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

St. Louis, Missouri
January 30, 2013

A regular meeting of the Board of Directors of the Metropolitan Zoological Park and Museum District was held at The Clayton Center, 50 Gay Ave, St. Louis, MO 63105 at 12:00 p.m. on Wednesday January 30, 2013. The primary purpose of the meeting was to Review the 2013 District Budget.

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
Charles E. Valier
Jerome E. Glick
Robert G. Lowery, Sr.

Robert A. Powell
Gloria Wessels
Thomas J. Campbell
Thelma V. Cook

Other persons attending the meeting included Rick Gratza, CPA from Kerber, Eck & Braeckel LLP, the District’s accounting firm, Michael Chivell from Armstrong Teasdale LLP, the District’s outside counsel, and District employees: J. Patrick Dougherty, Sharon L. Wilcutt and LaQuana S. Dilworth.

Other in attendance included:
- Tim O’Neil from the St. Louis Post-Dispatch;
- Dale Singer, from the Saint Louis Beacon;
- Odester Saunders, Past Commissioner, History Museum Subdistrict;
- Tom Curran, Director of Intergovernmental Affairs, St. Louis County;
- Matt Hathaway, Press Liaison, Saint Louis Art Museum;
- Patrick Brown, Special Assistant to Mayor Slay, City of St. Louis;
- Jud Calkins, citizen;
- Ronald Jackson, citizen; and
- Several members of the public.

The Chair asked for any public comments from those in attendance.

Mr. Ronald Jackson addressed the Board:

Good afternoon members of the Board of Directors of the Metropolitan Zoological Park and Museum District. I appreciate the opportunity to speak with you today regarding one of the valuable community assets that you oversee, the Missouri History Museum. My purpose in speaking with you is to urge you to strengthen this important asset in our community; to make it stronger, to allow it to continue the valuable contributions that it has made. Your ability and willingness to resolve the governance controversy will have consequences for the History Museum and for our community.

Over the last 25 years the Missouri History Museum has been transformed from a sanctuary for the privileged to an institution that communicates that the history of all of us is of value. I recall the time that African Americans did not feel welcome at the Museum and that we felt the “our history” was not important. Today, the programs of the Museum engage and reflect the cultural and racial diversity of the St. Louis region. The increased attendance, participation and partnerships show that St. Louisians and visitors value this institution. This is all a tribute to the hard work, creativity and vision of the leadership and the staff.
In order for the success and effectiveness of the History Museum to continue, the Zoo Museum Directors, the Subdistrict Commissioners and the Trustees must come together to act in the best interest of the institution. Egos and special interests must take a back seat to decision making that is in the "public interest". In this case the "public interest" is for the History Museum to continue to be an institution that reflects the interest of the diverse St. Louis Community by sponsoring educational and research programs that will help us better understand who we are and how we are all connected. This crisis offers the opportunity for you, the enlightened and committed servant leaders of this institution to do the right thing. The citizens of St. Louis region are depending on you.

Mr. Jud Caulkins then addressed the Board:

Mr. Caulkins explained that he has attended prior meetings of the ZMD and he wanted to express his continued outrage with the monies being spent by the Missouri History Museum. He explained that in early December the Board had the chance to intervene with the vacation payout to Dr. Robert Archibald. Since then 400 weeks of vacation pay has been paid and an additional $270,000 consultant contract has been endorsed. Mr. Caulkins considers this a slap in the face to the taxpayers. He wanted to recognize four members of the District; Mr. Campbell, Mr. Uchitelle, Mr. Powell and Mrs. Cook and asked that they join the remaining four members of the Board and take a pro-active approach to the issues with the Museum Trustees. He also encouraged the four members to approve the report prepared by the ZMD Audit Committee.

Mr. Caulkins requests to the Board is to take action as quickly as tomorrow. He suggested that the Board meet with Mr. Robert’s, Chair of the History Museum Trustees and demand that they rescind the consulting contract given to Dr. Archibald. He further stated that the Trustees have a fiduciary responsibility to the good stewards of the tax money. Mr. Caulkins stated that the money paid to Dr. Archibald for ‘vacation pay’ and his ‘consulting contract’ are simply squandering tax dollars.

Approval of Minutes – The Chair called for approval of the minutes of the Addendum to the previously approved minutes from the regular Board meeting held on October 24, 2012. Mr. Powell moved that the Addendum be approved and Mr. Campbell seconded the motion. The motion was unanimously approved with all members voting ‘aye’.

The Chair then called for approval of the minutes from the Board meeting held on October 29, 2012. Mr. Lowner moved that minutes be approved and Mr. Campbell seconded the motion. A discussion ensued. Mr. Valier questioned whether the minutes should reflect comments made by everyone in attendance. Mr. Campbell explained that the minutes reflect specific issues that he had with components of the Audit Committee report that were meant for discussion purposes. The motion was approved with Mr. Campbell, Mr. Lowner, Mrs. Cook, Mr. Uchitelle and Mr. Powell voting ‘aye’ and Mr. Valier, Mrs. Glick and Mrs. Wessels voting ‘no’.

The Chair called for the approval of the November 28, 2012 minutes from the regular Board meeting. Mr. Campbell moved that the minutes from the Board meeting held on November 28, 2012 be approved, Mr. Powell seconded the motion. Mr. Glick asked that additional comments made by Everette Dietle, Director of Communications and Marketing at the History Museum listed on pages six and seven of the draft of the minutes be removed from the record. A discussion ensued. Mr. Valier asked if any further actions should be taken with regards to comments made by Mr. Dietle. Mrs. Wessels asked that the District just let the circumstances of the remarks be brought to a close. A motion was made by Mr. Valier and seconded by Mr. Campbell that the minutes of the Board meeting of November 28, 2012, with revisions suggested by Mr. Glick, be approved. Following discussion, the motion was approved by all members voting ‘aye’.
The Chair then called for the approval of the closed minutes from the November 28, 2012 meeting. Mrs. Cook moved that the minutes be approved and Mr. Campbell seconded the motion. The vote to approve the closed minutes of the November 28, 2012 Board meeting was unanimously approved with all members voting ‘aye’.

Executive Director’s Report – Mr. Dougherty reported that, as of January 30, 2013 the balances in the various District controlled bank accounts totaled approximately $46.1 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>$2,815,337.76</td>
</tr>
<tr>
<td>Art Museum Subdistrict</td>
<td>22,636,662.79</td>
</tr>
<tr>
<td>Science Center Subdistrict</td>
<td>6,212.04</td>
</tr>
<tr>
<td>Botanical Garden Subdistrict</td>
<td>7,260,480.54</td>
</tr>
<tr>
<td>History Museum Subdistrict</td>
<td>8,703,546.59</td>
</tr>
<tr>
<td>District Operating Fund</td>
<td>4,711,942.95</td>
</tr>
</tbody>
</table>

Mr. Dougherty then began the review of the District’s 2013 preliminary administrative budget. The presentation included an examination of the elements of the District’s 2012 administrative revenue and expenses, comparison of these amounts to the budget and a recognition of both a dollar and percentage “actual to budget” variance. Reasons for the variances were identified. Mr. Dougherty then submitted a thorough analysis of the revenue and expense components within the District’s preliminary 2013 administrative budget.

Mr. Dougherty explained that during the upcoming calendar year it will be likely that the District will need to replace two capital assets. A copier/printer/fax machine and a LaserJet letter quality printer with a cost of approximately $8,000. Past District guidelines have distinguished these purchases as a capital asset and small equipment purchases; and neither acquisition has been listed in the preliminary budget. Mr. Dougherty informed the Board that three separate bids will be obtained on these items and proposals will be presented to the Board prior to the purchase.

Mr. Valier recommended that the Board consider an increase in the Agreed-upon procedures engagement budget from $40,000 to $45,000 and Mr. Lowery suggested that the purchase price of $8,000 for the copier/printer/fax and additional LaserJet letter quality printer be included in the Budget.

Mr. Uchitelle informed the Board that the Salary and Personnel related costs listed in the Budget are based on 2012 figures; a Compensation Committee will meet to review 2013 salaries and make a recommendation to the Board.

Following discussion, a motion was made by Mr. Lowery and seconded by Mr. Glick to approve the preliminary 2013 District budget with the changes suggested by Messrs. Valier and Lowery. The motion was unanimously approved with all members voting ‘aye’.

Mr. Dougherty introduced Mr. Rick Gratza, CPA. Mr. Gratza represents Kerber, Eck & Braeckel LLP, the District’s accounting firm. Mr. Gratza began a discussion that emphasized the objective of his firm’s examination of the District’s 2012 financial statements. He indicated that the goal is to express an opinion regarding the statements’ compliance with generally accepted accounting principles. Mr. Gratza also provided the Board with details related to the timing and scope of the examination.

Mrs. Wessels inquired as to the length of time that KEB has been providing audit service to the District. Mr. Dougherty explained that Mr. Gratza and his firm, KEB have been performing the District audit since 2003. An
engagement letter will be submitted to the Audit Chair for the approval of the 2012 audit. Mrs. Wessels suggested that a Request for Proposal be prepared and published for interested firms to bid the 2013 audit.

Report of Legal Counsel — Mr. Chivell noted that the Board has discussed changing the term of ZMD Board officers since January 2012. He reported that the Board passed a motion on September 27, 2012 to amend the current bylaws to allow for a two year term of service for each officer ("Amendment").

Mr. Chivell explained that the Amendment was lodged with the Board at the October 24, 2012 meeting by way of the minutes of the September 27, 2012 Board meeting that were approved by the full Board at the October meeting. Mr. Chivell reviewed with the Board the transcript of the September 27, 2012 meeting concerning the motion to amend the Bylaws and the Board's discussion of the motion. A copy of the transcript was previously sent to each Board member. Mr. Chivell stated that, consistent with the Amendment approved by the Board, the Bylaws were modified to change the length of each officer's term from one year to two years. Mr. Chivell stated that the modification of Bylaw 1.2B was also sent to all Board Members in December of 2012 (the "Modification").

The Modification reads as follows:

 Officers shall be elected at the first Board meeting in January to serve for a term of two years and until their successors are elected and qualified. In case of any vacancy in any office, such vacancy shall be filled as soon as practicable by Board election of a successor to the unexpired term of such office. To the extent reasonably practicable the office of Chair shall be rotated biennially between a Board member from the City of St. Louis and a Board member from St. Louis County.

Mr. Chivell stated that he had discussed the proposed Amendment with several Board members and there is a disagreement as to whether the Modification accurately reflects the Amendment that was approved by the Board. In the circumstances, Mr. Chivell stated that the Board should review the Modification and decide whether to approve it or make necessary changes to make it acceptable to the Board.

Following Mr. Chivell's presentation and discussion by the Board, Mr. Powell made a motion to approve the Modification. Mr. Campbell seconded the motion. Discussion ensued and Mr. Valier noted that the transcript of the September 27, 2012 Board meeting indicated there was discussion that the term of office would be two years, but not more than two years. Mr. Chivell explained that the motion presented for vote at the September meeting, as reflected in the minutes approved by the Board at the October meeting, provides for a two year term of service for each officer. Ms. Wessels explained that her concern was that the Board should have had more time to review these issues.

Mr. Campbell suggested that the motion be amended to clarify that the Modification should apply to current officers. Mr. Chivell explained that this issue should be discussed as a separate motion. Mr. Valier agreed. Mr. Uchitelle stated that Mr. Campbell could make a separate motion on the issue.

At the conclusion of discussion, Mr. Uchitelle called for a vote on Mr. Powell's motion to approve the Modification.

The motion was passed with Mr. Powell, Mr. Uchitelle, Mr. Campbell, Mrs. Cook and Mr. Lowery voting 'aye' and Mr. Valier, Ms. Wessels and Mr. Glick voting 'no'.

Mr. Campbell then made a motion that the amendment to the Bylaws allowing for a two year term of service for each officer apply to the existing officers and that their respective terms continue through December 31, 2013 and until their successors are elected. Mr. Lowery seconded the motion.
The motion was passed with Mr. Powell, Mr. Uchitelle, Mr. Campbell, Mrs. Cook and Mr. Lowery voting ‘aye’ and Mr. Valier, Ms. Wessels and Mr. Glick voting ‘no’.

Old Business – Mr. Campbell made a motion that District Board members from this point forward stand down on any additional requests for information regarding Dr. Archibald or any other issues regarding the Missouri History Museum. Mr. Campbell stated that at this time there are four separate investigations being conducted:

- The Board of Alderman - Parks and Environment Committee;
- The Circuit Attorney’s Office - City of St. Louis;
- Ed Dowd – At the request of the Missouri History Museum; and

Mr. Campbell recommended that the Board not interfere or impede with any of the on-going investigations by requesting additional information, he suggested the Board suspend not cease examination into the activities at the Museum. Mr. Lowery seconded the motion. A discussion ensued, following which the motion was withdrawn.

Mr. Campbell then moved to suspend for a period of three weeks further requests for information from or communication with the History Museum, unless authorized by the ZMD Chair. Mr. Campbell stipulated that if the Executive Director requires information pertaining to the day-to-day operations, that information is to be exempt from this motion. A discussion ensued.

Mr. Glick stated that there has been a constant urging to move on with the issues at the Museum. He explained that the Board needs to address the issues, not delay the investigation. He stressed that serious issues have been found and attempts to clarify them have been cut short. Mr. Glick stated that Mr. Dowd was appointed by the Trustees and has not been sharing any facts or information with the District. Mr. Glick said that the Board owed the taxpayers of the City and County to oversee the institutions that the District is responsible for. He explained that further delays could destroy the History Museum.

Mr. Glick informed the Board that the Audit Committee met on Monday January 28, 2013 and conducted two interviews for candidates to perform training for the Subdistrict Commissioners. One of the presenters, Mr. Dan Sise from UMSL offered information that the Attorney General for the State of Missouri publishes for Non-Profit organizations. Mr. Glick stated that the History Museum has violated six or seven of the ten items.

Mr. Campbell stated that the Audit Committee has shown a disregard for transparency. Mr. Campbell explained that there have been Audit Committee meetings conducted in secret; unauthorized press conferences and meetings that proper notice to the public had not been made. He further stated that the Audit Committee has had unauthorized communication with employees of the History Museum. Mr. Campbell stated that several employees from the History Museum have contacted the ZMD office to express their annoyance with the written communication from certain members of the Board.

Mr. Campbell amended his motion to provide that until the ZMD conducts another Board meeting the ZMD shall suspend any further requests for information from the Missouri History Museum unless authorized by the ZMD chair. Mr. Lowery seconded the motion.

Mr. Campbell further stated that the motion includes all written communication on ZMD letterhead. A discussion ensued.

Mr. Glick explained that this motion does not have anything to do with the information being gathered for the report by the Audit Committee. Mr. Glick stated that the letter that was mailed to the employees was in response to a letter that was provided to History Museum employees by Mr. John Roberts, Chair of the Trustees on December 12, 2012.
Mr. Lowery commented that these requests for information have been going on since September of 2012. He gave a brief summary of his investigative credentials emphasizing that the Board needs to allow the Audit Committee an opportunity to complete their investigation and as a result submit their report. Mr. Lowery stated that further delay will cause damage to the History Museum as well as damage to the other institutions.

Mrs. Wessels stressed that the mission of the Audit Committee is to complete the investigation and ensure that the responsibility for governance resides with the Commissioners of the History Museum.

Mr. Valier explained that under the current governance guidelines the Commissioners have contracted away their authority. Mr. Valier explained that the current system does not provide that the Commissioners, who are responsible to the public and are required by law to be transparent, are fulfilling their duties.

Mr. Valier stated that the Audit Committee requested additional information with regards to: the specifics related to the retirement plan given to Dr. Archibald at the History Museum, unused vacation time documentation and additional information of a newly established non-qualified retirement plan 457(f) that no other employees at the Museum could participate in.

Mr. Campbell stated that these are the specific requests that are being made by the Board of Alderman - Parks and Environment Committee and the Circuit Attorney’s Office.

Mrs. Wessels explained that the Audit Committee and the ZMD Board are the ones that are responsible to the taxpayers, and the Audit Committee should continue its investigation. Mrs. Wessels commented on the fact that after the Danforth Plan was agreed to some Board members felt that it should be given time to work, but she felt that did not alleviate the Audit Committee of their responsibility to investigate further.

Mr. Uchitelle asked for clarification on the items that the Audit Committee requested. The information requested was:

- Review of Dr. Archibald’s current employment agreement and the Employee Handbook to compare and contrast the retirement benefits provided to Dr. Archibald and those provided to a typical History Museum Employee.
- Obtain Dr. Archibald’s available calendar’s that summarized his time away from the office.
- Based on inquiries of management a schedule of the dates and amounts of all settlements related to termination of employees through the year ended December 31. For the purpose of this procedure settlements do not mean compensation for earned but unused vacation or any other payment directly provided to the employee upon termination as provided in the History Museum’s employment policy.

Mr. Uchitelle asked Mr. Gratza how much additional charge would be incurred if KEB addressed these issues. Mr. Gratza stated that he estimates between $1,000 and $2,000 in additional fees would be incurred. Mr. Uchitelle suggested that at the end of the three week suspension this information be obtained through KEB.

Mr. Campbell mentioned that these are the specific things that the other organizations are already investigating. He asked if the District should be spending additional taxpayer funds requesting the same information.

Mr. Uchitelle stated that the next Board meeting’s agenda will include the review of the History Museum’s budget. At that time the motion for the three week moratorium will be over and we can act upon the request.

At that time Mr. Campbell amended the motion requesting that until the ZMD conducts another Board meeting the ZMD shall suspend any further requests for information or communication with the Missouri History Museum unless authorized by the ZMD chair. Mr. Campbell further stated that the motion includes all written communication on ZMD letterhead. Mr. Lowery seconded the motion. Further discussion ensued.
Mr. Glick stated that this is what the Audit Committee was concerned with. The three documents that are requested would not cost more than $2,000 and may save the taxpayers' money with their findings. Mr. Glick recommended that the Audit Committee complete their report and the Agree upon Procedures could be accepted by the full Board.

Mr. Lowery suggested that since Mr. Dougherty is a CPA as the Executive Director of the District he should obtain and report on the requested information.

Mr. Uchitelle called for a vote on the motion.

Mr. Valier asked if the motion specifies that a member of the ZMD could not communicate with a Trustee, employee or Commissioner of the Museum in any way. Mr. Campbell stated that the motion includes that in their capacity of ZMD Board members, no communication is permitted. Mr. Campbell also stated that the Missouri History Museum has voluntarily made themselves open to the Sunshine Law, and as a private citizen all of the information is obtainable through the proper requests.

Mrs. Wessels inquired whether a previously scheduled meeting with a Trustee would be an infringement.

Mr. Campbell then clarified the motion to mean written communication on ZMD letterhead.

The vote to approve the motion that until the ZMD conducts another Board meeting the ZMD shall suspend any further written requests on ZMD letterhead for information or documentation from or communication on ZMD letterhead with the Missouri History Museum unless authorized by the ZMD chair. The motion was passed with Mr. Powell, Mr. Uchitelle, Mr. Campbell, Mrs. Cook and Mr. Lowery voting 'aye' and Mr. Valier, Ms. Wessels and Mr. Glick voting 'no'.

New Business – Mrs. Wessels presented copies of four proposals received from interested parties to offer training to Subdistrict Commissioners. She informed the Board that two of the parties made a brief presentation to the Audit Committee on Monday January 28, 2013.

Mrs. Glick made a motion to prepare and publish a Request for Proposal asking for a Board training provider. The training curriculum should emphasize the volunteer board’s fiduciary, legal and financial responsibilities. Mr. Valier seconded the motion. The motion was unanimously approved with all members voting 'aye'.

Mr. Campbell asked if any of the Subdistrict Commissioners have been consulted on the decision to offer training. Mr. Uchitelle explained that it has been written into the new agreement between the History Museum Commissioners and Trustees.

Mr. Uchitelle stated that a meeting wizard will be sent to all members for the next meeting. The meeting will include a review of the 2013 History Museum budget and members of the History Museum staff, Commissioners and Trustees.

Mr. Uchitelle asked if there were any additional comments from the public.

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

The meeting adjourned at 2:50 p.m.

Respectfully submitted,

[Signature]
Secretary