr. Rosenberg. Mr. Uchitelle informed the Board that he is also a friend of Mr. Rosenberg.

Mrs. Wessels suggested that we utilize segments of both presenters; allowing parts from Mr. Dan Sise’s presentation, in addition utilizing Mr. Bob Carlson, Assistant Attorney General to present along with Mr. Barry Rosenberg.

Mr. Campbell moved that Mr. Dan Sise be retained to present training curriculum to the District and Subdistrict Boards. Mr. Powell seconded the motion. A roll call vote was taken with Mrs. Cook, Mr. Campbell, Mr. Powell, Mr. Lowery (via phone) voted ‘aye’ and Mr. Uchitelle, Mrs. Wessels, Mr. Valier (via phone) voted ‘no’ and Mr. Glick abstained. The motion to select Mr. Dan Sise was tabled until the next Board meeting.

There being no other business, Mr. Uchitelle moved that the meeting be adjourned. Mr. Powell seconded the motion, which was adopted unanimously with all members voting “aye.”

The meeting adjourned at 2:30 p.m.

Respectfully submitted,

[Signature]

Secretary