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

St. Louis, Missouri
May 29, 2013

A regular meeting of the Board of Directors was held at the Saint Louis Art Museum, St. Louis, Missouri at 12:00 p.m. on Wednesday May 29, 2013. The primary purpose of the meeting was to review and discuss the 2013 budget and 2012 financial statements presented by the St. Louis Art Museum Subdistrict (the “Museum”).

Mr. Ben Uchitelle, Chair of the Metropolitan Zoological Park and Museum District (“District”), called the meeting to order. He welcomed the following individuals:

- Barbara Taylor, President, Museum Board of Commissioners;
- John Musgrave, Vice President, Museum Board of Commissioners;
- Freida Wheaton, Secretary, Museum Board of Commissioners;
- Peggy Ritter, Commissioner, Museum Board of Commissioners;
- Gary Wolff, Commissioner, Museum Board of Commissioners;
- Mark Weil, Commissioner, Museum Board of Commissioners;
- Charles A. Lowenhaupt, Commissioner, Museum Board of Commissioners;
- Judith Weiss Levy, Advisory Commissioner, Museum Board of Commissioners;
- Barbara Roberts, Advisory Commissioner, Museum Board of Commissioners;
- Dr. Donald Suggs, Advisory Commissioner, Museum Board of Commissioners;
- Vicki Hill, President, Museum Friends Board;
- David A. Linenbroker, of Husch, Blackwell, Sanders LLP, Museum Legal Counsel;
- Brent Benjamin, Director of the Museum; and
- Carolyn Schmidt, Assistant Director for Finance and Administration/Controller of the Museum.

Upon roll call, the following Board members were present:

- Robert G. Lowery, Sr.
- Charles E. Valier
- Robert A. Powell
- Thomas J. Campbell
- Jerome E. Glick
- Ben Uchitelle
- Gloria Wessels
- Thelma V. Cook

Other persons attending the meeting included: Dale Singer, Saint Louis Beacon; David Hunn, St. Louis Post Dispatch; Kevin Killeen, KMOX News; Mary Ellen Ponder, Special Assistant to the Mayor of St. Louis City; Deborah Zumwalt, Special Projects Manager, Museum Director's Office; Jennifer Stoffel, Director of External Affairs for the Museum; Matt Hathaway, Communications Director for the Museum; Carl Hamm, Deputy Director of External Affairs for the Museum; District legal counsel Tessa Trelz, Armstrong Teasdale LLP; and District employees Sharon Wilcutt, LaQuana Dilworth and J. Patrick Dougherty.

Mr. Uchitelle welcomed everyone. Mrs. Taylor then addressed the Board, thanked the District for its support and acknowledged the significant financial contribution to the Museum from the taxpayers of the City and County of St. Louis. Mrs. Taylor commented on the conservative financial strategy employed at the Museum and the ability of all Subdistrict Commissioners to review records and evaluate information and financial data.

Mr. Benjamin began the Museum’s presentation by highlighting seven key concepts:

- Capital Projects – Complete work already begun;
- Collection Installations – Maintain the collection;
- Communication – Tell the story effectively;
- Public Celebration – Open the doors to the community;
- Public Accommodation - Provide excellent experience for visitors;
• Planning – Be on top of what comes next; and
• Stewardship – Maintain what the Museum already has.

Mr. Benjamin announced that the Museum will celebrate the grand opening of the new East Building on Saturday, June 29, 2013. The East Building will increase gallery and public space by thirty percent and will house twenty-one new galleries. The collection galleries in the East Building will explore the development of postwar American art and temporary exhibitions. In addition, the newly constructed parking structure with over three hundred additional parking spaces will be ready for use. Mr. Benjamin explained that the entire Museum plans to close to the public from June 17 through June 28, 2013 to prepare for the grand opening.

Ms. Schmidt then discussed the budget. The Museum adopted a five year projection model for budgeting purposes, and the model is framed around five strategic initiatives: Collection, Exhibition, Education, Identity and Resource. Tax revenue is expected to provide approximately 73% of the Museum’s 2013 net operating revenue; the Foundation provides 21%; Investment Income, Sales, Grants, Gifts provide the remaining 6% of the $28.8 million total revenue for 2013.

Planned uses of revenue consist of Building Operation & Gallery 29%; Finance & Administration 21%; Development & Marketing 16%; Collections & Exhibitions 15%; Curatorial 7%; Education & Library 7% and Directors office 5% of the. Total expenses for 2013 are budgeted at $30.8 million. The onetime $2.0 million difference between revenue and expenses is a planned deficit. Cash funds have been held to cover all of the additional projects that have been budgeted in prior years but not completed due to construction schedules.

Mr. Uchitelle asked how the Museum compares with peer museums across the country. Ms. Schmidt stated that the Museum benchmarks with the Cleveland Museum of Art, Nelson-Atkins Museum of Art in Kansas City, Minneapolis Institute of Art, and the Indianapolis Museum of Art. All of the Midwest museums offer free admission. Mr. Benjamin stated that attendance at the peer museums, on a per capita basis, is less than the attendance at our Museum.

Ms. Schmidt stated that salary and benefits comprise $12.7 million of the $30.8 million budget and includes twenty-five new hires in the gallery, security, janitorial and IT departments to staff the East Building. Ms. Schmidt offered information on the SLAM Exposed Gala, the Docent 50th Anniversary Celebration, contributions from major corporations, grants, and the comprehensive salary study and benefit review that was completed in 2010.

Board member questions regarding credit cards, harvest from the endowment, membership, stewardship, repayment of bonds, clarifications on Form 990, accessibility for visually impaired citizens and attendance were addressed.

Mr. Uchitelle thanked Mrs. Taylor, Mr. Benjamin and Ms. Schmidt for their presentations. Upon completion of the Museum budget presentation, the meeting recessed and all Museum representatives exited. Within a few minutes, Mr. Uchitelle called the meeting to order.

Mr. Uchitelle then called for comments regarding the Museum’s presentations. Positive comments from all Board members were made.

Approval of Minutes: Mr. Uchitelle called for the approval of the regular Board meeting minutes from May 6, 2013. Upon a motion, duly made by Mr. Campbell and seconded by Mr. Lowery, the minutes for the May 6, 2013 meeting were approved with all members voting ‘aye’.

Mr. Uchitelle then called for the approval of the regular Board meeting minutes from May 9, 2013. Ms. Wessels asked that the minutes be amended, in the sixth paragraph on Page 1, to include: “Mrs. Wessels stated that Mr. Lowery’s comments were inappropriate at that time.” Upon a motion, duly made by Mr. Valier and seconded by Mrs. Cook, the motion to approve the minutes for the May 9, 2013 meeting with corrections passed with Mr.
Powell, Mr. Uchitelle, Mr. Campbell, Mr. Glick, Mrs. Cook, Ms. Wessels and Mr. Valier voting ‘aye’ and Mr. Lowery voting ‘no’.

Executive Director’s Report: Mr. Dougherty informed the Board that the balances in the bank accounts controlled by the District totaled approximately $26 million as of May 28, 2013, and included:

<table>
<thead>
<tr>
<th>Account for the benefit of:</th>
<th>Account balance:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoological Park Subdistrict</td>
<td>$ 2,551.05</td>
</tr>
<tr>
<td>Art Museum Subdistrict</td>
<td>$ 15,147,208.34</td>
</tr>
<tr>
<td>St. Louis Science Center Subdistrict</td>
<td>$ 40,140.19</td>
</tr>
<tr>
<td>Botanical Garden Subdistrict</td>
<td>$ 5,069,551.07</td>
</tr>
<tr>
<td>Missouri History Museum Subdistrict</td>
<td>$ 911,680.49</td>
</tr>
<tr>
<td>District Operating Fund – First National Bank</td>
<td>$ 4,843,542.84</td>
</tr>
</tbody>
</table>

Mr. Dougherty presented a summary of the computation of the District’s 2012 Excess Administrative Revenue and potential distribution to the Subdistricts.

Mr. Uchitelle proposed that the Board consider disbursing a percentage of the District’s 2012 excess administrative revenue to the Subdistricts, and made the observation that the option to either distribute such funds in total at this time or retain a portion of the funds is entirely up to the Board.

Mr. Glick then made a motion to distribute the Zoological Park Subdistrict’s maximum percentage of administrative excess revenue. Mr. Lowery seconded the motion. A discussion ensued, following which the motion passed with Mr. Powell, Mr. Uchitelle, Mr. Campbell, Mr. Glick, Mrs. Cook and Mr. Lowery voting ‘aye’ and Mr. Valier and Ms. Wessels voting ‘no’.

Mr. Glick then made a motion to distribute to the Saint Louis Art Museum Subdistrict its maximum percentage of the District’s excess administrative revenue. Mrs. Cook seconded the motion. A discussion ensued, following which the motion passed with Mr. Powell, Mr. Uchitelle, Mr. Campbell, Mr. Glick, Mrs. Cook, Ms. Wessels and Mr. Lowery voting ‘aye’ and Mr. Valier voting ‘no’.

Mr. Powell then made a motion to distribute to the Saint Louis Science Center Subdistrict its maximum percentage of the District’s excess administrative revenue. Mrs. Cook seconded the motion. The motion passed unanimously with all members voting ‘aye’.

Mr. Uchitelle suggested that the proposed distribution of excess administrative revenue to the History Museum Subdistrict be delayed pending completion of various investigations. Mr. Campbell then made a motion to distribute to the History Museum Subdistrict its maximum percentage of District excess administrative revenue. Mr. Powell seconded the motion. A discussion ensued, following which the motion failed with Mr. Powell, Mr. Campbell, Mrs. Cook and Mr. Lowery voting ‘aye’ and Mr. Valier, Mr. Glick and Ms. Wessels voting ‘no’ and Mr. Uchitelle abstaining.

Ms. Wessels and Ms. Cook left the meeting.

Report of Legal Counsel: Ms. Trelz had no report to submit to the Board.

Audit Committee Report: There was no report of the Audit Committee.

Old Business: Mr. Uchitelle suggested that the minutes of the Art Museum meeting be drafted briefly.

New Business: There was no new business.
There being no further business, Mr. Powell moved that the meeting be adjourned. Mr. Glick seconded the motion; the motion passed unanimously. The Chair announced that the next regular Board meeting will be held at the Missouri Botanical Garden on Monday July 9, 2013 at 11:00 a.m.

The meeting adjourned at 2:40 p.m.

Respectfully submitted,

[Signature]

Secretary