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

St. Louis, Missouri
May 9, 2013

The regular meeting of the Board of Directors was held at the Saint Louis Science Center, St. Louis, Missouri at 12:00 p.m. on Thursday May 9, 2013. The primary purpose of the meeting was to review and discuss the 2013 budget and the 2012 financial statements of the Saint Louis Science Center Subdistrict (hereinafter referred to as the “Subdistrict”).

Mr. Ben Uchitelle, Chair of the Metropolitan Zoological Park and Museum District ("District"), called the meeting to order. He welcomed the following representatives from the Saint Louis Science Center Subdistrict (“Subdistrict”):

- Bert Vescolani, President and Chief Executive Officer of the Saint Louis Science Center;
- Douglas H. Yaeger, Chair of the Saint Louis Science Center Subdistrict Board of Commissioners;
- Barbara Boyle, Vice President and Chief Financial Officer of the Saint Louis Science Center;
- Ted Hellman, Past Chair of the Saint Louis Science Center Subdistrict Board of Commissioners;
- Mary Ellen Ponder, special assistant to the Mayor-City of St. Louis;
- Dale Singer, Saint Louis Beacon;
- Betsy Bruce, Fox 2 News reporter;
- Kevin Killeen, KMOX News;
- David Hunn, St. Louis Post Dispatch; and
- John Wharton, Halcyone Brown, Russ Hitzemann and Margie Walsh, staff Saint Louis Science Center; and Deb Busch, Saint Louis Science Center volunteer;

Upon roll call, the following Board members were present:

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

Jerome E. Glick was absent. 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 LeQuana S. Dilworth.

Science Center Presentation – Mr. Vescolani welcomed everyone to the meeting and began with an introduction of the Science Center staff and Subdistrict Commissioner.

Mr. Lowery thanked the Science Center for presenting their budget information and commented on an article that appeared in the May 9, 2013 St. Louis Post Dispatch. He explained that the comments made in the article about the Science Center do not speak for nor are they the views of the entire District Board. Mrs. Wessels stated that Mr. Lowery’s comments were inappropriate at that time.

Mr. Yaeger informed the Board that two pieces of property were purchased in 2008 – 1100 Macklind Avenue and 5200 Berthold Avenue (Koch Properties). The property located at 5200 Berthold Avenue was sold as of April 30, 2013 for $1,700,000 to Paraquad. The sale of the property also includes a buy-back option, if in the future Paraquad sells that property. The property located on Macklind Avenue has office space in the front and warehouse/storage space in the rear of the building.
Mr. Uchitelle inquired about the status of the Taylor Center located on Manchester Road. Mr. Yaeger informed the Board that they are actively looking for a tenant to sublet the building. At this time the lease runs through 2023.

Ms. Boyle summarized the Notes Payable per the Financial Statements:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2008</th>
<th>2013</th>
<th>4/30/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Notes Payable</td>
<td>$13,000</td>
<td>$12,845</td>
<td>$17,462</td>
<td>$16,479</td>
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<tr>
<td>Line of Credit</td>
<td>0</td>
<td>6,000</td>
<td>4,500</td>
<td>0</td>
</tr>
<tr>
<td>Total Notes Payable</td>
<td>$13,000</td>
<td>$18,845</td>
<td>$21,962</td>
<td>$16,479</td>
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</table>

Ms. Boyle indicated that in 2008 the Koch Properties were purchased and the debt was re-financed in 2013. The majority of the $16.5 million debt lies in the two outstanding bond issues, the 2010 bond was to finance and to build the new exhibit hall. The bonds are secured by donations and pledges.

Ms. Boyle explained that at this time the line of credit is at zero. Typically borrowing against the line of credit is used during the summer months to fund extra staff and camp programs. The line of credit has an upper limit of $7 million.

Mr. Vescolani presented slides representing improvements in exhibits, development of new exhibits and changes in programming. Revenue generating events included the Flight Simulator, Discovery Room, Omnimax Theatre and special events. Additional events in 2012 include: First Friday, Minority Scientist Showcase, First Robotics Friendship Day, and Festival of Science. Further events will be planned to celebrate the 50th Anniversary of the Planetarium. Visitor satisfaction ratings were presented with favorable results, and attendance figures were addressed.

Mr. Vescolani discussed some outreach opportunities. EVIE is an interactive mobile ‘green’ electrical vehicle that receives 11,700 direct visitor interactions at events like Forest Park Earth Day, Six Flags, Fair St. Louis, STL Cardinals Baseball Games and at the Missouri Botanical Garden. The EVIE was built by Smith Electrics and supported by Missouri University of Science & Technology.

Ms. Boyle explained the execution of a Dashboard - a type of management information system intended to facilitate and support the information and decision-making needs of senior executives by providing easy access to both internal and external information relevant to meeting the strategic goals of the organization. She explained that use of the Dashboard allows information on attendance, venue revenue and tickets, on-line purchasing, an on-line human resource portal with news, policy updates and personnel information updates to be viewed easily.

Ms. Boyle asked for questions regarding the budget. She explained that a conservative approach was taken with regard to attendance and revenue. Mr. Uchitelle asked for further information on development revenue. Ms. Boyle explained that it is from annual fund giving, the gala, specialized giving, grant support and programs that the development department coordinates. Ms. Boyle explained that an increase in 2013 health insurance rates was not passed on to the staff.

Ms. Boyle explained that the Exploradome exhibition hall should be decommissioned and disassembled by the end of the second quarter. The impact and savings is yet to be determined but an estimate of $200,000 a year is anticipated.

Mr. Uchitelle asked about the pension retirement defined benefit program. On December 31, 2012 the plan was frozen for existing employees. Going forward the Science Center has created a defined contribution plan in which employees will participate. The cost of maintaining the old plan was a major concern.
Ms. Boyle reviewed the graph below which represents Historical Net Revenues and Expenses:

Mr. Valier questioned the figures for 2010. Ms. Boyle stated that 2010 represents a $9,598,000 capital campaign contribution.

Mrs. Wessels asked for clarification on ‘Notes payable – line of credit’ in the statement of net position from the audited financial statements. Ms. Boyle explained that the line in question is an operating line of credit and must be paid back every year. Mr. Valier pointed out that the audited statement shows that the Science Center owes a balance of $4.5 million at December 31, 2012. Ms Boyle explained that the line of credit payback does not match the fiscal or calendar year – and she further stated that the bank requires that the line of credit be paid in full for thirty days each year, and except for 2012 this requirement has been met.

Mr. Vescolani commented on the YES program and explained that the program is now being evaluated. He has been meeting with community organizations to better understand the community’s needs and expectations. Mr. Uchitelle asked if follow-up studies have been done on success rates of the students who participated in the YES program. Mr. Vescolani stated that last year, fifty-four seniors participated in the YES program and 96% of those students graduated from high-school.

Mr. Campbell asked if morale at the Science Center is improved given the turnover in senior management. Mr. Vescolani stated that he holds ‘coffee-talks’ with groups of employees and questions and concerns are addressed at that time.

Mr. Uchitelle questioned the status of the capital campaign. Mr. Vescolani explained that the current capital campaign goal is $50 million and at this time approximately $30+ million has been raised in pledges and gifts.

Mr. Lowery inquired about the increase in Workers Compensation Premiums. Ms. Boyle stated that the incidents involving the Segway Riding Program contributed to increased premiums. That program has been discontinued.

Mrs. Cook asked for an update on the diversity statistics. Mr. Vescolani stated that the Science Center is reaching out to schools, universities and working with a veterans program, The Mission Continues, for future volunteers, employees and interns. Ms. Brown explained that pilot programs have been developed for participation by area high students. Curriculum has been expanded to include school service projects to encourage students in the areas of IT, engineering and science related fields.

Mr. Uchitelle inquired about salary increases. Mr. Vescolani explained that increases are performance based and under $100,000 has been allocated for modest increases.

Questions were raised in reference to the 2011 KEB Agreed Upon Procedures Report and executive salaries. Mr. Vescolani assured the Board that concerns and issues from the report are being addressed.
Mrs. Cook asked that Ms. Busch explain her volunteer work with the Science Center. Ms. Busch, a volunteer since 2009 updated the Board on her task of evaluating areas of the Science Center to allow easier accessibility for visual impaired individuals. At this time she has received a grant for an electric Braille translator to assist her in converting books, signs, gallery signage, and exhibit information into Braille for easier accessibility.

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

Executive Director’s Report – Mr. Dougherty reported that, as of March 8, 2012, the balances in the District controlled bank accounts approximated $31.0 million and included:

<table>
<thead>
<tr>
<th>Account for the benefit of:</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Zoological Park Subdistrict</td>
<td>$1,630,745.81</td>
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<tr>
<td>Art Museum Subdistrict</td>
<td>$15,784,120.97</td>
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<tr>
<td>St. Louis Science Center Subdistrict</td>
<td>$739,013.97</td>
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<td>Botanical Garden Subdistrict</td>
<td>$5,863,264.05</td>
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<tr>
<td>Missouri History Museum Subdistrict</td>
<td>$2,139,461.19</td>
</tr>
<tr>
<td>District Operating Fund</td>
<td>$4,885,949.18</td>
</tr>
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Audit/Finance Committee Report – Mrs. Wessels reported that the Audit Committee plans to meet on Wednesday June 5, 2013. The Audit Committee plans to have four candidates for prospective providers of board training services. Mrs. Wessels extended an invitation to all Board members to attend the meeting.

Report of Legal Counsel – Mr. Chivell had no report at this time.

Old Business – Ms. Wilcutt presented information from two court reporting services and additional information on upgraded recording devices. A discussion ensued. Mr. Uchitelle suggested that an upgraded recorder be purchased for the May 29, 2013 Board Meeting at the Art Museum and the minutes are kept to ‘action-only’ minutes. Mr. Valier was concerned that ‘action-only’ minutes will not capture additional important elements of the meeting. Mrs. Cook moved that an improved recorded be purchased Mr. Uchitelle seconded the motion adding that going forward the minutes should be more concise. The motion to purchase a recorder was passed with Mrs. Cook, Mr. Valier, Mr. Lowery, Mrs. Wessels, Mr. Uchitelle and Mr. Powell voting ‘yes’ and Mr. Campbell voting ‘no’.

Mrs. Wilcutt presented an outline from four manufacturers on a proposal for a new copier/fax/printer and a proposal for a standalone desktop printer for the District office. A discussion ensued. Mr. Uchitelle made a motion to accept the Richo American Corporation proposal for a Richo MP 2352 for $6,300 (plus maintenance) and the Richo Aficio-Desktop printer for $499. Mr. Powell seconded the motion. The motion to accept the Richo American Corporation proposal was passed with all members voting ‘aye’.

New Business – Mrs. Wessels requested that minutes be forwarded to all Board members following all Regular Board Meetings/Trustee Meetings/Subdistrict Board Meetings/Committee Meetings conducted at the five Subdistrict institutions. In addition Mrs. Wessels requested that the District be notified of all scheduled meetings to be held at the Subdistrict institutions. Mr. Uchitelle directed Mr. Dougherty to follow up with the Subdistricts.

The chair called for public comments.
Mr. Uchitelle announced that the next regular Board meeting would be held Wednesday May 29, 2013 at the Missouri Botanical Garden at 11:00 am, with the tour beginning at 10:30 am.

There being no further business, Mr. Lowery moved that the meeting be adjourned. Mr. Powell seconded the motion and it was unanimously approved. The meeting adjourned at 2:20 p.m.

Respectfully submitted,

[Signature]

Secretary