



# Audit, Finance & Administration - Open Meeting

Friday, August 19, 2022 (immediately following Operations Committee Meeting)

Virtual Meeting

211 North Broadway, 6th Floor

St. Louis, MO, 63102



## Audit, Finance & Administration Committee - Open Meeting - August 19, 2022

### Notice of Meeting and Agenda

- |  |             |              |
|--|-------------|--------------|
| 1. Call to Order   | Approval    | Chair Beach  |
| 2. Roll Call   |             | M. Bennett   |
| 3. Public Comment  | Information | Chair Beach  |
| 4. Approval of Minutes of the June 10 , 2022, Audit, Finance & Administration Committee, Open Meeting                                  | Approval    | Chair Beach  |
| A. Draft Minutes June 10,2022 - Audit, Finance & Administration Committee, Open Meeting - 4  |             |              |
| 5. Approval of Minutes of the June 10, 2022 - Combined Audit, Finance & Administration and Operations Committee, Open Meeting          | Approval    | Chair Beach  |
| A. Draft Minutes June 10, 2022 - Combined Meeting of the Audit, Finance & Administration and Operations Committees - Open Meeting - 11 |             |              |
| 6. Attracting and Retaining Talent   | Approval    | C. Stewart   |
| A. Briefing Paper - 14   |             |              |
| B. Attraction and Retention Initiatives - 16   |             |              |
| C. List of Initiatives with Costs - 17   |             |              |
| D. Board Policy - Attraction and Retention Committee Meeting - 08192022 - 20   |             |              |
| 7. Contract Award - Diversity, Equity & Inclusion Consulting and Training Services   | Approval    | T. Curran    |
| A. Briefing Paper - 21   |             |              |
| 8. Board Policy Revisions, Chapter 30 – Audit, Finance, and Budget   | Approval    | T. Fulbright |
| A. Briefing Paper - 24   |             |              |
| B. Chapter 30 - Audit Finance Budget - Current Version - 26  |             |              |
| C. Chapter 30 - Audit Finance Budget - Red-lined Version with Proposed Revisions - 54  |             |              |
| D. Chapter 30 - Audit Finance Budget - Clean Copy with Proposed Revisions - 83   |             |              |
| 9. Contract Award - Fare Collection Program Consultant   | Information | T. Curran    |
| A. Briefing Paper - 109  |             |              |
| 10. Internal Audit Follow-Up Summary – 4th Quarter FY2022  | Information | C. Messner   |
| A. Briefing Paper - 111  |             |              |
| 11. Internal Audit Status Report – 4th Quarter FY2022  | Information | C. Messner   |
| A. Briefing Paper - 114  |             |              |



B. Quarterly Status Report - 4th Qtr - FY2022 - 115		
12. Internal Audit State Safety Oversight Status Report - 2nd Quarter Calendar Year 2022	Information	C. Messner
A. Briefing Paper - 119		
B. SSO Quarterly Status Report - 2nd Qtr - CY2022 - 121		
13. Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2022	Information	C. Stewart
A. Briefing Paper - 122		
B. 401k Performance Report - 125		
C. Salaried Pension Report - 182		
D. IBEW Performance Report - 255		
E. 788 Performance Report - 300		
F. OPEB Performance Report - 367		
14. Quarterly Financial Statement	Information	T. Fulbright
A. Quarterly Financial Statement Fourth Quarter Ending June 30, 2022 - 420		
15. Treasurer's Report	Information	T. Fulbright
A. 06.30.22 Treasurer's Report - 492		
16. Procurement Report	Information	T. Curran
A. Procurement Report - August 2022 - 501		
17. Unscheduled Business	Approval	Chair Beach
18. President/CEO Report	Information	T. Roach
19. Call for the Dates of Future Board & Committee Meetings	Information	M. Bennett
20. Adjournment to Executive Session If such action is approved by a majority vote, the Committee may go into closed session to discuss legal, confidential, or privileged matters pursuant to Bi-State Development Board Policy Chapter 10, Section 10.080 (D) Closed Records: Legal under §10.080(D)(1); Personnel under §10.080(D)(3); and Auditors under §10.080(D)(10).	Approval	Chair Beach
21. Reconvene to Open Session	Approval	Chair Beach
22. Adjournment	Approval	Chair Beach

**BI-STATE DEVELOPMENT  
AUDIT, FINANCE & ADMINISTRATION COMMITTEE MEETING  
OPEN SESSION MINUTES  
(Virtual Meeting)  
June 10, 2022**

**Immediately following Operations Committee Meeting**

**Audit, Finance & Administration Committee Members participating via Zoom**

Terry Beach, Chair  
Herbert Simmons  
Fred Pestello – Absent  
Nate Johnson  
Sam Gladney

**Other Commissioners participating via Zoom**

Rose Windmiller  
Derrick Cox – Absent  
Irma Golliday – Absent  
Vernal Brown  
Debra Moore

**Staff participating via Zoom**

Taulby Roach, President and Chief Executive Officer  
Brenda Deertz, Director of Executive Services  
Barbara Enneking, General Counsel  
Myra Bennett, Manager of Board Administration  
Thomas Curran, Executive Vice President – Administration  
Tammy Fulbright, Executive Vice President, Chief Financial Officer  
Crystal Messner, Chief Audit Executive  
Charles Stewart, Executive Vice President Organizational Effectiveness

**Others participating via Zoom**

Tera Briggs, ASL Interpreter  
Loretto Freeman, ASL Interpreter

**1. Open Session Call to Order**

**9:32 a.m.** Chair Beach called the Open Session of the Audit, Finance & Administration Committee Meeting to order at 9:32 a.m.

**2. Roll Call**

**9:32 a.m.** Roll call was taken, as noted above.

**3. Public Comment**

**9:32 a.m.** Myra Bennett, Manager of Board Administration, noted that no public comments were received for today's meeting.

**4. Minutes of the March 18, 2022 Audit, Finance & Administration Committee, Open Meeting**

**9:32 a.m.** The minutes of the March 18, 2022 Audit, Finance & Administration Committee, Open Meeting were provided in the Committee packet. A motion to approve the minutes, as presented, was made by Commissioner Windmiller and seconded by Commissioner Moore.

**The motion passed unanimously.**

**5. Contract Award: Audit Services - Bi-State Development (BSD) Pension Plans and 401(k) Retirement Savings Program**

**9:33 a.m.** A briefing paper was included in the meeting materials, presenting to the Audit, Finance & Administration Committee, for discussion, acceptance, and referral to the Board of Commissioners for approval, authorization that the President & CEO enter into a five-year contract for Audit Services for BSD's Pension Plans and 401(k) Retirement Savings Program with UHY LLP in the not-to-exceed amount of \$302,445.00. Tom Curran, Executive Vice President – Administration, gave an overview of this item, noting that Solicitation 22-SB-305074-CG – Audit Services for BSD's Pension Plans and 401(k) Retirement Savings Program was issued on January 26, 2022; however, in response to the solicitation, only one (1) sealed bid was received from UHY LLP. He noted that the single bid was forwarded to the Benefits Department for review. Mr. Curran noted that it found that UHY's sealed bid was responsive and demonstrated responsibility by conforming to the terms and conditions listed in the solicitation including the submission requirements of certifications and representations, identified in the solicitation. He reported that, due to UHY being the only firm that participated in submitting pricing, the sealed bid method is being converted to a negotiated procurement.

A motion to accept this agenda item, as presented, and recommend it to the Board of Commissioners for approval, was made by Commissioner Brown and seconded by Commissioner Windmiller.

**The motion passed. (Chair Beach abstained from the vote.)**

**6. Contract Award: Financial Advisory Services**

**9:36 a.m.** A briefing paper was included in the meeting materials regarding a request that the Committee accept, and forward to the Board of Commissioners for approval, authorization that the President & CEO enter into a 5-year contract for Financial Advisory Services with Columbia Capital Management, LLC in the not-to-exceed amount of \$400,000.00. Tom Curran, Executive Vice President of Administration, gave an overview of this item, noting that, in response to Solicitation 22-RFP-313158-CG - Financial Advisory Services, issued on February 25, 2022, only one (1) sealed proposal was received from Columbia Capital Management, LLC, and the single proposal was forwarded to the Finance Department for review. Mr. Curran stated that a review of the sealed proposal received from Columbia Capital Management affirmed that the

technical proposal met the minimum requirements, qualifications and experience in accordance with the scope of work described within the solicitation, and was found to be fair and reasonable.

A motion to accept this agenda item, as presented, and recommend it to the Board of Commissioners for approval, was made by Commissioner Moore and seconded by Commissioner Brown.

**The motion passed unanimously.**

**7. Collected Board Policies, Chapter 50 - Purchasing Revisions**

**9:30 a.m.** A briefing paper was included in the meeting materials regarding a request that the Committee accept, and forward to the Board of Commissioners for approval, a request to incorporate revisions to the *Collected Board Policies of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Chapter 50*, as outlined in the meeting materials. Tom Curran, Executive Vice President of Administration, gave an overview of this item, noting that the proposed revisions provide updates to expenditure thresholds that require Board of Commissioners approval, the addition of specific language addressing single bid situations, and clean-up of spelling and title errors. Mr. Curran clarified the proposed threshold changes for the Committee.

Commissioner Simmons stated that he would like to review the threshold changes in more detail. Commissioner Moore indicated that she agrees with Commissioner Simmons, in that she would like more understanding of the impetus for what appears to be significant changes to the policy. Chair Beach stated that he feels that it makes sense to discuss this in greater detail; however he also noted that he understands that there have been major changes in the market, and given the current market conditions, it may make sense to increase the policy thresholds. President/CEO Roach stated that there is no hurry to approve the revisions. Mr. Curran stated that most contracts are over the proposed \$1,000,000 threshold, and would still require Board approval. He also noted that he had contracted similar transit agencies regarding their policies and can share that information with the Board. Chair Beach stated that he personally does not have an issue with the proposed threshold increases; however, he would like the Committee to consider postponement of this item, until the next meeting, so that additional information can be provided to the Board. Commissioner Windmiller asked how many contracts have exceeded the current \$500,000 threshold, and Mr. Curran indicated that approximately 20 contracts have exceeded that amount. Mr. Curran stated that he can provide more specific information regarding this issue, prior to the Board meeting on June 24<sup>th</sup>. Commissioner Windmiller stated that this would be helpful.

A motion to postpone this agenda item, until the June 24<sup>th</sup> Board of Commissioners meeting, was made by Commissioner Simmons and was seconded by Commissioner Windmiller.

**The motion passed unanimously. (This item will be postponed until the June 24<sup>th</sup> Board of Commissioners Meeting.)**

**8. Board Policies, Chapter 30 – Audit, Finance, and Budget**

**9:48 a.m.** A briefing paper was included in the meeting materials regarding a request that the Committee accept, and forward to the Board of Commissioners for approval, a request to incorporate revisions to the *Collected Board Policies of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Chapter 30*, as outlined in the meeting materials. Crystal

Messner, Chief Audit Executive, gave an overview of this item, noting that revisions to three Sections of Chapter 30, have been presented for consideration. She noted the following proposed revisions:

- For Section 30.005 Audit Committee Charter, the changes noted are primarily to reference best auditing standards, versus the reference to Government Auditing Standards, and to correct titles especially as it relates to the Chief Audit Executive.
- For Section 30.010 Annual Audit includes a reference to hedging and correct reference to other titles.
- For Section 30.020 Internal Audit, the changes noted are to correct the reference to internal audit and other titles especially as it relates to the Chief Audit Executive.

A motion to accept this agenda item, as presented, and recommend it to the Board of Commissioners for approval, was made by Commissioner Brown and was seconded by Commissioner Moore.

**The motion passed unanimously.**

**9. Draft - Internal Audit Policies and Procedures Manual Revision 4**

**9:50 a.m.** A briefing paper was included in the meeting materials regarding a request that the Committee review and approve the revised Internal Audit Department Policy and Procedures Manual, as outlined in the meeting materials. Crystal Messner, Chief Audit Executive, gave an overview of this item, noting that the Internal Audit Department conducts an annual review of its Policy and Procedures Manual to ensure the following:

- Aligning professional standards to the most recent version of the Institute of Internal Auditor's (IIA) International Professional Practices Framework;
- Adjusting work paper guidance on electronic files;
- Adjusting templates with newest versions;
- Adjusting the Internal Safety Audit Process to reference the standalone operating procedure; and
- Making basic editorial changes.

Ms. Messner stated that staff is recommending that the Audit, Finance and Administration Committee approve the proposed revisions to the Internal Audit Department Policy and Procedures Manual.

A motion to accept this agenda item, as presented, was made by Commissioner Gladney and was seconded by Commissioner Windmiller.

**The motion passed unanimously.**

**10. IAD Audit Follow-Up Summary – 3rd Qtr. – FY2022**

**9:52 a.m.** A briefing paper was included in the meeting materials regarding this item. Crystal Messner, Chief Audit Executive, gave an overview of this item, noting that an Audit Follow-Up Executive Summary Report, has been provided as a comprehensive overview, highlighting the current implementation status of recommendations issued in prior audit reports. She noted that each Recommendation has been reviewed, and its status has been classified as follows:

- Completed – The recommendation has been implemented.
- Outstanding – The recommendation has not yet been implemented, and/or the implementation date has not occurred yet.
- Overdue – The recommendation remains outstanding past the established implementation date.

Ms. Messner stated that this report should be used to determine the timeliness and the completeness of the implementation of corrective action for each item. She noted that, currently 72% have been Completed, 18% are Outstanding, and 10% are Overdue. Commissioner Windmiller asked when the Overdue items would be completed. Ms. Messner noted overlap of some of the items. She noted that these are often FTA guided, and the team is working together to get these items resolved. Commissioner Simmons asked if staff shortages contribute to this issue. It was noted that staff shortages make the process more difficult.

It was noted that this item was presented as information only, and no action by the Committee is needed.

**11. Internal Audit Status Report – 3rd Quarter FY2022**

**9:58 a.m.** A briefing paper was included in the meeting materials regarding this item. Crystal Messner, Chief Audit Executive, gave an overview of this item, noting that the Internal Audit Department has provided the Committee with a summary of the IAD's quarterly activity pertaining to the Annual Audit Plan. Ms. Messner reported that, continuing the efforts for proper succession planning and organizational alignment, on April 18, 2022, IAD welcomed Bob Goeckner as our new Internal Auditor. She also noted that, due to unforeseen circumstances within the Payroll Department, the Payroll Audit planned for FY2022 will be moved to next fiscal year. Instead, IAD began the System and Physical Access Audits earlier than expected on April 1, 2022.

It was noted that this item was presented as information only, and no action by the Committee is needed.

**12. Internal Audit State Safety Oversight Status Report – 1st Qtr. – Calendar Year 2022**

**9:59 a.m.** A briefing paper was included in the meeting materials regarding this item. Crystal Messner, Chief Audit Executive, gave an overview of this item, noting that this is the first year that the Agency has been early in submitting the SSO report. She reported that the Agency received approval of the report in February 2022. Ms. Messner noted that the following audit activities were proposed by Internal Audit during the 1st Quarter:

- Finalize the 2021 State Safety Oversight Internal Audit Report and submit to Bi-State Safety Oversight (BSSO) for approval;
- Create and implement a standalone Internal Safety and Security Management procedure;
- Submit 2021 SSO Internal Audit Corrective Action Plans (CAPs);
- Conduct follow-ups on nine (9) Internal SSO Audits' CAPs that are ready for closure;
- Monitor the progress on the 22 open CAPs from the 2021 non-compliance areas, including Supervisory Control and Data Acquisition (SCADA) Assessment CAPs;
- Collaborate with Kensington Consulting to plan and schedule the 2022 Internal Safety and Security Audits;

- Collaborate with Safety to create a CAP Advisory Committee to ensure progress on all SSO and SCADA CAPs; and,
- Participate in other audit activities for BSSO.

Ms. Messner reported that all of the First Quarter proposed activities were accomplished, and that the Internal Safety and Security Management Audit Standard Operating Procedure was successfully created and implemented on January 1, 2022.

This item was presented as information only.

**13. Quarterly Financial Statements and**

**14. Treasurer's Report**

**10:02 a.m.** Quarterly Financial Statements and Treasurer's Report were included in the meeting materials. Tammy Fulbright, Executive Vice President, Chief Financial Officer, gave a brief overview of these items, including a review of revenues and expenses for each of the Agency's Enterprises. She noted ongoing supply chain issues. In addition, Ms. Fulbright noted that the Arch is doing rather well, and the fuel hedge has resulted in gains of approximately \$2.9 million, year to date.

These items were presented for information only.

**15. Treasury Safekeeping Accounts Audit ending March 31, 2022**

**10:07 a.m.** A briefing paper was included in the meeting materials regarding this item. Crystal Messner, Chief Audit Executive, gave an overview of this item reporting that, in applying the GASB Statement No. 72 Fair Value Measurement and Application, IAD performed an examination of each bank/safekeeping custodian's account confirmations as compared with the fair values for each investment presented in the Treasurer's Report dated March 31, 2022. Ms. Messner stated that IAD has determined that the Safekeeping Accounts exist, and the respective balances and credit ratings reported in the Treasurer's Report as of March 31, 2022 are fairly presented.

This item was presented as information only.

**16. Procurement Report**

**10:08 a.m.** A Procurement Report was included in the meeting materials regarding this item. Thomas Curran, Executive Vice President Administration, noted that three reports are contained in the Third Quarter Procurement Report, including: 1) Procurement Activity and Non-Competitive Procurement Trend Report, 2) Procurement Card Transactions Report, and 3) Contract Modifications Report. Mr. Curran noted that Third Quarter FY 2022 Non-Competitive Procurements total \$3,189,268 or 8.4% of the total Purchase Order Commitment volume of \$38,072,694. He reported that Non-Competitive Procurements total \$9,024,405, or 8.4% of the total Procurement Spend of \$107,998,497, during the last twelve months.

This item was presented as information only.

**17. Unscheduled Business**

**10:10 a.m.** There was no unscheduled business.

**18. President/CEO Report**

**10:10 a.m.** President/CEO Taulby Roach stated that he has no report, at this time.

**19. Call of Dates for Future Board and Committee Meetings**

**10:10 a.m.** Myra Bennett, Manager of Board Administration, advised the Committee of upcoming meeting, as follows:

Tentative schedule:

Board of Commissioners Meeting:	Friday, June 24, 2022	8:30 AM
Safety & Security Meeting:	Thursday, August 11, 2022	8:30 AM
Operations/Audit, Finance, Administration:	Friday, August 19, 2022	8:30 AM

**20. Adjournment**

**10:10 a.m.** Chair Beach asked if there was any further business, and being none, Commissioner Brown made a motion to adjourn the meeting. The motion was seconded by Commissioner Simmons. Unanimous vote in favor taken. The motion passed, and the meeting was adjourned at approximately 10:10 a.m.

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Deputy Secretary to the Board of Commissioners  
Bi-State Development



**BI-STATE DEVELOPMENT  
COMBINED MEETING OF THE  
AUDIT, FINANCE & ADMINISTRATION COMMITTEE  
AND OPERATIONS COMMITTEE  
(Virtual Meeting)  
OPEN SESSION MINUTES  
June 10, 2022  
Immediately following AFA Committee Meeting**

**Board Members Participating via Zoom**

**Missouri**

Rose Windmiller, OPS Chair  
Vernal Brown  
Nate Johnson  
Sam Gladney  
Fred Pestello – Absent

**Illinois**

Terry Beach, AFA Chair  
Herbert Simmons  
Debra Moore  
Derrick Cox – Absent  
Irma Golliday – Absent

**Staff Participating via Zoom**

Taulby Roach, President and Chief Executive Officer  
Barbara Enneking, General Counsel and Deputy Secretary  
Myra Bennett, Manager of Board Administration  
Brenda Deertz, Director of Executive Services  
Charles Stewart, Executive Director Metro Transit  
Virgie Chaffen, Jr., Director Labor Relations  
Crystal Messner, Chief Audit Executive

1. **Open Session Call to Order**  
**10:11 a.m.** Chair Beach called the Open Session of the Combined Meeting of the Audit, Finance & Administration Committee and Operations Committee to order at 10:11 a.m.
2. **Roll Call**  
**10:11 a.m.** Roll call was taken, as noted above.
3. **Adjournment to Executive Session – If such action is approved by a majority vote of the Bi-State Development Agency’s Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters pursuant to Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); Personnel under §10.080(D)(3); Employee Negotiations under §10.080(D)(5); and Auditors under §10.080(D)(10).**  
**10:11 a.m.** Chair Beach requested a motion to allow the Committees to move into closed session as permitted under Bi-State Development Board Policy, Chapter 10, Section 10.080, (D) (1) – Legal; (D) (3) – Personnel; (D) (5) – Employee Negotiations; and (D) (10) – Auditors. A motion

to move into Executive Session was made by Commissioner Simmons and seconded by Commissioner Gladney. A roll call vote was taken as follows:

Rose Windmiller – Yea  
Vernal Brown – Yea  
Nate Johnson – Yea  
Sam Gladney – Yea

Debra Moore – Yea  
Terry Beach – Yea  
Herbert Simmons – Yea

**The motion passed unanimously, and the Committees moved into Executive Session at 10:13 a.m.**

**4. Reconvene to Open Session**

**10:58 a.m.** The Committees reconvened to the Regular Meeting at approximately 10:58 a.m.

Commissioner Simmons made a motion to accept the ATU Local 788 Operations & Maintenance and Clerical Collective Bargaining Agreement Negotiation parameters, as presented. The motion was seconded by Commissioner Johnson. A roll call vote was taken as follows:

Rose Windmiller – Yea  
Vernal Brown – Yea  
Nate Johnson – Yea  
Sam Gladney – Yea

Debra Moore – Yea  
Terry Beach – Yea  
Herbert Simmons – Yea

**The motion passed unanimously.**

Commissioner Windmiller made a motion to accept the International Brotherhood of Electrical Workers, Locals 2 and 309 Collective Bargaining Agreement Negotiation parameters, as presented. The motion was seconded by Commissioner Brown. A roll call vote was taken as follows:

Rose Windmiller – Yea  
Vernal Brown – Yea  
Nate Johnson – Yea  
Sam Gladney – Yea

Debra Moore – Yea  
Terry Beach – Yea  
Herbert Simmons – Yea

**The motion passed unanimously.**

Commissioner Moore made a motion to accept the Draft - Procurement Card Program Audit, as presented. The motion was seconded by Commissioner Brown. A roll call vote was taken as follows:

Rose Windmiller – Abstain  
Vernal Brown – Yea  
Nate Johnson – Yea  
Sam Gladney – Yea

Debra Moore – Yea  
Terry Beach – Yea  
Herbert Simmons – Yea

**The motion passed. (Commissioner Windmiller abstained from the vote.)**

Commissioner Johnson made a motion to accept the FY2023 Annual Audit Work Plan, as presented. The motion was seconded by Commissioner Gladney. A roll call vote was taken as follows:

Rose Windmiller – Yea  
Vernal Brown – Yea  
Nate Johnson – Yea  
Sam Gladney – Yea

Debra Moore – Yea  
Terry Beach – Yea  
Herbert Simmons – Yea

**The motion passed unanimously.**

**5. Adjournment**

**11:01 a.m.** Chair Beach asked if there was any further business, and being none, Commissioner Simmons made a motion to adjourn the meeting. The motion was seconded by Commissioner Brown. Unanimous vote in favor taken. The motion passed, and the meeting was adjourned at approximately 11:01 a.m.

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Deputy Secretary to the Board of Commissioners  
Bi-State Development

**Bi-State Development Agency  
Audit, Finance & Administration Committee  
Open Session Agenda Item  
August 19, 2022**

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**From:** Charles Stewart, Executive Director, Metro Transit  
**Subject:** **Attracting and Retaining Talent**  
**Disposition:** Approval  
**Presentation:** Charles Stewart, Executive Director, Metro Transit  
Diana Bentz, Vice President – Talent Management  
Dave Toben, Director of Benefits

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**Objective:**

To present to the Audit, Finance & Administration Committee for approval, a package of high value activities to attract and retain top tier talent.

**Background:**

We have had a significant staffing shortage, over the past several months. This shortage is compounded by a higher than normal turnover rate. In order to maintain levels of service, attracting and retaining talent is critical.

Organizational Effectiveness has conducted internal and external research leading to the identification of various tactics and programs, which can help stabilize staffing levels through retention and recruitment efforts. These tactics and programs fall under the following categories: Operator Amenities, Benefits and Wellness, Learning and Development, Culture, Recruitment, and Quick Hits as detailed in Exhibit 1. These tactics will require monetary investments of approximately \$2,654,426 million dollars.

**Analysis:**

There is a global workforce shortage impacting most industries. At a local level, this shortage has impacted our business in many ways. We have had challenges hiring seasonal employees to support Arch and Riverboats operations; time to fill positions has increased for certain roles; and we have missed trips and boardings. For example, in June, 2022 MetroBus missed 2,450 trips due to a workforce shortage of 21.45% of Operators. Call-A-Ride denied 7,652 boardings due to a shortage of 27.36% of Operators. During the first three quarters of FY2022, we hired 368 people, yet lost 469.

Statistics from the Bureau of Labor show that the rate of open positions, hiring, and separations/quits has been relatively unchanged from June, 2021 to June, 2022. The data indicates that there is a significant gap between the number of job openings compared to the number of hires. The percentage of separations is only 7% below that of the number of new hires.

Internal and external data demonstrates the need to make changes in how we can compete for talent, both through recruiting for talent and through retaining talent. We are bringing recommended actions for consideration per Board policy, Chapter 70, Personnel, Sections 70.010 and 70.020, related to Agency hiring and compensation practices.

**Committee Action Requested:**

Management recommends that the Audit, Finance & Administration Committee accept, and forward to the Board of Commissioners for approval, a request to invest \$2,654,426 in various tactics and programs to improve the Agency's ability to attract and retain talent.

**Funding Source:**

Designated Operational Funds

**Attachments:**

1. Attraction and Retention Initiatives
2. List of Initiatives with Costs
3. Board Policy – Attraction and Retention Committee Meeting - 08192022

# Overview of Highlighted Tactics

## BENEFITS & WELLNESS

*Known Challenge*

*Solution*

Lack of Leave  
Benefits

PAID PARENTAL  
LEAVE

Absenteeism

CHILD & ELDER  
CARE SUBSIDY

Losing  
applicants to  
competitors

TUITION  
REIMBURSEMENT  
& STUDENT LOAN  
SUBSIDY

## CULTURE

*Known Challenge*

*Solution*

Disconnected  
team members

BONFYRE APP

Low mutual  
trust with  
supervisor

MANAGEMENT  
DEVELOPMENT

Biases & slow  
action against  
racism

ANTI-BIAS ANTI-  
RACISM  
TRAINING

## QUICK HITS

*Known Challenge*

*Solution*

Undervalued  
operators &  
mechanics

AMENITIES &  
COMFORT ITEMS

Difficulty  
sharing pride in  
work

FAMILY TRANSIT  
PASSES

Top Priorities	Est. Cost	Timeline or Status	Notes
<b>Benefits &amp; Wellness</b>			
Wellness & Advocacy Center - construction, furnishings, and equipment	\$125,000	In process	Build out est. \$140k plus \$40k furnishings. Have \$55k wellness funding from Cigna. BSD net includes absorbed labor to construct
Paid parental leave - 4 weeks	\$280,000	In process	Draft policy developed. Alt. options are 1 week at \$71k or 2 weeks at \$141k. Annual cost
Child/elder care subsidy support and priority access	\$55,000	3 months	Base annual cost. 2 vendors being vetted
HDHP/Health Savings Account medical plan option	NA	In process - launch in September 2022	Built into over-all health plan financing
Discounted products and services platform - Phase I - product and services discounts - Phase II - recognition and reward	\$0 TBD	In process	Phase II - under review by Customer Experience strategic planning committee
On-site mental health	\$64,800	In process	Annual cost based on \$135/hour x 40 hours utilized per month. Variable cost can flex up and down
Tuition reimbursement and student loan subsidy	\$315,000	3 to 6 months	Eligibility >12 mos. - Tuition reimb. For Assoc., Bachelors & Masters. <\$5,250 non taxable. Same limit for student loan subsidy. Requires time commitment. Annual cost est. based on 3% uptake at \$5k max. annual limit
<b>Culture</b>			
Communication app (Bonfyre)	\$201,200	3 months	3 year contract, based on 2100 employees - Year 1 + initialization fees = \$50,000 - Year 2 = \$75,600 - Year 3 = \$75,600
Culture immersion program	\$350,000	3 months	Training for all managers with secondary rollout to all team members
Anti-Bias Anti-Racism Training for Managers	\$327,000	February - April, 2023	Training for all managers
Gallup access: surveys/data and management tools	\$171,090	3 months	Three year contract - Year 1 = \$86,700 - Year 2 = \$42,195 - Year 3 = \$42,195
Compensation pool for small recognition adjustments increases above & beyond COLA or merit	\$202,106	6 months	Based on 1% of current SAL dollars, divided in half.
Continue with options for flexibility; research options for represented employees.	\$0	12 months	
Management Development for frontline leaders	\$200,000	6 months	Estimate based on average program costs.
External high potential programs	\$100,000	3 months	20 high potential leaders/successors to attend session(s) up to \$5000.00
Coach app and development programs	\$65,000	6 months	For ten, re-usable licenses at \$6500 each.
<b>Subtotal</b>	<b>\$2,456,196</b>		

Top Priorities	Est. Cost	Timeline or Status	Notes
Quick Hits			
Transit passes for EE family member(s)	TBD		
Paid parking	\$63,120	30 days	There are approx. 50 people at Met Square and 140 @ Kiener. Current company cost is \$14,850 per month or \$178,200 per year. If company paid subsidized cost, it would be an additional \$5260 per month or \$63,120 per year for a total of \$241,320.
Onboarding bag of BSD goodies	\$10,110	3 months	\$30 of goodies per person  271 hired YTD for calendar year 2022; 337 hired for calendar year 2021.  Cost based on full calendar year for 2021.
Operator and mechanic amenities (i.e., water, Gatorade, disinfectant wipes, seat cushions)	\$50,000	3 months	
Care packages for Operators. May include first aid kit or similar	\$15,000	3 months	
Food Trucks	\$50,000	TBD	
Donuts with executives	\$10,000	TBD	
60 day welcome letter from CEO	\$0	In process	
Video and/or classroom visits with CEO or ED Metro Transit	\$0	TBD	
Onboarding roll out	\$0	In process	
Stay interview roll out	\$0	In process	
<b>Sub-total</b>	<b>\$198,230</b>		
<b>GRAND TOTAL</b>	<b>\$2,654,426</b>		



# of EE	full fee	mo cost	yr cost	subsidy		diff			
				rate		monthly	diff yearly		
50	125	6250	75000		59	2950	35400	3300	39600
140	99	13860	166320		85	11900	142800	1960	23520
		20110	241320			14850	178200	5260	63120
		5260	63120						

## **Attracting and Retaining Talent**

Board Policy

Audit, Finance, and Administration Committee Meeting

August 19, 2022

### **Section 70.010 Personnel Decisions Review**

A. Policy. It is the policy of the Agency to create and sustain the most effective and efficient work environment in the region. As a further way to ensure fairness and equity in personnel actions, it is the policy of the Agency to provide a one-level review and approval of all actions affecting the hiring, evaluation, issuance of raises, promotion, transfer and termination of individual Agency employees.

### **Section 70.020 Compensation** *(Amended 9/26/08, 11/21/08, and 08/20/21)*

A. Policy. (Revised 9/26/08 and 08/20/21) It is the policy of the Agency to maintain a compensation package, including both salary and benefits, to attract and retain outstanding employees. As a matter of routine, on an annual basis, the Talent Management Department will monitor, review and make recommendations concerning the Agency's compensation package. At least once every three years, the Talent Management Department will conduct a formal study, utilizing professional services as required, and prepare recommendations for Board approval. The recommended compensation structure will be based upon industry and applicable labor Chapter 70 Revised 08/20/21 70-2 market comparisons, as well as the Agency's financial condition. Management must use qualifications and performance as the basis for compensation decisions related to hiring, promotion, transfer, demotion, advancement within the range or other internal personnel movements. In addition, the Board establishes the contractual and compensation arrangements for the President & CEO, and Chief Audit Executive.

**Bi-State Development Agency  
Audit, Finance & Administration Committee  
Open Session Agenda Item  
August 19, 2022**

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**From:** Stacy McMurray, Director, Culture & Change Management  
**Subject:** **Contract Award: Diversity, Equity & Inclusion Consulting & Training Services for Anti-Bias, Anti-Racism Training**  
**Disposition:** Approval  
**Presentation:** Tom Curran, Executive Vice President, Administration

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**Objective:**

To present to the Audit, Finance and Administration Committee, for discussion and referral to the Board of Commissioners for approval, a request to authorize the President & CEO to award a contract to Diversity Works for Diversity, Equity & Inclusion Consulting & Training Services for Anti-Bias, Anti-Racism Training for Bi-State Development.

**Background:**

Bi-State Development (BSD) is committed to taking important steps to deepen our commitment to advance diversity, equity and inclusion in our internal culture, to include organizational structures, policies, and systems in our community engagement strategies. The Racial Equity Task Force is driving forward key elements of our Culture and Engagement Strategic Plan to advance anti-racism, anti-bias, diversity, equity and inclusion in our workplace, and community engagement through creating an anti-bias, anti-racism curriculum that focuses on eliminating the impact of racism and discrimination in all forms at BSD.

Solicitation 22-RFP-325160-TJL - Diversity, Equity & Inclusion Consulting & Training Services for Anti-Bias, Anti-Racism Training was issued on April 22, 2022. The request for proposals was advertised in BSD's iSupplier Portal, the agency's web-based communication tool structured to allow interested bidders/proposers full and open access to view, communicate, and submit bids/proposals on active solicitations.

**Analysis:**

In response to the solicitation, one (1) sealed proposal was received from Diversity Works. The single proposal was forwarded to the designated Evaluation Committee for review.

A review of the sealed proposal received from Diversity Works affirmed that the technical proposal met the minimum requirements, qualifications and experience in accordance with the scope of work described within the solicitation.

- Diversity Works demonstrates an understanding and familiarity with anti-bias and anti-racism and the needs and challenges for an organization such as BSD and an ability to collaborate to bring a sense of inclusiveness.
- Diversity Works presents a detailed project approach that includes phases and describes both initial and long-term solutions, all in consideration of all staffing levels.
- Diversity Works staff and subcontractors have many years of diversity and inclusion work and experience with a variety of diversity and inclusion related training, projects and ongoing consulting.

The Contracting Officer conducted a survey of potential sources that chose not to submit a proposal. Three firms responded:

Firm	Contact	Method of Communication	Reason for non-participation
Hyphens & Spaces	Yusef Ramelize	Email	The firm requires filling out forms and an extensive introductory meeting before they will decide to move forward.
Cook Ross	Marc Bryant	Email	Found iSupplier too difficult and time consuming to maneuver in order to view the RFP.
The EW Group	Sush Bastola	Email/Phone	iSupplier registration difficulties and limited availability to execute project.

Independent Cost Estimate comparison to Diversity Works' cost proposal:

	Independent Cost Estimate			Diversity Works Cost Proposal		
Services	Estimated Hours Needed	Hourly Rate	Total (Hourly Rate x Estimated Hours)	Estimated Hours Needed	Hourly Rate	Total (Hourly Rate x Estimated Hours)
Review of existing culture and engagement and DEI strategy, and conduct 1:1 meetings with staff.	96 + 50 (1:1 meetings) + 146	\$250	\$36,500	170	\$218	\$37,000
Development of training plan and curriculum/modules and assessments.	220	\$250	\$55,000	350	\$250	\$87,000
Pilot training with Executives and Racial Equity Task Force	40 (preparation) + 4 (pilot implementation) + 40 (revisions/edits)	\$250	\$21,000	70	\$186	\$13,000
Rollout of training to all BSD managers and supervisors	80 (facilitation) + 40 (communication) = 120	\$250 (X2) = \$500	\$60,000	420	\$214	\$90,000
Conduct "train the trainer" sessions.	80	\$250	\$20,000	70	\$271	\$19,000
Ongoing Support	160	\$250	\$40,000	160	\$237	38,000
<b>Total Cost for Consulting Services</b>	<b>810</b>	<b>\$250</b>	<b>\$232,500</b>	<b>1,240</b>	<b>\$229</b>	<b>\$284,000</b>

<b>Estimated Travel Expenses</b>	<b>Diversity Works Proposal Cost based on GSA FY 22 Per Diem</b>
Travel (Transportation)	\$30,000
Lodging	\$7,000
Meals	\$5,000
Incidentals	\$1,000
<b>Total Estimated Cost for Traveling Expenses</b>	<b>\$43,000</b>

Cost for Consulting Services: \$284,000.00

Estimated Travel Expenses: \$43,000.00

The Total Lump Sum Cost for Consulting Services + Estimated Traveling Expenses is \$327,000.00.

In comparing the single proposal submitted by Diversity Works to BSD's Independent Cost Estimate, the cost is deemed as fair and reasonable.

**Funding Source:**  
Operational Funds

**Committee Action Requested:**

Management recommends that the Audit, Finance and Administration Committee accept, and forward to the Board of Commissioners for approval, a request that the President & CEO enter into a seven-month contract for Diversity, Equity & Inclusion Consulting & Training Services for Anti-Bias, Anti-Racism Training with Diversity Works in the not-to-exceed amount of **\$327,000.**

**Bi-State Development Agency  
Audit, Finance & Administration Committee  
Open Session Agenda Item  
August 19, 2022**

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<b>From:</b>	Tammy Fulbright, Executive Vice President & Chief Financial Officer
<b>Subject:</b>	<b>Board Policies, Chapter 30 – Audit, Finance, and Budget</b>
<b>Disposition:</b>	Approval
<b>Presentation:</b>	Tammy Fulbright, Executive Vice President & Chief Financial Officer

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**Objective:**

To present to the Audit, Finance and Administration Committee, for acceptance and recommendation to the Board of Commissioners for approval, a request to incorporate revisions to the Collected Board Policies of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Chapter 30, Audit, Finance, and Budget.

**Background:**

Sections of Bi-State’s Audit, Finance, and Budget policies, found in Chapter 30 of the Collected Board Policies of the Bi-State Development Agency, have been updated at various times throughout the years. At this time, the following sections are presented with changes for consideration.

- a. 30.030 Annual Budget
- b. 30.040 Banking and Investment
- c. 30.050 Financial Reporting
- d. 30.080 Debt Issuance and Administration

For Section 30.030 Annual Budget, the changes noted are to clarify titles and clarify the capital budget is for a 3-year period to meet the necessary requirements for the 3-year Transportation Improvement plan.

For Section 30.040 Banking and Investment, the changes strengthen the content of the policy for investing funds and the priority of the objectives. The policy identifies the positions authorized to invest, open accounts and defines the expectation and ethics of these responsibilities. Authorized investments are identified and required collateralization is specified. This section acknowledges the required monitoring and reporting, requirements to competitively bid for investments, maturity limitations, and diversification requirements. The minimum requirements for a second signatory on checks is increased from \$7,500 to \$15,000. Titles have been corrected or eliminated for signatories on checks, wires, automated clearing house (ACH) transactions, and pledged collateral. All Self Insurance language has been removed. This activity has been moved to a third party contractor. Individual Automated Clearing House (ACH) transactions now require approval equivalent to checks over \$1 million. Authorized Agency funds have been identified by the type of fund versus a listing of accounts.

For Section 30.050 Financial Reporting, the change noted is to remove the cash receipts and disbursements schedule. The statement of cash flows provides more clarity at a higher level.

For Section 30.080 Debt Issuance and Administration, the changes include updating the listing of Transit funds and the percentage of funding provided by local, state, and federal appropriations including contractual jurisdiction revenue. Other changes presented for consideration in this section:

- For underwriting services prior to an issuance or refunding of bonds, a request for proposal replaces the need for a pool of underwriters.
- The word “generally” is added as it relates to the term for financing a debt issuance. Federal tax law allows for a term up to 120% of the economic life of an asset.

- For escrow structuring, language is added to address the lack of availability of State and Local Government Series Securities (SLGS).
- For Negotiated sales, language is cleaned up to provide equality for the use of competitive versus negotiated sales.
- The policy states that the Chief Financial Officer will meet with Credit Rating Agencies annually. The Credit Rating Agencies determine the necessity for meetings or updated information, so the language was changed to state that the Chief Financial Officer will provide information to Credit Rating Agencies periodically as requested. In addition, the Kroll Bond Rating Agency was added to the list of Credit Rating Agencies identified in the policy.
- Record keeping and post-issuance compliance was updated to include maintaining records for the expenditure and investment of bond proceeds and information related to periodic reviews of the use of bond financed facilities.

**Committee Action Requested:**

It is requested that the Audit, Finance and Administration Committee accept, and forward to the Board of Commissioners for approval, a request to incorporate revisions to the *Collected Board Policies of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Chapter 30* as shown in the attached proposal.

**Attachments:**

- Current Chapter 30 Audit, Finance and Budget
- Redlined Chapter 30.030 Annual Budget, 30.040 Banking and Investment, 30.050 Financial Reporting, 30.080 Debt Issuance and Administration
- Clean Chapter 30.030 Annual Budget, 30.040 Banking and Investment, 30.050 Financial Reporting, 30.080 Debt Issuance and Administration

**COLLECTED BOARD POLICIES**

**OF THE**

**BI-STATE DEVELOPMENT AGENCY**

**OF THE**

**MISSOURI-ILLINOIS METROPOLITAN DISTRICT**

**Chapter 30 Audit, Finance and Budget**

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**Section 30.005 Audit Committee Charter** (added 03/25/11, rev. 09/23/11 and rev. 06/24/22)

A. GENERAL (revised 09/23/11). The purpose of the Audit Charter is to assist the Board of Commissioners, through its Audit Committee, in fulfilling its fiduciary oversight responsibilities as follows:

- (1) Audit Committee management and Reporting Responsibilities
- (2) External Audit of the Financial Statements
- (3) Internal Audit Process
- (4) System of Risk Management
- (5) Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy
- (6) Special Investigations and Whistleblower Mechanism

Source: Information to develop this Charter is from *The AICPA Audit Committee TOOLKIT: Government Organizations*



B. **AUTHORITY.** The Audit Committee (“committee”) has the authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to perform the following functions, which are numbered according to the purposes listed above.

1. Audit Committee Management and Reporting Responsibilities (rev. 06/24/22)

- Each member of the Committee should be appointed by the Chairman of The Bi-State Development Agency (“Bi-State”) Board of Commissioners.
- At least one member of the Committee should have financial experience.
- The Committee should review this Charter annually, reassess the adequacy of the Charter, and recommend any proposed changes to the Board of Commissioners. It should consider changes that are necessary as a result of new laws, regulations, or accounting and auditing standards, including best auditing practices.
- The Committee should meet at least four times per year, and at additional times when necessary. These meetings may be combined with regularly scheduled meetings, or may be held more frequently as circumstances may require. The Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
- Conduct executive sessions with the independent auditors, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Audit Executive (CAE), General Counsel, outside counsel, and anyone else as desired by the Committee.
- The Committee shall be authorized to hire professional consultants as necessary.
- Review and concur on the appointment, replacement, reassignment, or dismissal of the Chief Audit Executive.
- Oversee the appointment of the independent auditors to be engaged for external reporting, and establish the related audit fees.
- If the audit organization provides any non-audit services, determine that the audit organization has considered and documented its consideration of how providing these non-audit services does not violate the requirements that the audit organization (a) not provide services that involve performing management functions or making management decisions, and (b) not audit their own work, as stipulated by best auditing practices.
- Review and evaluate the performance of the independent auditors.
- Review with the independent auditor, the Chief Financial Officer, and the Chief Audit Executive, the audit scope and plan of the internal auditors and the independent auditors. Address the coordination of audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
- The Committee should evaluate the independent auditors and internal auditors.
- The Committee should review its effectiveness.
- Create an agenda for the ensuing year, or review and approve the agenda submitted by the Chief Audit Executive.

2. External Audit of the Financial Statements (rev. 06/24/22)

- Review with management and the independent auditor the effect of any regulatory and accounting initiatives, such as related organizations financing structures, derivatives, or securities lending.
- Review with the independent auditor that performs the financial statement audit:
  - a. All critical accounting policies and practices used by Bi-State.
  - b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with Bi-State's management, the ramifications of each alternative, and the preferred treatment.
- Review all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
- Review with management and the independent auditors:
  - a. The Bi-State Development Agency's annual financial statements, related footnotes, and management's discussion and analysis;
  - b. The independent auditor's audit of the financial statements and their report thereon;
  - c. The independent auditors' judgments about the quality, not just the acceptability, of Bi-State's accounting principles as applied in its financial reporting;
  - d. The independent auditors' single audit of the federal awards administered by Bi-State and their reports thereon;
  - e. The independent auditors' examination of the effectiveness of any hedging activities;
  - f. Any significant changes required in the independent auditors' audit plan;
  - g. Any serious difficulties or disputes with management encountered during the audit. Matters required to be discussed by Statement on Auditing Standards (SAS) No. 61, *Communication With Audit Committees* (AICPA, *Professional Standards*, vol. 1, AU Sec. 380), as amended; U.S. Government Accountability Office's *Government Auditing Standards*; and the U.S. Office of Management and Budget's Circular A-133 related to the conduct of the audits.
- Review with the General Counsel and the Chief Audit Executive legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements and compliance with federal, state, and local laws and regulations.

### 3. Internal Audit Process (rev. 06/24/22)

- Review with management the policies and procedures with respect to Bi-State management's use of expense accounts, public monies, and public property, including for example, their use of Bi-State's vehicles. Consider the results of any review of these areas by the Internal Auditor or the independent auditors.

- Consider, with management, the rationale for employing audit firms other than the principal independent auditors for services that Bi-State or the independent auditor determines would not be appropriate for the principal independent auditor to perform.
- Review with management and the Chief Audit Executive:
  - a. Significant findings on internal audits during the year and management's responses thereto.
  - b. Any difficulties the internal audit team encountered in the course of their audits, including any restrictions on the scope of their work on access to required information.
  - c. Any changes required in the scope of their internal audits.
  - d. The Internal Audit Department budget and staffing.
  - e. The Internal Audit Department charter.
  - f. The Internal Audit Department's compliance with applicable standards (for example, *Government Auditing Standards*, or the Institute of Internal Auditors' (IIA's) Standards for the Professional Practice of Internal Auditing).

#### 4. System of Risk Management (rev. 06/24/22)

Inquire of management, the Internal Audit Department, and the independent auditors about significant risks or exposures facing Bi-State; assess the steps management has taken or proposes to take to minimize such risks to Bi-State; and periodically review compliance with such steps.

Inquire of the Chief Executive Officer and Chief Financial Officer regarding the fiscal health of Bi-State, as well as the financial status of Bi-State in relation to its adopted budget.

Review with the independent auditors and Chief Audit Executive:

- a. The adequacy of Bi-State's internal controls including computerized information system controls and security;
- b. Any related significant findings and recommendations of the independent auditors and internal auditors together with management's responses thereto.

#### 5. Organization's Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy (rev. 06/24/2022)

- a. Periodically review Bi-State's code of conduct to ensure that it is adequate and up to date.
- b. Review with the Chief Audit Executive and General Counsel the results of their review of compliance monitoring with the code of conduct.

### **Section 30.010                      Annual Audit**

A.     Policy (revised 5/22/09 and 6/24/22). It is the policy of the Agency to submit its books and records to annual audit by a nationally recognized CPA firm. The firm selected shall have broad experience in auditing large local government and/or agencies in compliance with relevant federal rules and regulations such as the Single Audit Act and examining any hedging activities. The firm, and any principals of the firm, shall have no direct or indirect personal or financial interest in the fiscal affairs of the Agency, or of any officer of the Agency. The Agency shall not engage any firm, or any lead or concurring audit partner connected with that firm's provision of audit services to the Agency, for a contract term in excess of five (5) consecutive years.

B.     Reporting. This firm reports its findings and conclusions to the entire Commission each year and may meet with the Audit Committee at any time during the year. Upon receipt of the final management letter, the President & Chief Executive Officer will promptly forward a response to the Audit Committee indicating the status of each recommendation or finding.

### **Section 30.020 Internal Audit (rev. 06/24/22)**

A.     Policy. It is the policy of the Agency to employ a Chief Audit Executive who shall report directly to the Board of Commissioners. The Chief Audit Executive shall supervise and direct the staff of the Internal Audit Department. The Internal Audit Department shall provide independent objective analysis and recommendations to assist the President & Chief Executive Officer and management in effectively discharging their administrative responsibilities. The Internal Audit Department shall perform routine audits of compliance of Agency divisions with internal Agency rules and regulations. The Internal Audit Department shall at all reasonable times have access to the accounts, books and records of the Agency, and the Department may in relation to such interview the President & Chief Executive Officer and other employees of the Agency.

B.     Work Plan. The Chief Audit Executive shall be responsible for preparing an annual Audit Work Plan. Additionally, Commissioners and Senior Managers shall identify potential areas for review by the Internal Audit Department. Upon completion of the Audit Work Plan, the Chief Audit Executive shall present the Plan to the Audit Committee for their review and approval pursuant to these Board Policies.

C.     Special Reviews. From time to time the President & Chief Executive Officer may assign to the Chief Audit Executive special reviews designed to assure continuous quality improvement of Agency operations.

### **Section 30.030                      Annual Budget**

A.     General. Each year the President & CEO shall prepare an annual budget for the forthcoming fiscal year that will be presented to the Board of Commissioners. The President & CEO will work with the Board in setting strategic objectives, update the Agency's long range planning document, and prepare both an operating and capital budget. The operating budget shall include proposed expenditures for current operations during the ensuing fiscal year and the method of financing such expenditures. The capital budget shall include capital expenditures during the

ensuing fiscal year and the proposed method of financing such expenditures.

B. Approval. The President & CEO will present the annual budget at a regularly scheduled meeting of the Board of Commissioners. The Board of Commissioners shall approve annual operating and capital budgets prior to the beginning of the ensuing fiscal year.

**Section 30.040                      Banking and Investment (rev. 06/23/06, 11/19/10, 09/28/12)**

A. General. This policy directs the investment of all operating, self-insurance restricted, capital and debt service funds of all entities of the Bi-State Development Agency not expressly controlled by Revenue Bond Trustees.

The preservation of funds is the first consideration in determining the investment of Agency cash. Thereafter, the highest yield consistent with safety is required, provided the maturities are short enough to maintain operational liquidity. Banks and other financial institutions, which meet the criteria below, will be selected for investments only on a competitive basis. The number of demand deposit non-interest bearing accounts will be kept to the minimum for operational efficiency and safety.

Notwithstanding the following authorized investments, it is the Board's intent to have the majority of the available funds invested in local institutions provided the institutions meet the minimum credit standings set out below and yields are competitive.

The Board also directs management to refrain from investing Agency funds in any financial institutions or businesses that conduct business with governments deemed unacceptable by the Federal Government through executive order or enacted legislation.

**B.            Authorized investment categories (revised 4/24/09 and 11/19/10)**

1.    Demand Deposit, Negotiable Order Withdrawal (NOW), Bank Money Market, Certificate of Deposit and Savings Accounts - issued by local banks or thrifts where the account or investment is either collateralized with direct obligations of the U.S. Government or its instrumentality's, or covered by FDIC insurance, or other AAA rated surety.
2.    Negotiable Certificates of Deposit - provided that the institution maintains a Fitch rating of B or better and / or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
3.    Bankers Acceptances - provided that the institution maintains a Fitch rating of B or better and / or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
4.    Direct Obligations of the United States Government, U.S. Government Agencies or U.S. Government Instrumentality's.

5. Commercial Paper - Commercial paper at the time of purchase shall have ratings of A-1 by Standard and Poors Rating Services and P-1 by Moody's Investors Services. Commercial paper of firms doing business within the St. Louis metropolitan region may have ratings of A-2 by Standard and Poors Rating Services and P-2 by Moody's Investor Services.
6. Repurchase Agreements (revised 11/19/10) - Repurchase agreements (repos) are acceptable, using any of the securities listed in paragraphs B-4 above as collateral. Also, the firm with whom the repo is executed must be a credit acceptable bank, or broker-dealer. A credit acceptable bank or broker-dealer is defined as one whose senior debt rating is A- by one of the three nationally recognized ratings agencies (Standard & Poor's, Moody's, or Fitch). Banks in the Agency's service area that do not have a Standard & Poor's, Moody's or Fitch rating, may also be authorized repo counterparties, provided that they meet the "well capitalized" standard, as defined by the Federal Deposit Insurance Corporation. A written repurchase agreement, substantially modeled on, but in no case less restrictive than, the Securities Industry and Financial Markets Association's "Master Repurchase Agreement", shall be completed for each repo counter party. Such agreements shall be updated periodically, but no less than once every five years. In all cases, repo collateral shall have a market value of 102% of the dollars invested, plus accrued interest. If the repo term is longer than an overnight maturity, the collateral must be delivered to a third party custodian, and priced-to-market weekly to assure correct collateral value coverage.

The Director of Treasury Services shall obtain approval from the Chief Financial Officer before authorizing a repo counterparty. Before approval, documentation shall be furnished that the authorized counterparty meets the required criteria. The Director of Treasury Services will also monitor continued compliance with the criteria. The current authorized repo counterparties are:

Bank of America  
Merrill Lynch Capital Markets

UMB Bank  
Commerce Bank  
U.S. Bank  
Jefferson Bank & Trust

7. Money Market Funds - Acceptable funds shall be institutional money market funds having over \$500 million in net assets and be rated AAA by Standard and Poor's, Moody's and/or Fitch rating services.
8. Reverse Repurchase Agreement - A reverse repurchase Agreement or short-term borrowing (180 days or less), using securities in the Agency's portfolio as collateral, is acceptable. However, the firm with whom the borrowing is executed must meet the same requirements as stated previously for repurchase agreements. Also, the borrowed funds may be used to purchase other securities as an investment arbitrage. In this case, the new investment maturity date must match (+/- one week) the maturity date of the reverse repo, and those instruments must be delivered into the Agency's safekeeping account and held there until maturity. The Board shall be notified of all such transactions through the Treasurer's monthly report.

C. Banking Services. Banks will be negotiated with periodically for demand deposits and other banking services for the greater advantage to the Agency. Any two of the following may open bank accounts, subject to the approval of the Board of Commissioners through a confirming motion at the next meeting of the Board of Commissioners:

Chair, Board of Commissioners	President & CEO
Vice Chair, Board of Commissioners	Chief Financial Officer
Treasurer, Board of Commissioners	

The Treasurer, President & CEO and Internal Audit will monitor the potential for conflict of interest.

D. Investment Performance. Management will provide the Treasurer of the Board of Commissioners with a monthly list of deposits, investments, yields, monthly summary of the prior 12 months' funds experience, and the average amount of non-interest bearing deposits at each institution.

E. Investment Transaction Criteria: (revised 4/24/09)

1. Safekeeping Accounts - Securities purchased are delivered against payment and held in a custodian safekeeping account. Tri-party custodian agreements maintained with third party trust companies as well as the Federal Reserve Bank are acceptable. Hold-In-Custody repurchase agreements for fourteen days or less will be processed through special transaction control accounts. These accounts will be audited quarterly by

Internal Audit and the results reported through the Treasurer, to the Board of Commissioners.

2. Maturity Limitations - To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, no funds shall be invested for more than five years from the date of settlement. The weighted average maturity of the portfolio shall at no time exceed eighteen months.

For Securities that are subject to redemption (call) before final maturity, the final maturity date shall be used both for compliance with the five year limitation and in calculating the weighted average maturity.

3. Diversification –
  - a. Unlimited investment in the following:
    - U.S. Government obligations
    - U. S. Government Agency obligations
    - U. S. Government Instrumentality obligations
    - Repurchase Agreements – secured by the 3 U. S. obligations noted immediately above.
    - Money Market Funds – Institutional money market funds having over \$500 million in net assets and rated AAA by Standard & Poor's, Moody's and/or Fitch rating services.
  - b. Investments not to exceed \$5.0 million par value from any one issuer:
    - Bankers Acceptances
    - Commercial Paper
    - Negotiable Certificates of Deposit
  - c. All investments must be paid for before they may be sold.

F. Authorized Individuals. (Rev. 01/04/08) The following individuals are authorized to conduct investment transactions for the Agency:

Chief Financial Officer	Treasury Specialist
Director of Treasury Services	Debt Analyst

G. Agency Debt. Agency debt may be incurred only by the specific authority of the Board of Commissioners through special action. Notwithstanding Sections B or E above, all funds under such debt resolutions or indentures of trust shall be controlled by the investment set forth in such documents.



**H. Check Signatories (rev. 01/04/08)**

**1. All General Operating Funds Including Self-insurance Fund**

- a. Under \$501 for insurance settlement drafts - One signature from the following:

Claims Adjuster	Manager of Claims
Supervisor of Claims	Director of Risk Management

- b. Under \$7,500 - One signature from the following:

Treasurer, Board of Commissioners (including facsimile signature)  
or in the event of a vacancy in the Treasurer's position,  
Secretary, Board of Commissioners (including facsimile signature)  
President & CEO                      Director of Treasury Services  
Chief Financial Officer            Director of Passenger Revenue  
Controller                          Treasury Specialist

- c. \$7,501 to \$100,000 - Two signatures from the following:

Treasurer, Board of Commissioners (including facsimile signature)  
or in the event of a vacancy in the Treasurer's position,  
Secretary, Board of Commissioners (including facsimile signature)  
President & CEO                      Treasury Specialist  
Chief Financial Officer            Director of Treasury Services  
Controller

- d. \$100,001 to \$500,000 - Two signatures from the following:

Chair, Board of Commissioners	Treasurer, Board of Commissioners
President & CEO	Director of Treasury Services
Chief Financial Officer	Treasury Specialist
	Controller

- e. \$500,001 to \$1,000,000 - Two signatures from the following:

Chair, Board of Commissioners	Treasurer, Board of Commissioners
President & CEO	Director of Treasury Services
Chief Financial Officer	Controller

- f. \$1,000,001 and above - Two signatures, one each from Group A and Group B:

<u>GROUP A</u>	<u>GROUP B</u>
Treasurer, Board of Commissioners President & CEO	Chair, Board of Commissioners Vice Chair, Board of Commissioners Secretary, Board of Commissioners

2. Employee Medical Self Insurance Account

- a. Under \$25,000 -- Approved Officer of Service Provider (including facsimile signature)
- b. \$25,001 to \$100,000 - Two Signatures, one each from Group A and Group B:

<u>GROUP A</u>	<u>GROUP B</u>
Approved Officer of Service Provider (including facsimile signature)	President & CEO Chief Financial Officer Director of Treasury Services Treasury Specialist Controller

- c. \$100,001 to \$500,000 - Two signatures, one each from Group A and Group B:

<u>GROUP A</u>	<u>GROUP B</u>
Approved Officer of Service Provider	Treasurer, Board of Commissioners President & CEO Chief Financial Officer Director of Treasury Services Controller Treasury Specialist

- d. \$500,001 to \$1,000,000 – Two signatures, one each from Group A and Group B:

<u>GROUP A</u>	<u>GROUP B</u>
Approved Officer of Service Provider	Treasurer, Board of Commissioners President & CEO Chief Financial Officer Director of Treasury Services Controller

**I. Wire Transfer Authority (rev. 01/04/08)**

1. Wire Transfers and Automated Clearing House Transactions (ACH) are authorized for the transfer of funds between checking, investment and

savings accounts, payment of services, equipment, construction in process, a well as payroll related expenditures that are authorized by and in the name of the Bi-State Development Agency.

2. Wire Transfer and Automated Clearing House Transactions (ACH) authority is limited to the below listed individuals. Wire transfers of a non-repetitive nature require the authority of any two of the below listed individuals:

Chief Financial Officer	Treasury Specialist
Director of Treasury Services	Controller
Manager of Accounts Payable	Debt Analyst

3. Authorization to create new repetitive Wire Transfers and Automated Clearing House Transactions (ACH) requires approval of any two of the following:

President & CEO  
 Chief Financial Officer  
 Chair, Vice Chair, Treasurer, Secretary, Board of Commissioners

**J. Authorized Signatories for the Release of Pledged Collateral:**

Chief Financial Officer	Director of Treasury Services
Treasury Specialist	Debt Analyst

**K. Authorized Signatories for Self Insurance Related Letters of Credit Requests for Letters of Credit must be submitted to the Treasury Section. Treasury personnel will obtain the Letter of Credit and submit the application to one of the following for authorization.**

\$49,999 and Below	-	Chief Financial Officer
\$99,990 and Below	-	President & CEO
\$100,000 and Above	-	Chair, Vice Chair, Treasurer of the Board of Commissioners

**L. Authorized Agency Bank Accounts: (revised 8/15/07, 09/28/12)**

<u>Bank</u>	<u>Account Numbers</u>	<u>Funds (Purpose)</u>
Bank of America	XXXXXXXXXXXX90 -	Operating (Payroll)
-	XXXXXXXXXXXX91 -	Transit Pass Revenue
-	XXXXXXXXXXXX21 -	Transit Operating, Sales Tax, & Internally Restricted
-	XXXXXXXXXXXX34 -	Transit Farebox Revenue

-	XXXXXXXXXXXX58 -	Arch Garage Operations & Maintenance
-	XXXXXXXXXXXX48 -	Transit MetroLink Revenue
-	XXXXXXXXXXXX62 -	Regular Self Insurance
-	XXXXXXXXXXXX96 -	Investment Transitory
-	XXXXXXXXXXXX17-	Transit Revenue (TVM credit card)
-	XXXXXXXXXXXX46-	Call-A-Ride Revenue
-	XXXXXXXXXXXX13-	Accounts Payable EFT
-	XXXXXXXXXXXX39-	Accounts Payable
-	XXXXXXXXXXXX26-	Regular Self Insurance Claims
Jefferson Bank & Trust	XXXXXXXXXXXX15 -	Non-Transit Repo
J.P. Morgan Chase	XXXXXXXXXXXX66-	Cigna Medical Self Insurance Claims (funded by Metro, admin. By Cigna)
PNC	XXXXXXXXXXXX74- XXXXXXXXXXXX66-	Arch Revenue Riverboat Revenue
UMB Bank	XXXXXXXXXXXX25 - XXXXXXXXXXXX28 -	Arch Garage Revenue Transit Operating
Regions Bank -	XXXXXXXXXXXX41 -	Airport Revenue
US Bank -	XXXXXXXXXXXX24 -	Metroride Store Revenue

### **Section 30.050                      Financial Reporting** (revised 09/25/09)

A.     Policy. It is the policy of the Agency to prepare the financial results of each operating company as required by specific agreement, but not less than quarterly. Financial statements for the Board of Commissioners shall be prepared quarterly, and include the following statements:

1.       Transmittal letter of noteworthy variations, including disclaimer
2.       Balance Sheet
3.       Statement of Revenue, Expense Income (Loss)
4.       Cash Receipts and Disbursement Schedule
5.       Capital Expenditures for Active Projects
6.       Statement of Cash Flows
7.       Aged Receivables

#### **Disclaimer:**

The following disclaimer shall be included in each transmittal letter of noteworthy variance:

“These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the following reasons: Depreciation is not shown as an operating expense, but as other non-operating expense; capital contributions and total net assets are now shown on the Statement of Revenue, Expense, Income (Loss); and there are no accompanying footnote disclosure requirements or Management Discussion and Analysis (MD & A) sections included.”

### **Section 30.060                      Risk Management** (revised 2/25/2000 and 08/20/2021)

A.     General. One of the Agency's primary objectives is to provide safe, reliable, and cost-effective transportation services while complying with federal, state, and local laws. In support of that objective, the Agency will develop and maintain an effective, integrated risk management program. This policy applies to all exposures to risk of loss that are fortuitous and result from external causes. These exposures include, but are not limited to, fires, collisions, theft, windstorm, construction accidents, workers' compensation claims, and auto or general liability claims as well as associated lawsuits against the Agency.

B.     Authority and Responsibility. The Director of Risk Management is responsible for recommending the overall direction of the Agency's risk management program as specified in the Agency's Management Policies & Procedures.

C.     Self-Insurance (revised 08/20/21). The Agency will self-insure those routine risks associated with its core transit operations. Risk exposures above the self-insured retention will be covered by excess insurance if such excess insurance is available and affordable.

D. Third Party Administrator (revised 08/20/21). The Agency will contract with a third party adjusting firm to assist in administering claims handling (TPA). The Risk Management Department will monitor the TPA and hold quarterly claims reviews. An annual audit will be performed.

E. Insurance. Primary property and liability insurance will be purchased for unique or special risks of loss, for major construction projects, and when required by law or by contract. A Broker of Record will perform the insurance marketing function under the direction of the Director of Risk Management.

F. Self-Insurance Fund (revised 08/20/21). The Agency will maintain asset accounts, referred to as “Self-Insurance Funds”, as authorized by the Board of Commissioners on October 1, 1982, to support liabilities accrued as a result of its self-insured losses. The Chief Financial Officer of the Agency will maintain the Self-Insurance Fund, complying with prudent business practices and all applicable governmental pronouncements, and determine the amount of annual funding required. The fund is subject to following guidelines:

1. The current balance will be sufficient to pay estimated judgments, settlements, losses, and expenses for a three (3) year time period.
2. The amounts held in the Self Insurance Funds shall be used solely for the purpose of paying such liabilities and expenses.
3. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Self Insurance Funds to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Self Insurance Funds shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as Farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

G. Excess Judgment Fund (revised 08/20/21). The Agency will maintain an additional asset account, referred to as the “Excess Judgment Fund”, as authorized by the Board of Commissioners on July 7, 1989, to provide supplemental cash flow to the Self-Insurance Funds, in the event of a large or catastrophic loss that is greater than 50% of the Agency’s Self-Insured retention amount for that year. In addition, this fund will provide temporary or emergency funds for property losses that are equal or greater than \$500,000 and where the insurer has delayed payment or is questioning coverage under its policy. The Chief Financial Officer of the Agency will maintain the Excess Judgment Fund, complying with prudent business practices and all applicable governmental pronouncements. The fund is subject to following guidelines:

1. The goal is to attain and maintain a \$5,000,000 fund balance.
2. A minimum of \$250,000 shall be appropriated annually by the Board as part of the budget process until the fund goal of \$5,000,000 is reached.

3. Interest earned by monies in the fund shall inure exclusively to the fund on a cash basis until the fund goal of \$5,000,000 is reached.
4. Monies appropriated to the fund shall be deposited in the account at the beginning of the Fiscal Year, or as received from the funding jurisdictions.
5. This unencumbered balance of this fund may be used as collateral for short-term debt obligations.
6. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Excess Judgment Fund to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Excess Judgment Fund shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

H. Claim Settlement Authorization (revised 08/20/21). The Board of Commissioners must approve defense settlements exceeding the Missouri sovereign immunity limit for any one person in a single accident or occurrence. The Claim Settlement Authorization, based upon the Missouri sovereign immunity limit, shall be adjusted annually as published by the Missouri Department of Insurance. Authorization granted by the Board of Commissioners is deemed to include an additional contingency amount, equal to 20% of the actual authorization granted, for extraordinary use by the President & CEO. This additional authorization may be granted by the President & CEO as trial approaches or during the actual trial. For settlement amounts over \$100,000 and up to the sovereign immunity limit, the President & CEO will approve and must notify and receive acknowledgement from the Board of Commissioner's Chair and Vice Chair. Settlements from \$20,000 to \$100,000 will require the approval of the Director of Risk Management who must notify and receive acknowledgement from the Agency's General Counsel.

I. Litigation Management and Board Notification (revised 08/20/21). In addition to requests for settlement, authorization, the Board of Commissioners will be notified by management about large claims or lawsuits that may significantly impact the Agency's financial stability, its assets, or its public image.

1. The Director of Risk Management will regularly provide informational briefs to the Board on claims and lawsuits that fall into the following classifications:
  - a. Fatalities & severely disabling injuries.
  - b. Jury verdict range or settlement range is expected to exceed \$100,000.
  - c. Other unusual or sensitive claims which may be of particular interest to the Commissioners.
  - d. Final results on claims where the Board has extended settlement authorization.

2. The briefing to the Board will contain:
  - a. Facts & background of the case.
  - b. Summary of injuries & special damages.
  - c. Assessment of liability and expected outcome.
  - d. Litigation history and status if in suit.
  - e. Opinion of legal counsel (if assigned).
  - f. Recommendations and strategy for an appropriate resolution.
3. The Director of Risk Management will maintain a written litigation management program, attorney billing guidelines, and procedures for selecting and retaining defense counsel as specified in more detail in the Agency's Management Policies & Procedures.

J. Review of Agency Contracts and Documents. The Director of Risk Management, in consultation with the Agency's General Counsel as needed, will review Agency contracts, leases, agreements, easements or other documents that transfer risk, specify indemnity obligations, or require specific insurance from one or more of the parties.

### **Section 30.070                      Hedging** (effective 2/23/2001; revised 11/20/15; revised 06/25/21)

A. General. Because of the nature of its responsibilities to the St. Louis Metropolitan region, the Bi-State Development Agency (Agency) manages financial risks attributed to the price variability of fuel usage. This risk can be managed effectively through the use of hedging techniques. The purpose of this policy is to generally outline how the Agency will manage these risks, what techniques will be employed, and the general guidelines to be followed.

B. Definition. A hedge is a financial tool used to reduce the risk associated with normal business activities of buying fuel. The purpose of this hedging program is not to make or lose money but to manage risk. This program is not an investment and should not be construed as such. Realized gains or losses will be considered as an element of fuel cost. A hedging program will:

- a. seek to decrease the volatility of fuel cost;
- b. seek to increase the likelihood that actual net fuel cost will remain below the budgeted cost;
- c. seek to increase the certainty of future fuel cost;
- d. seek to attain a lower overall cost of fuel in the long-term;
- e. seek to manage year-over-year changes in fuel cost.

#### C. Program Infrastructure.

- a. Instruments. The agency will maintain a futures account with a Futures Commission Merchant (Broker, which may be a separate entity from the Advisor. The Agency, through the management and direction of an



Advisor, acquires, holds, and disposes of fuel futures contracts in the operation of its program. The high correlation between the movement of the price that the Agency pays for its fuel and the movement of the value of the futures contracts produces the program's effectiveness as a hedge. Due to the liquidity of the futures contracts purchased, these contracts do not require an investment grade rating.

- b. **Maximum Hedge Ratio.** The Agency's volume of fuel consumption is predictable and without significant variability over time. Given this, the maximum hedge ratio will be limited to 95% of forecasted consumption.
- c. **Maximum Hedge Maturity.** To allow the establishment of cost certainty in current and future budget periods, the maximum maturity of the futures contracts taken in conjunction with the program is 36 months forward from the acquisition date.
- d. **Exiting Market Conditions.** The advisor will exit the futures contracts evenly through time to coincide with the fuel supply contract pricing mechanism. This even liquidation of futures hedges through time and the even purchase of fuel via the Agency's fuel supply process assures the effectiveness of the hedging process. Based on the difference between the hedge price (entry price) and the settlement price (exit price), there will be a realized gain/loss associated with the hedge that will appear in the futures account. Futures contracts will be held to maturity (exited when the corresponding fuel is purchased) and, in the normal operation of the program, there will be no interim trading or early exit allowed. Exceptions to this include situations where the volume of forecasted fuel consumption decreases in which case the hedge position may be adjusted to comply with the Maximum Hedge Ratio.

D. **Physical Supply.** The physical supply of fuel will be purchased according to the Agency's procurement policies, and will be priced according to the fuel supply contract.

E. **Strategy.** The Strategy is how the program's objectives are achieved. The strategy will utilize a process:

- a. that addresses market opportunities and market risks;
- b. that examines fundamental and technical market factors in the hedge decision-making process;
- c. that holds the risk of exceeding budget at or below an acceptable level;
- d. that uses historical pricing ranges as pricing parameters;
- e. that is continuously applied through time;
- f. that will take advantage of the inherent "dollar cost averaging" properties of a continuous hedging program;
- g. that mitigates transaction timing risk by making more numerous smaller volume transactions.

These things will be accomplished by the advisor executing the appropriate transactions at the appropriate times to create the desired effect within the constraints of the policy.

F. Risk Management. The Agency will engage only in financial hedge transactions that are related to the Agency's principal business, including the operation of diesel buses and vans. The Agency will only trade specific contracts as necessary to hedge for the pricing of fuel/energy costs, as related to these areas of business, and as advised by the Advisor.

G. Execution, Reporting and Oversight.

- a. The advisor will be responsible for the day to day execution of the program including the execution of transactions, generating reports on the program's status and results, and monitoring the program and the energy markets. The advisor will generate periodic updates on the status and results of the program.
- b. The Treasury Department will provide the Board of Commissioners with a summary of its activity through the quarterly Treasurer's Report.
- c. A Hedge Committee will oversee the activities of this program. The Committee shall include Chief Financial Officer, Director of Treasury, Assistant Executive Director Transit Assets, and the Vice President of Procurement, Inventory Management & Supplier Diversity. The role of the Hedge Committee will be to determine whether a proposed hedging strategy, transaction or group of transactions is consistent with this Hedge Policy and review the performance of the hedging activity on a periodic basis. The Hedge Committee will meet no less than quarterly, and meeting minutes and Committee decisions will be documented and approved by the Committee.

**Section 30.080 Debt Issuance and Administration** (revised 6/26/09)

A. The Agency. The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "**Agency**") is a body corporate and politic created and existing by reason of a joint compact (the "**Compact**") between the States of Missouri and Illinois (Sections 70.370 *et seq.* of the Revised Statutes of Missouri, as amended, and Illinois Compiled Statutes, Chapter 45, Act 100, as amended) and approved by the United States Congress and the President.

B. Powers to Issue Debt. *RSMo Section 70.373; 45 ILCS 110/1 Ratified by Congress January 7, 1959; further amended and ratified by Congress January 3, 1985*

1. *To borrow money for any of the authorized purposes of the Agency and to issue the negotiable notes, bonds or other instruments in writing of the Agency in evidence of the sum or sums to be borrowed;*
2. *To issue negotiable refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its valid indebtedness from time to time outstanding, whether evidenced by notes, bonds or other instruments in writing;*

3. *To provide that all negotiable notes, bonds or other instruments shall be payable, both as to principal and interest, out of the revenues collected for the use of any facility or combination of facilities owned and operated by the Agency, or out of any other resources of the Agency, and may be further secured by a mortgage or deed of trust upon any property owned by the Agency. All notes, bonds or other instruments in writing issued by the Agency as herein provided shall mature in not to exceed thirty years from the date thereof, shall bear interest at a rate not exceeding fourteen percent per annum, and shall be sold for not less than ninety-five percent of the par value thereof. The Agency shall have the power to prescribe the details of such notes, bonds or other instruments in writing, and of the issuance and sale thereof, and shall have power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers herein granted to the Agency, without further legislative authority;*
4. *To issue bonds for industrial, manufacturing or commercial facilities located within the Bi-State metropolitan district upon the security of the revenue to be derived from such facilities; and, or upon any property held or to be held by it.*

C. Revenue Bonds.

**I. General Management Policies**

The Agency will provide for a periodic review of its financial performance, and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting and fare-setting process.

- A. In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted commensurately.
- B. The Agency will present any proposed adjustments to existing fares, rates, fees and charges at public meetings, and will consider recommendations and input from the public as it relates to such proposed changes.
- C. All Agency funds will be invested according to the Investment Policies of the Agency.
- D. Necessary appropriations for annual debt service requirements will be routinely included in the Agency's annual budget.
- E. The Agency will maintain proactive communication with the investment community, including rating agencies, credit enhancers and investors, to ensure future capital market access at the lowest possible rates.
- F. The Agency may appoint a special committee of local financial experts to assist management as it develops financial plans.

G. Fund co-mingling and inter-fund borrowing.

The transit system is presently comprised of the following funds:

- Revenue Fund
- Operating Fund
- Internally Restricted Fund (Special Sales Tax Capital Fund)
- Sales Tax Capital Fund
- Prop M Fund
- Self Insurance Fund
- Stabilization Fund

The Agency maintains one bank depository account for operational and working capital purposes, which is comprised of the Operating, Internally Restricted, Sales Tax Capital, and Stabilization Funds. While these funds are co-mingled in a single bank account, specific accounting is maintained on the Agency's books at the fund level.

Transit operations have little seasonality and are generally consistent throughout the year. The annual appropriation process for state, local and federal formula funding, which combined provides approximately 75% of the Agency's funding, commences after the fiscal year begins. Local appropriations are subject to the legislative process, and Federal appropriations can be delayed up to 12 months. Consequently, Agency staff is authorized to transfer (borrow) funds within the groups identified above in order to maintain operational liquidity and adequate working capital.

In the event the above funds are exhausted, temporary operating deficits may be funded by unencumbered Self Insurance and Prop M Funds. Staff shall inform the Board any time the local funding jurisdictions fail to provide funds within ninety days of the beginning of the fiscal year. Management shall recommend a course of action up to and including service interruption for the jurisdiction in question.

Furthermore, the Agency utilizes the Transit Operating Fund (Accounts Payable Account) as the single disbursement account for the payment of both transit and business enterprise obligations. Liability accounts shall be maintained for the recording of all payments made by Transit for Business Enterprises, and Business Enterprises shall reimburse Transit, in the following month, for any such payments.

## **I. Financial Management Policies**

The Agency utilizes a comprehensive planning process to determine its long-term capital needs. The Agency evaluates each capital project in relation to established federal, state and local grants and assistance programs and levels of reserves, current rate structure, expected asset life/replacement timeline, and available revenue sources to ensure that adequate financial resources are available to support the Agency's financial obligations. The Agency's Debt and Financial Management, Investment, and Swap Policies are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such the following policies outline the Agency's approach to debt management:

- A. The Agency will evaluate financing for each capital project on a case-by-case basis. The Agency will seek to pay for all capital projects from current revenues, federal grants and assistance programs and available reserves prior to or in combination with the use of debt.
- B. The Agency will seek to issue debt only in the case where there is an identified source of repayment. Bonds will be issued to the extent that (i) projected fixed revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- C. Debt issuance for a capital project will not be considered unless such issuance has been incorporated into the capital improvement plan (Long Range Financial Plan).
- D. The Agency may designate a pool of qualified investment banking firms (or underwriters). The pools may be used for designating underwriting syndicates for a period extending through April 30, 2014. The Finance Division may terminate or extend the pools at any time prior to this date. The Finance Division may also periodically update the pools of underwriters, including the addition of firms that may submit their qualifications after the initial deadline. In addition, the Finance Division may request additional information or additional qualifications at any time from firms in the pools of underwriters. Expiration of the underwriting pool will not affect any previously designated syndicate(s) with which there are active negotiations for a bond sale.

## **II. Debt and Capital Management Policies**

The following policies formally establish parameters for evaluating, issuing, and managing the Agency's debt. The policies outlined below are not intended to serve as a list of rules to be applied to the Agency's debt issuance process, but rather to serve as a set of guidelines to promote sound financial management.

In issuing debt, the Agency objectives will be to:

- 1. Achieve the lowest cost of capital;
- 2. Maintain high credit ratings and access to credit enhancement;
- 3. Preserve financial flexibility.

## **III. Standards for Use of Debt Financing**

When appropriate, the Agency will use long-term debt financing to: achieve an equitable allocation of capital costs/charges between current and future system users; to provide more manageable rates in the near and medium term; and to minimize rate volatility.

- A. For growth related projects, debt financing will be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system.
- B. The Agency shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life.
- C. Capital projects financed through debt issuance will not be financed for a term longer than the expected useful life of the project.
- D. Lease Agreements and Installment Sale Agreements shall be considered as an alternative to long-term debt. Although these forms of alternative financing are subject to annual appropriation, they shall be considered as long-term fixed rate debt for the purposes of this policy until maturity.

## **V. Financing Criteria**

Each debt issuance should be evaluated on an individual basis within the framework of the Agency's Long Range Financing Plan, as well as within the context of the Agency's overall financing objectives and current market conditions.

The Agency will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

- A. Credit Enhancement – The Agency will consider the use of credit enhancement on a case-by-case basis. Only when clearly demonstrable savings can be realized shall credit enhancement be utilized.
- B. Cash-Funded Reserve vs. Surety – The Agency may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous.
- C. Call Provisions – In general, the Agency's securities should include optional call provisions. The Agency will generally avoid the sale of non-callable long-term fixed rate bonds, absent careful evaluation of the value of the call option.
- D. Additional Bonds Test/Rate Covenants - The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and these policies.
- E. Short-Term Debt – The Agency may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future bonding capacity.

- F. Use of Variable Rate Debt - The Agency will not issue variable interest rate debt unless: the proposed debt is converted to a fixed rate or hedged (for an interim period or to maturity) by use of a put-type mode, swap agreement or hedging mechanism (e.g., interest rate cap); outstanding un-hedged variable rate debt, including any proposed new variable debt, does not exceed the Agency's "hedge position" (defined herein) in aggregate; or, interest is capitalized during the expected term that bonds will be outstanding in a variable rate mode. For this purpose, the Agency's hedge position will be calculated as the Agency's cash reserves multiplied by 125%. Notwithstanding the above, the Agency will refrain from issuing new variable rate debt (including synthetic variable rate debt), whether hedged or un-hedged, which exceeds 20 percent of the Agency's aggregate debt outstanding.
- G. Use of Swaps & Derivatives - The use of any swap agreement in conjunction with the issuance or management of debt instruments will be governed by the Agency's Swap Policy. The use of swaps to create synthetic fixed rate debt should generally be considered only such synthetic fixed rate debt would result in a 20% reduction in debt service vs. traditional fixed rate bonds.
- H. Investment of Bond Proceeds - Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in the Agency's Investment Policy. The preservation of funds, notwithstanding, the Agency will seek to maximize investment earnings within the investment parameters set forth in each respective bond indenture. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision; specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a "net" debt service basis, where appropriate.

## **VI. Refinancing Outstanding Debt**

The Agency shall have the responsibility to evaluate potential refunding opportunities presented by underwriting and/or financial advisory firms. The Agency will consider the following issues when analyzing potential refinancing opportunities:

- A. Debt Service Savings – The Agency shall establish a target savings level equal to 3% (current refunding) to 5% (advance refunding) of par refunded on a netpresent value (NPV) basis. These figures should serve only as a guideline, the Agency must evaluate each refunding opportunity on a case-by-case basis, and must take into consideration: the time to maturity, size of the issue, current interest rate environment, annual cash flow savings, and the value of the call option. Economic savings resulting from a refunding will generally be structured to occur on a level basis over the life of the refunding bonds. The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Agency's Finance and Audit Committee and Board of Commissioners.

- B. Restructuring - The Agency may seek to refinance a bond issue on a non- economic basis in order to restructure debt, mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, comply with and/or eliminate rate/bond covenants, or terminate a swap.
- C. Term/Final Maturity – The Agency may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is permissible under the Agency’s Compact and Federal tax law. The term of the bonds should not extend beyond the reasonably expected useful life of the asset being financed. The Agency may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.
- D. Escrow Structuring - The Agency shall utilize the least costly securities available in structuring each escrow. A certificate will be required from a third party agent who is not acting as a broker-dealer, stating that the securities were purchased through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Series Securities (SLGS), and that the price paid was reasonable and within Federal guidelines. The Agency retains the right to use SLGS at any time in structuring its escrows.

When evaluating the economic viability of an economic versus legal defeasance, the Agency shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The Agency shall take all necessary steps to optimize its escrows and to avoid negative arbitrage in any refunding.

## **VII. Method of Issuance**

The Agency will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

- A. Competitive Sale – In a competitive sale, the Agency’s bonds shall be awarded to the bidder providing the lowest true interest cost (“TIC”), as long as the bid adheres to requirements set forth in the official notice of sale.
- B. Negotiated Sale – Due to the unique nature of the Agency’s funding arrangements, the Agency recognizes that many of its transactions are best sold through negotiation. In consideration of a negotiated sale, the Agency shall assess the following circumstances that weigh toward the use of a negotiated sale:
  - 1. Issuance of variable rate or taxable bonds;
  - 2. Complex structure or credit considerations (such as non-rated bonds), which requires a strong pre-marketing effort;
  - 3. Significant par value, which may limit the number of potential bidders;



4. Unique/ proprietary financing mechanism (such as a financing pool), or specialized knowledge of financing mechanism or process;
  5. Market volatility, such that the Agency would be better served by flexibility in the timing of its sale in a changing interest rate environment;
  6. When an Underwriter has identified new financing opportunities or presented alternative structures that financially benefit the Agency;
  7. As a result of an Underwriter's familiarity with the project/financing, which enables the Agency to take advantage of efficiency and timing considerations.
- C. Private Placement – From time to time the Agency may elect to issue debt on a private placement basis. Such method shall generally be considered only if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.
- D. Conduit Issuance – The Agency may elect to enter into financing agreements with other issuers, including but not limited to the City of St. Louis, St. Louis County, and the Missouri Development Finance Board, to permit debt to be issued on the Agency's behalf. The Agency will consider this approach if such an arrangement is expected to produce lower borrowing costs, enhance the flexibility of the Agency, or provide other operational efficiencies.

### **VIII. Market Communication, Debt Administration and Reporting Requirements**

Rating Agencies and Investors – The Chief Financial Officer shall be responsible for maintaining the Agency's relationships with Moody's Investors Service, Standard & Poor's Ratings- Services, Fitch Ratings or any other nationally-recognized rating service. The Agency may, from time to time, choose to deal with fewer than all of these agencies as circumstances dictate.

In addition to general communication, the Chief Financial Officer shall: (1) meet with Credit Analysts at least once each fiscal year, and (2) prior to each competitive or negotiated sale, offer conference calls with Agency analysts in connection with the planned sale.

- A. Board Communication – The Chief Financial Officer shall include in an annual report to the Finance and Audit Committee and the Board of Commissioners feedback from rating agencies and/or investors regarding the Agency's financial strengths and weaknesses and recommendations for addressing any weaknesses.
- B. Continuing Disclosure – The Agency shall remain in compliance with Rule 15c2-12 or any successor rule or regulation by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year. The inability to make timely filings must be disclosed and would be a negative reflection on the Agency. While also relying on a timely audit and preparation of the Agency's annual report, the Chief Financial

Officer will ensure the Agency's timely filing with each Nationally Recognized Municipal Securities Information Repository.

- C. **Record-Keeping** – A copy of all debt-related records shall be retained at the Agency's offices. At minimum, these records shall include all official statements, bid documents, bond documents / transcripts, resolutions, trustee statements, leases, and title reports for each Agency financing (to the extent available). To the extent possible, the Agency shall retain an electronic copy of each document - preferably in Adobe Acrobat-compatible or CD-ROM format.
- D. **Arbitrage Rebate** – The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code arbitrage rebate requirements. The Chief Financial Officer shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if rebate is due, such payments are made.

### **Section 30.090                      Donation and Gift Policy** (NEW effective 11/19/21)

A. **Policy.** It is the policy of the Agency that gifts and donations to the Agency are welcomed and encouraged. Gifts and donations are valued as expressions of individual support for the Agency's mission and help to enhance its services, programs and facilities by supplementing federal, state, or contractual support.

B. **Types of Gifts.** The Agency accepts the following types of gifts and donations: cash, tangible personal property, publicly traded and recognizable securities, real estate, bequests, trust funds and annuities.

C. **Use of Gifts.** The President and CEO or Board of Commissioners will carefully consider the needs of the Agency and will use a gift where it determines it is most needed, so that all donations may directly and indirectly support the public purposes of the Agency. The Agency may choose not to accept a gift if the donor wishes to place limitations or restrictions on its use or disposal. The Agency may refuse any gift that does not sufficiently benefit the Agency, is in conflict with the Agency's mission, puts the reputation of the Agency at risk, or is prohibited by law.

D. **Acceptance of Gifts.** The President and CEO may accept any gift or donation of the types described in Section B on behalf of the Agency. Other types of gifts and donations will be evaluated on a case-by-case basis by the Board of Commissioners

When processing each gift, the Agency will follow generally accepted accounting principles. The Agency takes no responsibility for valuing gifts for tax purposes or for the tax consequences to the donor.

All accepted gifts and donations become the property of the Agency. The Agency reserves the right to sell or otherwise dispose of non-monetary gifts, if the Board of Commissioners or President and CEO, determines that such sale or disposition is advisable or necessary.

E.     Documentation. The Agency will retain a written receipt of each donation and gift identifying the name of the donor, the amount and the date of the donation or gift, and the nature of restriction on the gift, if any. The Agency will acknowledge each donation by letter, thanking the donor. Donors who make a significant financial or material donation will receive a contemporaneous written acknowledgement of the donation from the Agency.

**COLLECTED BOARD POLICIES**  
**OF THE**  
**BI-STATE DEVELOPMENT AGENCY**  
**OF THE**  
**MISSOURI-ILLINOIS METROPOLITAN DISTRICT**

**Chapter 30 Audit, Finance and Budget**

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**Section 30.005 Audit Committee Charter** (added 03/25/11, rev. 09/23/11 and rev. 06/24/22)

A. GENERAL (revised 09/23/11). The purpose of the Audit Charter is to assist the Board of Commissioners, through its Audit Committee, in fulfilling its fiduciary oversight responsibilities as follows:

- (1) Audit Committee management and Reporting Responsibilities
- (2) External Audit of the Financial Statements
- (3) Internal Audit Process
- (4) System of Risk Management
- (5) Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy
- (6) Special Investigations and Whistleblower Mechanism

Source: Information to develop this Charter is from *The AICPA Audit Committee TOOLKIT: Government Organizations*

B. **AUTHORITY.** The Audit Committee (“committee”) has the authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to perform the following functions, which are numbered according to the purposes listed above.

1. Audit Committee Management and Reporting Responsibilities (rev. 06/24/22)

- Each member of the Committee should be appointed by the Chairman of The Bi-State Development Agency (“Bi-State”) Board of Commissioners.
- At least one member of the Committee should have financial experience.
- The Committee should review this Charter annually, reassess the adequacy of the Charter, and recommend any proposed changes to the Board of Commissioners. It should consider changes that are necessary as a result of new laws, regulations, or accounting and auditing standards, including best auditing practices.
- The Committee should meet at least four times per year, and at additional times when necessary. These meetings may be combined with regularly scheduled meetings, or may be held more frequently as circumstances may require. The Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
- Conduct executive sessions with the independent auditors, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Audit Executive (CAE), General Counsel, outside counsel, and anyone else as desired by the Committee.
- The Committee shall be authorized to hire professional consultants as necessary.
- Review and concur on the appointment, replacement, reassignment, or dismissal of the Chief Audit Executive.
- Oversee the appointment of the independent auditors to be engaged for external reporting, and establish the related audit fees.
- If the audit organization provides any non-audit services, determine that the audit organization has considered and documented its consideration of how providing these non-audit services does not violate the requirements that the audit organization (a) not provide services that involve performing management functions or making management decisions, and (b) not audit their own work, as stipulated by best auditing practices.
- Review and evaluate the performance of the independent auditors.
- Review with the independent auditor, the Chief Financial Officer, and the Chief Audit Executive, the audit scope and plan of the internal auditors and the independent auditors. Address the coordination of audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
- The Committee should evaluate the independent auditors and internal auditors.
- The Committee should review its effectiveness.
- Create an agenda for the ensuing year, or review and approve the agenda submitted by the Chief Audit Executive.

2. External Audit of the Financial Statements (rev. 06/24/22)

- Review with management and the independent auditor the effect of any regulatory and accounting initiatives, such as related organizations financing structures, derivatives, or securities lending.
- Review with the independent auditor that performs the financial statement audit:
  - a. All critical accounting policies and practices used by Bi-State.
  - b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with Bi-State's management, the ramifications of each alternative, and the preferred treatment.
- Review all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
- Review with management and the independent auditors:
  - a. The Bi-State Development Agency's annual financial statements, related footnotes, and management's discussion and analysis;
  - b. The independent auditor's audit of the financial statements and their report thereon;
  - c. The independent auditors' judgments about the quality, not just the acceptability, of Bi-State's accounting principles as applied in its financial reporting;
  - d. The independent auditors' single audit of the federal awards administered by Bi-State and their reports thereon;
  - e. The independent auditors' examination of the effectiveness of any hedging activities;
  - f. Any significant changes required in the independent auditors' audit plan;
  - g. Any serious difficulties or disputes with management encountered during the audit. Matters required to be discussed by Statement on Auditing Standards (SAS) No. 61, *Communication With Audit Committees* (AICPA, *Professional Standards*, vol. 1, AU Sec. 380), as amended; U.S. Government Accountability Office's *Government Auditing Standards*; and the U.S. Office of Management and Budget's Circular A-133 related to the conduct of the audits.
- Review with the General Counsel and the Chief Audit Executive legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements and compliance with federal, state, and local laws and regulations.

### 3. Internal Audit Process (rev. 06/24/22)

- Review with management the policies and procedures with respect to Bi-State management's use of expense accounts, public monies, and public property, including for example, their use of Bi-State's vehicles. Consider the results of any review of these areas by the Internal Auditor or the independent auditors.

- Consider, with management, the rationale for employing audit firms other than the principal independent auditors for services that Bi-State or the independent auditor determines would not be appropriate for the principal independent auditor to perform.
- Review with management and the Chief Audit Executive:
  - a. Significant findings on internal audits during the year and management's responses thereto.
  - b. Any difficulties the internal audit team encountered in the course of their audits, including any restrictions on the scope of their work on access to required information.
  - c. Any changes required in the scope of their internal audits.
  - d. The Internal Audit Department budget and staffing.
  - e. The Internal Audit Department charter.
  - f. The Internal Audit Department's compliance with applicable standards (for example, *Government Auditing Standards*, or the Institute of Internal Auditors' (IIA's) Standards for the Professional Practice of Internal Auditing).

4. System of Risk Management (rev. 06/24/22)

Inquire of management, the Internal Audit Department, and the independent auditors about significant risks or exposures facing Bi-State; assess the steps management has taken or proposes to take to minimize such risks to Bi-State; and periodically review compliance with such steps.

Inquire of the Chief Executive Officer and Chief Financial Officer regarding the fiscal health of Bi-State, as well as the financial status of Bi-State in relation to its adopted budget.

Review with the independent auditors and Chief Audit Executive:

- a. The adequacy of Bi-State's internal controls including computerized information system controls and security;
- b. Any related significant findings and recommendations of the independent auditors and internal auditors together with management's responses thereto.

5. Organization's Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy (rev. 06/24/2022)

- a. Periodically review Bi-State's code of conduct to ensure that it is adequate and up to date.
- b. Review with the Chief Audit Executive and General Counsel the results of their review of compliance monitoring with the code of conduct.

#### **Section 30.010      Annual Audit**

A. Policy (revised 5/22/09 and 6/24/22). It is the policy of the Agency to submit its books and records to annual audit by a nationally recognized CPA firm. The firm selected shall have broad experience in auditing large local government and/or agencies in compliance with relevant federal rules and regulations such as the Single Audit Act and examining any hedging activities. The firm, and any principals of the firm, shall have no direct or indirect personal or financial interest in the fiscal affairs of the Agency, or of any officer of the Agency. The Agency shall not engage any firm, or any lead or concurring audit partner connected with that firm's provision of audit services to the Agency, for a contract term in excess of five (5) consecutive years.

B. Reporting. This firm reports its findings and conclusions to the entire Commission each year and may meet with the Audit Committee at any time during the year. Upon receipt of the final management letter, the President & Chief Executive Officer will promptly forward a response to the Audit Committee indicating the status of each recommendation or finding.

#### **Section 30.020 Internal Audit (rev. 06/24/22)**

A. Policy. It is the policy of the Agency to employ a Chief Audit Executive who shall report directly to the Board of Commissioners. The Chief Audit Executive shall supervise and direct the staff of the Internal Audit Department. The Internal Audit Department shall provide independent objective analysis and recommendations to assist the President & Chief Executive Officer and management in effectively discharging their administrative responsibilities. The Internal Audit Department shall perform routine audits of compliance of Agency divisions with internal Agency rules and regulations. The Internal Audit Department shall at all reasonable times have access to the accounts, books and records of the Agency, and the Department may in relation to such interview the President & Chief Executive Officer and other employees of the Agency.

B. Work Plan. The Chief Audit Executive shall be responsible for preparing an annual Audit Work Plan. Additionally, Commissioners and Senior Managers shall identify potential areas for review by the Internal Audit Department. Upon completion of the Audit Work Plan, the Chief Audit Executive shall present the Plan to the Audit Committee for their review and approval pursuant to these Board Policies.

C. Special Reviews. From time to time the President & Chief Executive Officer may assign to the Chief Audit Executive special reviews designed to assure continuous quality improvement of Agency operations.

#### **Section 30.030      Annual Budget**

~~A. General. Each year the President & CEO shall prepare an annual budget for the forthcoming fiscal year that will be presented to the Board of Commissioners. The President & CEO will work with the Board in setting strategic objectives, update the Agency's long range planning document, and prepare both an operating and capital budget. The operating budget shall include proposed expenditures for current operations during the ensuing fiscal year and the method of financing such expenditures. The capital budget shall include capital expenditures during the~~



~~ensuing fiscal year and the proposed method of financing such expenditures.~~

~~A. General. Each year the President & Chief Executive Officer shall prepare an annual budget for the forthcoming fiscal year that will be presented to the Board of Commissioners. The President & Chief Executive Officer will work with the Board in setting strategic objectives, update the Agency's long range planning document, and prepare both an operating and capital budget. The operating budget shall include proposed expenditures for current operations during the ensuing fiscal year and the method of financing such expenditures. The capital budget shall include capital expenditures for a 3-year period and the proposed method of financing such expenditures.~~

~~B. Approval. The President & Chief Executive Officer will present the annual budget at a regularly scheduled meeting of the Board of Commissioners. The Board of Commissioners shall approve annual operating and capital budgets prior to the beginning of the ensuing fiscal year.~~

**Section 30.040      Banking and Investment (rev. 06/23/06, 11/19/10, 09/28/12)**

~~A. General. This policy directs the investment of all operating, self-insurance restricted, capital and debt service funds of all entities of the Bi State Development Agency not expressly controlled by Revenue Bond Trustees.~~

~~B. Objectives. The primary objectives of the Agency's investment activities, in order of priority, shall be as follows:~~

- ~~1. Preservation and Safety of Principal. The objective is to mitigate credit and interest rate risk.
  - ~~a. Credit risk. The Agency will minimize credit risk, which is the risk of loss due to the failure of the security issuer by:
    - Limiting investments to the types of securities listed in Section D of this policy.
    - Pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisers with which the Agency will do business.
    - Diversifying the investment portfolio so that the potential impact of losses will be minimized.~~
  - ~~b. Interest rate risk. The Agency will minimize interest rate risk, which is the risk that the market value of the securities in the portfolio will fall due to changes in market interest rates by:
    - Structuring the investment portfolio so that securities mature in a manner that cash requirements for ongoing operations will be met, thereby avoiding the need to sell securities on the open market prior to maturity; and
    - Investing operating funds primarily in short-term securities money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with Section H.4.~~~~
- ~~2. Liquidity. The Agency's investment portfolio will remain sufficiently liquid to meet all operating requirements. Liquidity will be determined by the flow of revenues and expenditures using cash flow projections and historical data.~~

3. Yield. Thereafter, the highest yield consistent with safety is required, provided the maturities are short enough to maintain operational liquidity.
4. Location. It is the Board's intent to have the majority of the available funds invested in local institutions provided the institutions meet the minimum credit standings set out below and yields are competitive.

C. Standards of Care.

1. Investment Authority. The Chief Financial Officer and the Director of Treasury are designated as the Investment Officers who are responsible for investment transactions, as well as, establishing the internal controls and written procedures for the operation of the investment program. No other officers or designees may engage in investment or banking transactions except as provided under the terms of the Investment Policy and procedure established.
2. Prudence. The Agency's investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and considering the safety of capital and the yield to be derived. The standard of care to be used by the Investment Officers shall be said "prudent person" standard and shall be applied in the context of managing an overall portfolio and whether the investment decision was consistent with the written investment policy of the Agency.
3. Ethics and Conflicts of Interest. Investment Officers involved in the investment process shall refrain from personal business activity that could conflict or be perceived to conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions.

D. Authorized investment categories (revised 4/24/09 and 11/19/10)

1. Demand Deposit, Negotiable Order Withdrawal (NOW), Bank Money Market, Certificate of Deposit and Savings Accounts - issued by banks or thrifts where the account or investment is either collateralized with direct obligations of the U.S. Government or its instrumentalities, or covered by FDIC insurance, or other AAA rated surety.
2. Negotiable Certificates of Deposit - provided that the institution maintains a Fitch rating of B or better and/or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
3. Bankers Acceptances - provided that the institution maintains a Fitch rating of B or better and/or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
4. Direct Obligations of the United States Government, U.S. Government Agencies or U.S. Government Instrumentalities.
5. Commercial Paper - Commercial paper at the time of purchase shall have ratings of

A-1 by Standard and Poor's Rating Services and P-1 by Moody's Investors Services.

6. Repurchase Agreements (revised 11/19/10) - Repurchase agreements (repos) are acceptable, using any of the securities listed in paragraphs D-4 as collateral. Also, the firm with whom the repo is executed must be a credit acceptable bank, or broker-dealer. A credit acceptable bank or broker-dealer is defined as one whose senior debt rating is A- by one of the three nationally recognized ratings agencies (Standard & Poor's, Moody's, or Fitch). Banks in the Agency's service area that do not have a Standard & Poor's, Moody's or Fitch rating, may also be authorized repo counterparties, provided that they meet the "well capitalized" standard, as defined by the Federal Deposit Insurance Corporation. A written repurchase agreement, substantially modeled on, but in no case less restrictive than, the Securities Industry and Financial Markets Association's "Master Repurchase Agreement", shall be completed for each repo counter party. Such agreements shall be updated periodically, but no less than once every five years. In all cases, repo collateral shall have a market value of 102% of the dollars invested, plus accrued interest. If the repo term is longer than an overnight maturity, the collateral must be delivered to a third party custodian, and priced-to-market weekly to assure correct collateral value coverage.

The Director of Treasury shall obtain approval from the Chief Financial Officer before authorizing a repo counterparty. Before approval, documentation shall be furnished that the authorized counterparty meets the required criteria. The Director of Treasury will also monitor continued compliance with the criteria.

7. Money Market Funds - Acceptable funds shall be institutional money market funds having over \$500 million in net assets and be rated AAA by Standard and Poor's, Moody's and/or Fitch rating services.
8. Reverse Repurchase Agreement - A reverse repurchase Agreement or short-term borrowing (180 days or less), using securities in the Agency's portfolio as collateral, is acceptable. However, the firm with whom the borrowing is executed must meet the same requirements as stated previously for repurchase agreements. Also, the borrowed funds may be used to purchase other securities as an investment arbitrage. In this case, the new investment maturity date must match (+/- one week) the maturity date of the reverse repo, and those instruments must be delivered into the Agency's safekeeping account and held there until maturity. The Board shall be notified of all such transactions through the Treasurer's monthly report.

E. Collateralization.

1. Collateralization of 102% will be required for demand deposits, repurchase agreements, and certificates of deposit over FDIC insured limits.
2. The Agency limits the type of collateral required to Direct Obligations of the United States Government, United States Government Agencies, or United States Government Instrumentalities.

F. Banking Services. To ensure the best service and cost effectiveness these services will be negotiated periodically. The number of demand deposit non-interest bearing accounts will be

kept to a minimum for operational efficiency and safety. Any two of the following may open bank accounts, subject to the approval of the Board of Commissioners through a confirming motion at a meeting of the Board of Commissioners:

<u>Chair, Board of Commissioners</u>	<u>President &amp; Chief Executive Officer</u>
<u>Vice Chair, Board of Commissioners</u>	<u>Chief Financial Officer</u>
<u>Board of Commissioners</u>	<u>Treasurer,</u>

G. Monitoring and Reporting

1. Investment Performance. Investment Officers will provide the Treasurer of the Board of Commissioners with a quarterly report including deposits, investments, yields, the monthly summary of the prior 12 months' funds experience, and the amount of deposits at each institution. The report will also provide the average maturity of investments and a benchmark yield to show the investment portfolio's effectiveness in reaching the Agency's need for liquidity, safety, rate of return, and diversification.

H. Investment Transaction Criteria: (revised 4/24/09)

1. Competition – Banks and other financial institution, which meet the criteria below, will be selected for investments only on a competitive basis. Bids for Investments will be solicited by the Director of Treasury, and deemed necessary and approved by the Chief Financial Officer, using a bid process established by the Investment Officers. Rate of return will be considered the primary factor when selecting a bid, followed by the bidding institute.
2. Denial of Business – The Board directs management to refrain from investing Agency funds in any financial institutions or businesses that conduct business with governments deemed unacceptable by the Federal Government through executive order or enacted legislation.
3. Safekeeping Accounts – Securities purchased are delivered against payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds, and held in a custodian safekeeping account. Tri-party custodian agreements maintained with third party trust companies as well as the Federal Reserve Bank are acceptable. Hold-In-Custody repurchase agreements for fourteen days or less will be processed through special transaction control accounts. These accounts will be audited quarterly by Internal Audit and the results reported through the Treasurer, to the Board of Commissioners.
4. Maturity Limitations - To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, no funds shall be invested for more than five years from the date of settlement. The weighted average maturity of the portfolio shall at no time exceed eighteen months.

For Securities that are subject to redemption (call) before final maturity, the final maturity date shall be used both for compliance with the five year limitation and in calculating the weighted average maturity.

5. Diversification

- a. Unlimited investment in the following:

- U.S. Government obligations
- U. S. Government Agency obligations
- U. S. Government Instrumentality obligations
- Repurchase Agreements – secured by the 3 U. S. obligations noted immediately above.
- Money Market Funds – Institutional money market funds having over \$500 million in net assets and rated AAA by Standard & Poor’s, Moody’s and/or Fitch rating services.
- b. Investments not to exceed \$5.0 million par value from any one issuer:
  - Bankers Acceptances
  - Commercial Paper
  - Negotiable Certificates of Deposit
- c. All investments must be paid for before they may be sold.

I. Agency Debt. Agency debt may be incurred only by the specific authority of the Board of Commissioners through special action. Notwithstanding Section D above, all funds under such debt resolutions or indentures of trust shall be controlled by the investment set forth in such documents.

J. Check Signatories (rev. 01/04/08)

1. All General Operating Funds

- a. Under \$15,000 - One signature from the following:
  - Treasurer, Board of Commissioners (including facsimile signature) or in the event of a vacancy in the Treasurer’s position,
  - Secretary, Board of Commissioners (including facsimile signature)
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- b. \$15,001 to \$100,000 - Two signatures from the following:
  - Treasurer, Board of Commissioners (including facsimile signature) or in the event of a vacancy in the Treasurer’s position,
  - Secretary, Board of Commissioners (including facsimile signature)
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- c. \$100,001 to \$500,000 - Two signatures from the following:
  - Chair, Board of Commissioners
  - Treasurer, Board of Commissioners
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- d. \$500,001 to \$1,000,000 - Two signatures from the following:
  - Chair, Board of Commissioners
  - Treasurer, Board of Commissioners
  - President & Chief Executive Officer
  - Chief Financial Officer
- e. \$1,000,001 and above - Two signatures, one each from Group A and Group

B:

GROUP A

- Treasurer, Board of Commissioners
- President & Chief Executive Officer

GROUP B

- Chair, Board of Commissioners
- Vice Chair, Board of Commissioners
- Secretary, Board of Commissioners

K. Wire Transfer Authority (rev. 01/04/08) Wire Transfers and Automated Clearing House Transactions (ACH) are authorized for the transfer of funds between checking, investment and savings accounts, payment of services, equipment, construction in process, as well as payroll related expenditures that are authorized by and in the name of the Bi-State Development Agency.

1. Wire Transfer and Automated Clearing House Transactions (ACH) authority is limited to the below listed individuals. Wire transfers of a non-repetitive nature require the authority of any two of the below listed individuals:

- President & Chief Executive Officer
- Chief Financial Officer
- Director of Treasury

a. Any individual Automated Clearing House Transaction (ACH) over \$1 million

- Two signatures, one each from Group A and Group B:

GROUP A

- Treasurer, Board of Commissioners
- President & Chief Executive Officer

GROUP B

- Chair, Board of Commissioners
- Vice Chair, Board of Commissioners
- Secretary, Board of Commissioners

2. Authorization to create new repetitive Wire Transfers and Automated Clearing House Transactions (ACH) requires approval of any two of the following:

- President & Chief Executive Officer
- Chief Financial Officer
- Chair, Vice Chair, Treasurer, Secretary, Board of Commissioners

- L. Authorized Signatories for the Release of Pledged Collateral:

- President & Chief Executive Officer
- Chief Financial Officer
- Director of Treasury

- M. Authorized Agency Funds: (revised 8/15/07, 09/28/12)

1. Operating Funds – Operating Funds include a general operating account, accounts payable accounts for clearing checks and EFT payments, a payroll account, and investment transitory accounts for security purchases. In addition, there is an investment safekeeping account for operating funds.

2. Revenue Funds – Revenue funds are established for Transit Revenue, Ticket

Vending, Machine Credit Card Revenue, Passenger Revenue, Metrolink Revenue, Fare box Revenue, and Call A Ride Revenue.

3. Internal Service Funds – Deposit accounts and investment safekeeping accounts are established for Medical, Property, Workers Compensation, and Casualty Internal Service Funds.
4. Sales Tax and Internally Restricted Funds – Sales Tax Capital amounts and Restricted funds are kept in individual investment safekeeping accounts.
5. Enterprise Funds – Deposit accounts are established for the operational and capital needs of the Agency, the Gateway Arch, the Riverfront Attractions, the St. Louis Downtown Airport, Freightway, and Arts in Transit and the investment safekeeping accounts are used as needed to invest excess funds.

## Section 30.050 Financial Reporting (revised 09/25/09)

~~A. Policy. It is the policy of the Agency to prepare the financial results of each operating company as required by specific agreement, but not less than quarterly. Financial statements for the Board of Commissioners shall be prepared quarterly, and include the following statements:~~

- ~~1. Transmittal letter of noteworthy variations, including disclaimer~~
- ~~2. Balance Sheet~~
- ~~3. Statement of Revenue, Expense Income (Loss)~~
- ~~4. Cash Receipts and Disbursement Schedule~~
- ~~5. Capital Expenditures for Active Projects~~
- ~~6. Statement of Cash Flows~~
- ~~7. Aged Receivables~~

### ~~Disclaimer:~~

~~The following disclaimer shall be included in each transmittal letter of noteworthy variance:~~

~~“These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the following reasons: Depreciation is not shown as an operating expense, but as other non-operating expense; capital contributions and total net assets are now shown on the Statement of Revenue, Expense, Income (Loss); and there are no accompanying footnote disclosure requirements or Management Discussion and Analysis (MD & A) sections included.”~~

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“These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the following reasons: Depreciation is not shown as an operating expense, but as other non-operating expense; capital contributions and total net assets are now shown on the Statement of Revenue, Expense, Income (Loss); and there are no accompanying footnote disclosure requirements or Management Discussion and Analysis (MD & A) sections included.”



## **Section 30.060      Risk Management** (revised 2/25/2000 and 08/20/2021)

A. General. One of the Agency's primary objectives is to provide safe, reliable, and cost-effective transportation services while complying with federal, state, and local laws. In support of that objective, the Agency will develop and maintain an effective, integrated risk management program. This policy applies to all exposures to risk of loss that are fortuitous and result from external causes. These exposures include, but are not limited to, fires, collisions, theft, windstorm, construction accidents, workers' compensation claims, and auto or general liability claims as well as associated lawsuits against the Agency.

B. Authority and Responsibility. The Director of Risk Management is responsible for recommending the overall direction of the Agency's risk management program as specified in the Agency's Management Policies & Procedures.

C. Self-Insurance (revised 08/20/21). The Agency will self-insure those routine risks associated with its core transit operations. Risk exposures above the self-insured retention will be covered by excess insurance if such excess insurance is available and affordable.

adjusting firm to assist in administering claims handling (TPA). The Risk Management Department will monitor the TPA and hold quarterly claims reviews. An annual audit will be performed.

E. Insurance. Primary property and liability insurance will be purchased for unique or special risks of loss, for major construction projects, and when required by law or by contract. A Broker of Record will perform the insurance marketing function under the direction of the Director of Risk Management.

F. Self-Insurance Fund (revised 08/20/21). The Agency will maintain asset accounts, referred to as "Self-Insurance Funds", as authorized by the Board of Commissioners on October 1, 1982, to support liabilities accrued as a result of its self-insured losses. The Chief Financial Officer of the Agency will maintain the Self-Insurance Fund, complying with prudent business practices and all applicable governmental pronouncements, and determine the amount of annual funding required. The fund is subject to following guidelines:

1. The current balance will be sufficient to pay estimated judgments, settlements, losses, and expenses for a three (3) year time period.
2. The amounts held in the Self Insurance Funds shall be used solely for the purpose of paying such liabilities and expenses.
3. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Self Insurance Funds to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Self Insurance Funds shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as Farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

G. Excess Judgment Fund (revised 08/20/21). The Agency will maintain an additional asset account, referred to as the “Excess Judgment Fund”, as authorized by the Board of Commissioners on July 7, 1989, to provide supplemental cash flow to the Self-Insurance Funds, in the event of a large or catastrophic loss that is greater than 50% of the Agency’s Self-Insured retention amount for that year. In addition, this fund will provide temporary or emergency funds for property losses that are equal or greater than \$500,000 and where the insurer has delayed payment or is questioning coverage under its policy. The Chief Financial Officer of the Agency will maintain the Excess Judgment Fund, complying with prudent business practices and all applicable governmental pronouncements. The fund is subject to following guidelines:

1. The goal is to attain and maintain a \$5,000,000 fund balance.
2. A minimum of \$250,000 shall be appropriated annually by the Board as part of the budget process until the fund goal of \$5,000,000 is reached.

3. Interest earned by monies in the fund shall inure exclusively to the fund on a cash basis until the fund goal of \$5,000,000 is reached.
4. Monies appropriated to the fund shall be deposited in the account at the beginning of the Fiscal Year, or as received from the funding jurisdictions.
5. This unencumbered balance of this fund may be used as collateral for short-term debt obligations.
6. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Excess Judgment Fund to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Excess Judgment Fund shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

H. Claim Settlement Authorization (revised 08/20/21). The Board of Commissioners must approve defense settlements exceeding the Missouri sovereign immunity limit for any one person in a single accident or occurrence. The Claim Settlement Authorization, based upon the Missouri sovereign immunity limit, shall be adjusted annually as published by the Missouri Department of Insurance. Authorization granted by the Board of Commissioners is deemed to include an additional contingency amount, equal to 20% of the actual authorization granted, for extraordinary use by the President & CEO. This additional authorization may be granted by the President & CEO as trial approaches or during the actual trial. For settlement amounts over \$100,000 and up to the sovereign immunity limit, the President & CEO will approve and must notify and receive acknowledgement from the Board of Commissioner's Chair and Vice Chair. Settlements from \$20,000 to \$100,000 will require the approval of the Director of Risk Management who must notify and receive acknowledgement from the Agency's General Counsel.

I. Litigation Management and Board Notification (revised 08/20/21). In addition to requests for settlement, authorization, the Board of Commissioners will be notified by management about large claims or lawsuits that may significantly impact the Agency's financial stability, its assets, or its public image.

1. The Director of Risk Management will regularly provide informational briefs to the Board on claims and lawsuits that fall into the following classifications:
  - a. Fatalities & severely disabling injuries.
  - b. Jury verdict range or settlement range is expected to exceed \$100,000.
  - c. Other unusual or sensitive claims which may be of particular interest to the Commissioners.
  - d. Final results on claims where the Board has extended settlement authorization.

2. The briefing to the Board will contain:
  - a. Facts & background of the case.
  - b. Summary of injuries & special damages.
  - c. Assessment of liability and expected outcome.
  - d. Litigation history and status if in suit.
  - e. Opinion of legal counsel (if assigned).
  - f. Recommendations and strategy for an appropriate resolution.
3. The Director of Risk Management will maintain a written litigation management program, attorney billing guidelines, and procedures for selecting and retaining defense counsel as specified in more detail in the Agency's Management Policies & Procedures.

J. Review of Agency Contracts and Documents. The Director of Risk Management, in consultation with the Agency's General Counsel as needed, will review Agency contracts, leases, agreements, easements or other documents that transfer risk, specify indemnity obligations, or require specific insurance from one or more of the parties.

#### **Section 30.070      Hedging** (effective 2/23/2001; revised 11/20/15; revised 06/25/21)

A. General. Because of the nature of its responsibilities to the St. Louis Metropolitan region, the Bi-State Development Agency (Agency) manages financial risks attributed to the price variability of fuel usage. This risk can be managed effectively through the use of hedging techniques. The purpose of this policy is to generally outline how the Agency will manage these risks, what techniques will be employed, and the general guidelines to be followed.

B. Definition. A hedge is a financial tool used to reduce the risk associated with normal business activities of buying fuel. The purpose of this hedging program is not to make or lose money but to manage risk. This program is not an investment and should not be construed as such. Realized gains or losses will be considered as an element of fuel cost. A hedging program will:

- a. seek to decrease the volatility of fuel cost;
- b. seek to increase the likelihood that actual net fuel cost will remain below the budgeted cost;
- c. seek to increase the certainty of future fuel cost;
- d. seek to attain a lower overall cost of fuel in the long-term;
- e. seek to manage year-over-year changes in fuel cost.

#### C. Program Infrastructure.

- a. Instruments. The agency will maintain a futures account with a Futures Commission Merchant (Broker, which may be a separate entity from the Advisor. The Agency, through the management and direction of an

Advisor, acquires, holds, and disposes of fuel futures contracts in the operation of its program. The high correlation between the movement of the price that the Agency pays for its fuel and the movement of the value of the futures contracts produces the program's effectiveness as a hedge. Due to the liquidity of the futures contracts purchased, these contracts do not require an investment grade rating.

- b. **Maximum Hedge Ratio.** The Agency's volume of fuel consumption is predictable and without significant variability over time. Given this, the maximum hedge ratio will be limited to 95% of forecasted consumption.
- c. **Maximum Hedge Maturity.** To allow the establishment of cost certainty in current and future budget periods, the maximum maturity of the futures contracts taken in conjunction with the program is 36 months forward from the acquisition date.
- d. **Exiting Market Conditions.** The advisor will exit the futures contracts evenly through time to coincide with the fuel supply contract pricing mechanism. This even liquidation of futures hedges through time and the even purchase of fuel via the Agency's fuel supply process assures the effectiveness of the hedging process. Based on the difference between the hedge price (entry price) and the settlement price (exit price), there will be a realized gain/loss associated with the hedge that will appear in the futures account. Futures contracts will be held to maturity (exited when the corresponding fuel is purchased) and, in the normal operation of the program, there will be no interim trading or early exit allowed. Exceptions to this include situations where the volume of forecasted fuel consumption decreases in which case the hedge position may be adjusted to comply with the Maximum Hedge Ratio.

D. **Physical Supply.** The physical supply of fuel will be purchased according to the Agency's procurement policies, and will be priced according to the fuel supply contract.

E. **Strategy.** The Strategy is how the program's objectives are achieved. The strategy will utilize a process:

- a. that addresses market opportunities and market risks;
- b. that examines fundamental and technical market factors in the hedge decision-making process;
- c. that holds the risk of exceeding budget at or below an acceptable level;
- d. that uses historical pricing ranges as pricing parameters;
- e. that is continuously applied through time;
- f. that will take advantage of the inherent "dollar cost averaging" properties of a continuous hedging program;
- g. that mitigates transaction timing risk by making more numerous smaller volume transactions.

These things will be accomplished by the advisor executing the appropriate transactions at the appropriate times to create the desired effect within the constraints of the policy.

F. Risk Management. The Agency will engage only in financial hedge transactions that are related to the Agency's principal business, including the operation of diesel buses and vans. The Agency will only trade specific contracts as necessary to hedge for the pricing of fuel/energy costs, as related to these areas of business, and as advised by the Advisor.

G. Execution, Reporting and Oversight.

- a. The advisor will be responsible for the day to day execution of the program including the execution of transactions, generating reports on the program's status and results, and monitoring the program and the energy markets. The advisor will generate periodic updates on the status and results of the program.
- b. The Treasury Department will provide the Board of Commissioners with a summary of its activity through the quarterly Treasurer's Report.
- c. A Hedge Committee will oversee the activities of this program. The Committee shall include Chief Financial Officer, Director of Treasury, Assistant Executive Director Transit Assets, and the Vice President of Procurement, Inventory Management & Supplier Diversity. The role of the Hedge Committee will be to determine whether a proposed hedging strategy, transaction or group of transactions is consistent with this Hedge Policy and review the performance of the hedging activity on a periodic basis. The Hedge Committee will meet no less than quarterly, and meeting minutes and Committee decisions will be documented and approved by the Committee.

**Section 30.080 Debt Issuance and Administration** (revised 6/26/09)

~~A. The Agency. The Bi State Development Agency of the Missouri Illinois Metropolitan District (the "Agency") is a body corporate and politic created and existing by reason of a joint compact (the "Compact") between the States of Missouri and Illinois (Sections 70.370 *et seq.* of the Revised Statutes of Missouri, as amended, and Illinois Compiled Statutes, Chapter 45, Act 100, as amended) and approved by the United States Congress and the President.~~

~~B. Powers to Issue Debt. RSMo Section 70.373; 45 ILCS 110/1 Ratified by Congress January 7, 1959; further amended and ratified by Congress January 3, 1985~~

- ~~1. To borrow money for any of the authorized purposes of the Agency and to issue the negotiable notes, bonds or other instruments in writing of the Agency in evidence of the sum or sums to be borrowed;~~
- ~~2. To issue negotiable refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its valid indebtedness from time to time outstanding, whether evidenced by notes, bonds or other instruments in writing;~~

3. ~~To provide that all negotiable notes, bonds or other instruments shall be payable,~~ District (the “**Agency**”) is a body corporate and politic created and existing by reason of a joint compact (the “**Compact**”) between the States of Missouri and Illinois (Sections 70.370 *et seq.* of the Revised Statutes of Missouri, as amended, and Illinois Compiled Statutes, Chapter 45, Act 100, as amended) and approved by the United States Congress and the President.

B. Powers to Issue Debt. RSMo Section 70.373; 45 ILCS 110/1 Ratified by Congress January 7, 1959; further amended and ratified by Congress January 3, 1985

1. To borrow money for any of the authorized purposes of the Agency and to issue the negotiable notes, bonds or other instruments in writing of the Agency in evidence of the sum or sums to be borrowed;
2. To issue negotiable refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its valid indebtedness from time to time outstanding, whether evidenced by notes, bonds or other instruments in writing;
3. To provide that all negotiable notes, bonds or other instruments shall be payable, both as to principal and interest, out of the revenues collected for the use of any facility or combination of facilities owned and operated by the Agency, or out of any other resources of the Agency, and may be further secured by a mortgage or deed of trust upon any property owned by the Agency. All notes, bonds or other instruments in writing issued by the Agency as herein provided shall mature innot to exceed forty years from the date thereof, shall bear interest at a rate not exceeding fourteen percent per annum, and shall be sold for not less than ninety- five percent of the par value thereof. The Agency shall have the power to prescribe the details of such notes, bonds or other instruments in writing, and of the issuance and sale thereof, and shall have power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers herein granted to the Agency, without further legislative authority;
4. To issue bonds for industrial, manufacturing or commercial facilities located within the Bi-State metropolitan district upon the security of the revenue to be derived from such facilities; and, or upon any property held or to be held by it.

C. Revenue Bonds.

#### I. General Management Policies

The Agency will provide for a periodic review of its financial performance, and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting and fare-setting process.

- A. In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted commensurately.

- B. The Agency may present any proposed adjustments to existing fares, rates, fees and charges at public meetings, and will consider recommendations and input from the public as it relates to such proposed changes.
- C. All Agency funds will be invested according to the Investment Policies of the Agency.
- D. Necessary appropriations for annual debt service requirements will be routinely included in the Agency's annual budget.
- E. The Agency will maintain proactive communication with the investment community, including rating agencies, credit enhancers and investors, to ensure future capital market access at the lowest possible rates.
- F. The Agency may appoint a special committee of local financial experts to assist management as it develops financial plans.
- G. Fund co-mingling and inter-fund borrowing.

The transit system is presently comprised of the following funds:

- Revenue Fund
- Operating Fund
- Internally Restricted Fund (Special Sales Tax Capital Fund)
- Debt Service Fund
- Sales Tax Capital Fund
- Prop M Fund
- Prop A Fund
- FTA Capital Fund
- Illinois Allocated Fund
- Private Capital Fund
- Internal Service Funds (Property, Casualty, Workers Compensation, and Medical) Excess Judgement Fund

The Agency maintains one bank depository account for operational and working capital purposes, which is comprised of the Operating, Internally Restricted, and Sales Tax Capital. While these funds are co-mingled in a single bank account, specific accounting is maintained on the Agency's books at the fund level.

Transit operations have little seasonality and are generally consistent throughout the year. Contractual funding and the annual appropriation process for state, local and federal formula funding provides approximately 95% of the Agency's funding. The annual appropriation process commences after the fiscal year begins. Local appropriations are subject to the legislative process, and Federal appropriations can be delayed up to 12 months. Consequently, Agency staff is authorized to transfer (borrow) funds within the groups identified above in order to maintain operational liquidity and adequate working capital.

In the event the above funds are exhausted, temporary operating deficits may be funded by unencumbered Self Insurance, Prop M and Prop A Funds. Staff shall inform the Board any time the local funding jurisdictions fail to provide funds within ninety days of the beginning of the fiscal



year. Management shall recommend a course of action up to and including service interruption for the jurisdiction in question.

Furthermore, the Agency utilizes the Transit Operating Fund to fund disbursements for accounts payable and payroll. The Transit Operating account funds payments for transit and business enterprise obligations. Liability accounts shall be maintained for the recording of all payments made by Transit for Business Enterprises, and Business Enterprises shall reimburse Transit, in the following month, for any such payments.

## **II. Financial Management Policies**

The Agency utilizes a comprehensive planning process to determine its long-term capital needs. The Agency evaluates each capital project in relation to established federal, state and local grants and assistance programs and levels of reserves, current rate structure, expected asset life/replacement timeline, and available revenue sources to ensure that adequate financial resources are available to support the Agency's financial obligations. The Agency's Debt and Financial Management, Investment, and Swap Policies are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such the following policies outline the Agency's approach to debt management:

- A. The Agency will evaluate financing for each capital project on a case-by-case basis. The Agency will seek to pay for all capital projects from current revenues, federal grants and assistance programs and available reserves prior to or in combination with the use of debt.
- B. The Agency will seek to issue debt only in the case where there is an identified source of repayment. Bonds will be issued to the extent that (i) projected fixed revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- C. Debt issuance for a capital project will not be considered unless such issuance has been incorporated into the capital improvement plan (Long Range Financial Plan).
- D. The Agency shall issue a request for proposal for underwriting services prior to the issuance or refunding of bonds.

## **III. Debt and Capital Management Policies**

The following policies formally establish parameters for evaluating, issuing, and managing the Agency's debt. The policies outlined below are not intended to serve as a list of rules to be applied to the Agency's debt issuance process, but rather to serve as a set of guidelines to promote sound financial management.

In issuing debt, the Agency objectives will be to:

1. Achieve the lowest cost of capital;
2. Maintain high credit ratings and access to credit enhancement;
3. Preserve financial flexibility.

#### **IV. Standards for Use of Debt Financing**

When appropriate, the Agency will use long-term debt financing to: achieve an equitable allocation of capital costs/charges between current and future system users; to provide more manageable rates in the near and medium term; and to minimize rate volatility.

- A. For growth related projects, debt financing will be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system.
- B. The Agency shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life.
- C. Capital projects financed through debt issuance generally will not be financed for a term longer than the expected useful life of the project.
- D. Lease Agreements and Installment Sale Agreements shall be considered as an alternative to long-term debt. Although these forms of alternative financing are subject to annual appropriation, they shall be considered as long-term fixed rate debt for the purposes of this policy until maturity.

#### **V. Financing Criteria**

Each debt issuance should be evaluated on an individual basis within the framework of the Agency's Long Range Financing Plan, as well as within the context of the Agency's overall financing objectives and current market conditions.

The Agency will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

- A. Credit Enhancement – The Agency will consider the use of credit enhancement on a case-by-case basis. Only when clearly demonstrable savings can be realized shall a credit enhancement be utilized.
- B. Cash-Funded Reserve vs. Surety – The Agency may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous.
- C. Call Provisions – In general, the Agency's securities should include optional call provisions. The Agency will generally avoid the sale of non-callable long-term fixed rate bonds, absent careful evaluation of the value of the call option.

- D. Additional Bonds Test/Rate Covenants - The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and these policies.
- E. Short-Term Debt – The Agency may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future bonding capacity.
- F. Use of Variable Rate Debt - The Agency will not issue variable interest rate debt unless: the proposed debt is converted to a fixed rate or hedged (for an interim period or to maturity) by use of a put-type mode, swap agreement or hedging mechanism (e.g., interest rate cap); outstanding un-hedged variable rate debt, including any proposed new variable debt, does not exceed the Agency’s “hedge position” (defined herein) in aggregate; or, interest is capitalized during the expected term that bonds will be outstanding in a variable rate mode. For this purpose, the Agency’s hedge position will be calculated as the Agency’s cash reserves multiplied by 125%. Notwithstanding the above, the Agency will refrain from issuing new variable rate debt (including synthetic variable rate debt), whether hedged or un-hedged, which exceeds 20 percent of the Agency’s aggregate debt outstanding.
- G. Use of Swaps & Derivatives - The use of any swap agreement in conjunction with the issuance or management of debt instruments will be governed by the Agency’s Swap Policy. The use of swaps to create synthetic fixed rate debt should generally be considered only such synthetic fixed rate debt would result in a 20% reduction in debt service vs. traditional fixed rate bonds.
- H. Investment of Bond Proceeds - Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in the Agency’s Investment Policy. The preservation of funds, notwithstanding, the Agency will seek to maximize investment earnings within the investment parameters set forth in each respective bond indenture. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision; specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a “net” debt service basis, where appropriate.

## **VI. Refinancing Outstanding Debt**

The Agency shall have the responsibility to evaluate potential refunding opportunities presented by underwriting and/or financial advisory firms. The Agency will consider the following issues when analyzing potential refinancing opportunities:

- (1) Debt Service Savings – The Agency shall establish a target savings level equal to 3% (current refunding) to 5% (advance refunding) of par refunded on a net present value (NPV) basis. These figures should serve only as a guideline, the

Agency must evaluate each refunding opportunity on a case-by-case basis, and must take into consideration: the time to maturity, size of the issue, current interest rate environment, annual cash flow savings, and the value of the call option. Economic savings resulting from a refunding will generally be structured to occur on a level basis over the life of the refunding bonds. The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Agency's Finance and Audit Committee and Board of Commissioners.

- (2) Restructuring - The Agency may seek to refinance a bond issue on a non-economic basis in order to restructure debt, mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, comply with and/or eliminate rate/bond covenants, or terminate a swap.
- (3) Term/Final Maturity – The Agency may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is permissible under the Agency's Compact and Federal tax law. The term of the bonds generally should not extend beyond the reasonably expected useful life of the asset being financed. The Agency may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.
- (4) Escrow Structuring - The Agency shall utilize the least costly securities available in structuring each escrow. A certificate will be required from a third party agent who is not acting as a broker-dealer, stating that the securities were purchased through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Series Securities (SLGS), or that SLGS were not available at the time of the pricing of the escrow and that the price paid was reasonable and within Federal guidelines. The Agency retains the right to use SLGS at any time in structuring its escrows.

When evaluating the economic viability of an economic versus legal defeasance, the Agency shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The Agency shall take all necessary steps to optimize its escrows and to avoid negative arbitrage in any refunding.

## **VII. Method of Issuance**

The Agency will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

- A. Competitive Sale – In a competitive sale, the Agency's bonds shall be awarded to the bidder providing the lowest true interest cost ("TIC"), as long as the bid adheres to requirements set forth in the official notice of sale.
- B. Negotiated Sale – The Agency shall assess the following circumstances that weigh toward the use of a negotiated sale:

1. Issuance of variable rate or taxable bonds;
2. Complex structure or credit considerations (such as non-rated bonds), which requires a strong pre-marketing effort;
3. Significant par value, which may limit the number of potential bidders;
4. Unique/ proprietary financing mechanism (such as a financing pool), or specialized knowledge of financing mechanism or process;
5. Market volatility, such that the Agency would be better served by flexibility in the timing of its sale in a changing interest rate environment;
6. When an Underwriter has identified new financing opportunities or presented alternative structures that financially benefit the Agency;
7. As a result of an Underwriter's familiarity with the project/financing, which enables the Agency to take advantage of efficiency and timing considerations.

C. Private Placement – From time to time the Agency may elect to issue debt on a private placement basis. Such method shall generally be considered only if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

D. Conduit Issuance – The Agency may elect to enter into financing agreements with other issuers, including but not limited to the City of St. Louis, St. Louis County, and the Missouri Development Finance Board, to permit debt to be issued on the Agency's behalf. The Agency will consider this approach if such an arrangement is expected to produce lower borrowing costs, enhance the flexibility of the Agency, or provide other operational efficiencies.

### **VIII. Market Communication, Debt Administration and Reporting Requirements**

Rating Agencies and Investors – The Chief Financial Officer shall be responsible for maintaining the Agency's relationships with Moody's Investors Service, Standard & Poor's Ratings-Services, Fitch Ratings, Kroll Bond Rating Agency or any other nationally-recognized rating service. The Agency may, from time to time, choose to deal with fewer than all of these agencies as circumstances dictate.

In addition to general communication, the Chief Financial Officer shall: (1) meet with Credit Analysts periodically as requested, and (2) prior to each competitive or negotiated sale, offer conference calls with Agency analysts in connection with the planned sale.

A. Board Communication – The Chief Financial Officer shall include in an annual report to the Finance and Audit Committee and the Board of Commissioners feedback from rating agencies and/or investors regarding the Agency's financial strengths and weaknesses and recommendations for addressing any weaknesses.

B. Continuing Disclosure – The Agency shall remain in compliance with Rule 15c2-12 or any successor rule or regulation by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year. The inability to make timely filings must be disclosed and would be a negative reflection on the Agency. While also relying on a timely audit and preparation of the Agency's annual report, the Chief Financial Officer will ensure the Agency's timely filing with each Nationally Recognized Municipal Securities Information Repository.

C. Record-Keeping and Post-Issuance Compliance – A copy of all debt-related records shall be retained at the Agency's offices. Consistent with the Agency's tax compliance agreements and post-issuance compliance policy, at minimum, these records shall include all official statements, bid documents, bond documents/transcripts, resolutions, trustee statements, leases, records related to expenditure and investment of bond proceeds, records related to periodic reviews of the use of bond financed facilities, and title reports for each Agency financing (to the extent available). To the extent possible, the Agency shall retain an electronic copy of each document.

D. Arbitrage Rebate – The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code arbitrage rebate requirements. The Chief Financial Officer shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if rebate is due, such payments are made.

A. Policy. It is the policy of the Agency that gifts and donations to the Agency are welcomed and encouraged. Gifts and donations are valued as expressions of individual support for the Agency's mission and help to enhance its services, programs and facilities by supplementing federal, state, or contractual support.

B. Types of Gifts. The Agency accepts the following types of gifts and donations: cash, tangible personal property, publicly traded and recognizable securities, real estate, bequests, trust funds and annuities.

C. Use of Gifts. The President and CEO or Board of Commissioners will carefully consider the needs of the Agency and will use a gift where it determines it is most needed, so that all donations may directly and indirectly support the public purposes of the Agency. The Agency may choose not to accept a gift if the donor wishes to place limitations or restrictions on its use or disposal. The Agency may refuse any gift that does not sufficiently benefit the Agency, is in conflict with the Agency's mission, puts the reputation of the Agency at risk, or is prohibited by law.

D. Acceptance of Gifts. The President and CEO may accept any gift or donation of the types described in Section B on behalf of the Agency. Other types of gifts and donations will be evaluated on a case-by-case basis by the Board of Commissioners.

When processing each gift, the Agency will follow generally accepted accounting principles. The Agency takes no responsibility for valuing gifts for tax purposes or for the tax

consequences to the donor.

All accepted gifts and donations become the property of the Agency. The Agency reserves the right to sell or otherwise dispose of non-monetary gifts, if the Board of Commissioners or President and CEO, determines that such sale or disposition is advisable or necessary.

E. Documentation. The Agency will retain a written receipt of each donation and gift identifying the name of the donor, the amount and the date of the donation or gift, and the nature of restriction on the gift, if any. The Agency will acknowledge each donation by letter, thanking the donor. Donors who make a significant financial or material donation will receive a contemporaneous written acknowledgement of the donation from the Agency.



**COLLECTED BOARD POLICIES**  
**OF THE**  
**BI-STATE DEVELOPMENT AGENCY**  
**OF THE**  
**MISSOURI-ILLINOIS METROPOLITAN DISTRICT**

**Chapter 30 Audit, Finance and Budget**

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**Section 30.005 Audit Committee Charter** (added 03/25/11, rev. 09/23/11 and rev. 06/24/22)

A. GENERAL (revised 09/23/11). The purpose of the Audit Charter is to assist the Board of Commissioners, through its Audit Committee, in fulfilling its fiduciary oversight responsibilities as follows:

- (1) Audit Committee management and Reporting Responsibilities
- (2) External Audit of the Financial Statements
- (3) Internal Audit Process
- (4) System of Risk Management
- (5) Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy
- (6) Special Investigations and Whistleblower Mechanism

Source: Information to develop this Charter is from *The AICPA Audit Committee TOOLKIT: Government Organizations*

B. **AUTHORITY.** The Audit Committee (“committee”) has the authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to perform the following functions, which are numbered according to the purposes listed above.

1. Audit Committee Management and Reporting Responsibilities (rev. 06/24/22)

- Each member of the Committee should be appointed by the Chairman of The Bi-State Development Agency (“Bi-State”) Board of Commissioners.
- At least one member of the Committee should have financial experience.
- The Committee should review this Charter annually, reassess the adequacy of the Charter, and recommend any proposed changes to the Board of Commissioners. It should consider changes that are necessary as a result of new laws, regulations, or accounting and auditing standards, including best auditing practices.
- The Committee should meet at least four times per year, and at additional times when necessary. These meetings may be combined with regularly scheduled meetings, or may be held more frequently as circumstances may require. The Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
- Conduct executive sessions with the independent auditors, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Audit Executive (CAE), General Counsel, outside counsel, and anyone else as desired by the Committee.
- The Committee shall be authorized to hire professional consultants as necessary.
- Review and concur on the appointment, replacement, reassignment, or dismissal of the Chief Audit Executive.
- Oversee the appointment of the independent auditors to be engaged for external reporting, and establish the related audit fees.
- If the audit organization provides any non-audit services, determine that the audit organization has considered and documented its consideration of how providing these non-audit services does not violate the requirements that the audit organization (a) not provide services that involve performing management functions or making management decisions, and (b) not audit their own work, as stipulated by best auditing practices.
- Review and evaluate the performance of the independent auditors.
- Review with the independent auditor, the Chief Financial Officer, and the Chief Audit Executive, the audit scope and plan of the internal auditors and the independent auditors. Address the coordination of audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
- The Committee should evaluate the independent auditors and internal auditors.
- The Committee should review its effectiveness.
- Create an agenda for the ensuing year, or review and approve the agenda submitted by the Chief Audit Executive.

2. External Audit of the Financial Statements (rev. 06/24/22)

- Review with management and the independent auditor the effect of any regulatory and accounting initiatives, such as related organizations financing structures, derivatives, or securities lending.
- Review with the independent auditor that performs the financial statement audit:
  - a. All critical accounting policies and practices used by Bi-State.
  - b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with Bi-State's management, the ramifications of each alternative, and the preferred treatment.
- Review all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
- Review with management and the independent auditors:
  - a. The Bi-State Development Agency's annual financial statements, related footnotes, and management's discussion and analysis;
  - b. The independent auditor's audit of the financial statements and their report thereon;
  - c. The independent auditors' judgments about the quality, not just the acceptability, of Bi-State's accounting principles as applied in its financial reporting;
  - d. The independent auditors' single audit of the federal awards administered by Bi-State and their reports thereon;
  - e. The independent auditors' examination of the effectiveness of any hedging activities;
  - f. Any significant changes required in the independent auditors' audit plan;
  - g. Any serious difficulties or disputes with management encountered during the audit. Matters required to be discussed by Statement on Auditing Standards (SAS) No. 61, *Communication With Audit Committees* (AICPA, *Professional Standards*, vol. 1, AU Sec. 380), as amended; U.S. Government Accountability Office's *Government Auditing Standards*; and the U.S. Office of Management and Budget's Circular A-133 related to the conduct of the audits.
- Review with the General Counsel and the Chief Audit Executive legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements and compliance with federal, state, and local laws and regulations.

### 3. Internal Audit Process (rev. 06/24/22)

- Review with management the policies and procedures with respect to Bi-State management's use of expense accounts, public monies, and public property, including for example, their use of Bi-State's vehicles. Consider the results of any review of these areas by the Internal Auditor or the independent auditors.

- Consider, with management, the rationale for employing audit firms other than the principal independent auditors for services that Bi-State or the independent auditor determines would not be appropriate for the principal independent auditor to perform.
- Review with management and the Chief Audit Executive:
  - a. Significant findings on internal audits during the year and management's responses thereto.
  - b. Any difficulties the internal audit team encountered in the course of their audits, including any restrictions on the scope of their work on access to required information.
  - c. Any changes required in the scope of their internal audits.
  - d. The Internal Audit Department budget and staffing.
  - e. The Internal Audit Department charter.
  - f. The Internal Audit Department's compliance with applicable standards (for example, *Government Auditing Standards*, or the Institute of Internal Auditors' (IIA's) Standards for the Professional Practice of Internal Auditing).

#### 4. System of Risk Management (rev. 06/24/22)

Inquire of management, the Internal Audit Department, and the independent auditors about significant risks or exposures facing Bi-State; assess the steps management has taken or proposes to take to minimize such risks to Bi-State; and periodically review compliance with such steps.

Inquire of the Chief Executive Officer and Chief Financial Officer regarding the fiscal health of Bi-State, as well as the financial status of Bi-State in relation to its adopted budget.

Review with the independent auditors and Chief Audit Executive:

- a. The adequacy of Bi-State's internal controls including computerized information system controls and security;
- b. Any related significant findings and recommendations of the independent auditors and internal auditors together with management's responses thereto.

#### 5. Organization's Processes for Monitoring Compliance with Laws and Regulations and the Ethics Policy, Code of Conduct and Fraud Policy (rev. 06/24/2022)

- a. Periodically review Bi-State's code of conduct to ensure that it is adequate and up to date.
- b. Review with the Chief Audit Executive and General Counsel the results of their review of compliance monitoring with the code of conduct.

### **Section 30.010                      Annual Audit**

A.     Policy (revised 5/22/09 and 6/24/22). It is the policy of the Agency to submit its books and records to annual audit by a nationally recognized CPA firm. The firm selected shall have broad experience in auditing large local government and/or agencies in compliance with relevant federal rules and regulations such as the Single Audit Act and examining any hedging activities. The firm, and any principals of the firm, shall have no direct or indirect personal or financial interest in the fiscal affairs of the Agency, or of any officer of the Agency. The Agency shall not engage any firm, or any lead or concurring audit partner connected with that firm's provision of audit services to the Agency, for a contract term in excess of five (5) consecutive years.

B.     Reporting. This firm reports its findings and conclusions to the entire Commission each year and may meet with the Audit Committee at any time during the year. Upon receipt of the final management letter, the President & Chief Executive Officer will promptly forward a response to the Audit Committee indicating the status of each recommendation or finding.

### **Section 30.020 Internal Audit (rev. 06/24/22)**

A.     Policy. It is the policy of the Agency to employ a Chief Audit Executive who shall report directly to the Board of Commissioners. The Chief Audit Executive shall supervise and direct the staff of the Internal Audit Department. The Internal Audit Department shall provide independent objective analysis and recommendations to assist the President & Chief Executive Officer and management in effectively discharging their administrative responsibilities. The Internal Audit Department shall perform routine audits of compliance of Agency divisions with internal Agency rules and regulations. The Internal Audit Department shall at all reasonable times have access to the accounts, books and records of the Agency, and the Department may in relation to such interview the President & Chief Executive Officer and other employees of the Agency.

B.     Work Plan. The Chief Audit Executive shall be responsible for preparing an annual Audit Work Plan. Additionally, Commissioners and Senior Managers shall identify potential areas for review by the Internal Audit Department. Upon completion of the Audit Work Plan, the Chief Audit Executive shall present the Plan to the Audit Committee for their review and approval pursuant to these Board Policies.

C.     Special Reviews. From time to time the President & Chief Executive Officer may assign to the Chief Audit Executive special reviews designed to assure continuous quality improvement of Agency operations.

### **Section 30.030                      Annual Budget**

A.     General. Each year the President & Chief Executive Officer shall prepare an annual budget for the forthcoming fiscal year that will be presented to the Board of Commissioners. The President & Chief Executive Officer will work with the Board in setting strategic objectives, update the Agency's long range planning document, and prepare both an operating and capital budget. The operating budget shall include proposed expenditures for current operations during the ensuing fiscal year and the method of financing such expenditures. The capital budget shall include capital

expenditures for a 3-year period and the proposed method of financing such expenditures.

B. Approval. The President & Chief Executive Officer will present the annual budget at a regularly scheduled meeting of the Board of Commissioners. The Board of Commissioners shall approve annual operating and capital budgets prior to the beginning of the ensuing fiscal year.

**Section 30.040      Banking and Investment (rev. 06/23/06, 11/19/10, 09/28/12)**

A. Policy. It is the policy of Bi-State Development to (i) meet the daily cash flow demands of the Agency; (ii) comply with public funds investment directives of Missouri and Illinois; (iii) invest funds in a manner which will provide maximum safety of principal and liquidity; (iv) provide the highest possible investment return. This policy directs the investment of all funds of all entities of the Bi-State Development Agency not expressly controlled by the Revenue Bond Trustees.

B. Objectives. The primary objectives of the Agency's investment activities, in order of priority, shall be as follows:

1. Preservation and Safety of Principal. The objective is to mitigate credit and interest rate risk.
  - a. Credit risk. The Agency will minimize credit risk, which is the risk of loss due to the failure of the security issuer by:
    - Limiting investments to the types of securities listed in Section D of this policy.
    - Pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisers with which the Agency will do business.
    - Diversifying the investment portfolio so that the potential impact of losses will be minimized.
  - b. Interest rate risk. The Agency will minimize interest rate risk, which is the risk that the market value of the securities in the portfolio will fall due to changes in market interest rates by:
    - Structuring the investment portfolio so that securities mature in a manner that cash requirements for ongoing operations will be met, thereby avoiding the need to sell securities on the open market prior to maturity; and
    - Investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with Section H.4.
2. Liquidity. The Agency's investment portfolio will remain sufficiently liquid to meet all operating requirements. Liquidity will be determined by the flow of revenues and expenditures using cash flow projections and historical data.
3. Yield. Thereafter, the highest yield consistent with safety is required, provided the maturities are short enough to maintain operational liquidity.
4. Location. It is the Board's intent to have the majority of the available funds invested in local institutions provided the institutions meet the minimum credit standings set out below and yields are competitive.

C. Standards of Care.

1. Investment Authority. The Chief Financial Officer and the Director of Treasury are designated as the Investment Officers who are responsible for investment transactions, as well as, establishing the internal controls and written procedures for the operation of the investment program. No other officers or designees may engage in investment or banking transactions except as provided under the terms of the Investment Policy and procedure established.
2. Prudence. The Agency's investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and considering the safety of capital and the yield to be derived. The standard of care to be used by the Investment Officers shall be said "prudent person" standard and shall be applied in the context of managing an overall portfolio and whether the investment decision was consistent with the written investment policy of the Agency.
3. Ethics and Conflicts of Interest. Investment Officers involved in the investment process shall refrain from personal business activity that could conflict or be perceived to conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions.

D. Authorized investment categories (revised 4/24/09 and 11/19/10)

1. Demand Deposit, Negotiable Order Withdrawal (NOW), Bank Money Market, Certificate of Deposit and Savings Accounts - issued by banks or thrifts where the account or investment is either collateralized with direct obligations of the U.S. Government or its instrumentalities, or covered by FDIC insurance, or other AAA rated surety.
2. Negotiable Certificates of Deposit - provided that the institution maintains a Fitch rating of B or better and/or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
3. Bankers Acceptances - provided that the institution maintains a Fitch rating of B or better and/or a Moody's Investor Services short-term rating of P-1. The institutions selected will have a minimum of \$100 million in combined capital and unimpaired surplus.
4. Direct Obligations of the United States Government, U.S. Government Agencies or U.S. Government Instrumentalities.
5. Commercial Paper - Commercial paper at the time of purchase shall have ratings of A-1 by Standard and Poor's Rating Services and P-1 by Moody's Investors Services.
6. Repurchase Agreements (revised 11/19/10) - Repurchase agreements (repos) are acceptable, using any of the securities listed in paragraphs D-4 as collateral. Also, the firm with whom the repo is executed must be a credit acceptable bank, or broker-dealer. A credit acceptable bank or broker-dealer is defined as one whose senior

debt rating is A- by one of the three nationally recognized ratings agencies (Standard & Poor's, Moody's, or Fitch). Banks in the Agency's service area that do not have a Standard & Poor's, Moody's or Fitch rating, may also be authorized repo counterparties, provided that they meet the "well capitalized" standard, as defined by the Federal Deposit Insurance Corporation. A written repurchase agreement, substantially modeled on, but in no case less restrictive than, the Securities Industry and Financial Markets Association's "Master Repurchase Agreement", shall be completed for each repo counter party. Such agreements shall be updated periodically, but no less than once every five years. In all cases, repo collateral shall have a market value of 102% of the dollars invested, plus accrued interest. If the repo term is longer than an overnight maturity, the collateral must be delivered to a third party custodian, and priced-to-market weekly to assure correct collateral value coverage.

The Director of Treasury shall obtain approval from the Chief Financial Officer before authorizing a repo counterparty. Before approval, documentation shall be furnished that the authorized counterparty meets the required criteria. The Director of Treasury will also monitor continued compliance with the criteria.

7. Money Market Funds - Acceptable funds shall be institutional moneymarket funds having over \$500 million in net assets and be rated AAA by Standard and Poor's, Moody's and/or Fitch rating services.
  8. Reverse Repurchase Agreement - A reverse repurchase Agreement or short-term borrowing (180 days or less), using securities in the Agency's portfolio as collateral, is acceptable. However, the firm with whom the borrowing is executed must meet the same requirements as stated previously for repurchase agreements. Also, the borrowed funds may be used to purchase other securities as an investment arbitrage. In this case, the new investment maturity date must match (+/- one week) the maturity date of the reverse repo, and those instruments must be delivered into the Agency's safekeeping account and held there until maturity. The Board shall be notified of all such transactions through the Treasurer's monthly report.
- E. Collateralization.
1. Collateralization of 102% will be required for demand deposits, repurchase agreements, and certificates of deposit over FDIC insured limits.
  2. The Agency limits the type of collateral required to Direct Obligations of the United States Government, United States Government Agencies, or United State Government Instrumentalities.

F. Banking Services. To ensure the best service and cost effectiveness these services will be negotiated periodically. The number of demand deposit non-interest bearing accounts will be kept to a minimum for operational efficiency and safety. Any two of the following may open bank accounts, subject to the approval of the Board of Commissioners through a confirming motion at a meeting of the Board of Commissioners:

Chair, Board of Commissioners

President & Chief Executive Officer



G. Monitoring and Reporting

1. Investment Performance. Investment Officers will provide the Treasurer of the Board of Commissioners with a quarterly report including deposits, investments, yields, the monthly summary of the prior 12 months' funds experience, and the amount of deposits at each institution. The report will also provide the average maturity of investments and a benchmark yield to show the investment portfolio's effectiveness in reaching the Agency's need for liquidity, safety, rate of return, and diversification.

H. Investment Transaction Criteria: (revised 4/24/09)

1. Competition – Banks and other financial institution, which meet the criteria below, will be selected for investments only on a competitive basis, Bids for Investments will be solicited by the Director of Treasury, and deemed necessary and approved by the Chief Financial Officer, using a bid process established by the Investment Officers. Rate of return will be considered the primary factor when selecting a bid, followed by the bidding institute.
2. Denial of Business – The Board directs management to refrain from investing Agency funds in any financial institutions or businesses that conduct business with governments deemed unacceptable by the Federal Government through executive order or enacted legislation.
3. Safekeeping Accounts – Securities purchased are delivered against payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds, and held in a custodian safekeeping account. Tri-party custodian agreements maintained with third party trust companies as well as the Federal Reserve Bank are acceptable. Hold-In-Custody repurchase agreements for fourteen days or less will be processed through special transaction control accounts. These accounts will be audited quarterly by Internal Audit and the results reported through the Treasurer, to the Board of Commissioners.
4. Maturity Limitations - To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, no funds shall be invested for more than five years from the date of settlement. The weighted average maturity of the portfolio shall at no time exceed eighteen months.

For Securities that are subject to redemption (call) before final maturity, the final maturity date shall be used both for compliance with the five year limitation and in calculating the weighted average maturity.

5. Diversification

- a. Unlimited investment in the following:
  - U.S. Government obligations
  - U. S. Government Agency obligations

- U. S. Government Instrumentality obligations
- Repurchase Agreements – secured by the 3 U. S. obligations noted immediately above.
- Money Market Funds – Institutional money market funds having over \$500 million in net assets and rated AAA by Standard & Poor's, Moody's and/or Fitch rating services.
- b. Investments not to exceed \$5.0 million par value from any one issuer:
  - Bankers Acceptances
  - Commercial Paper
  - Negotiable Certificates of Deposit
- c. All investments must be paid for before they may be sold.

I. Agency Debt. Agency debt may be incurred only by the specific authority of the Board of Commissioners through special action. Notwithstanding Section D above, all funds under such debt resolutions or indentures of trust shall be controlled by the investment set forth in such documents.

J. Check Signatories (rev. 01/04/08)

1. All General Operating Funds

- a. Under \$15,000 - One signature from the following:
  - Treasurer, Board of Commissioners (including facsimile signature) or in the event of a vacancy in the Treasurer's position,
  - Secretary, Board of Commissioners (including facsimile signature)
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- b. \$15,001 to \$100,000 - Two signatures from the following:
  - Treasurer, Board of Commissioners (including facsimile signature) or in the event of a vacancy in the Treasurer's position,
  - Secretary, Board of Commissioners (including facsimile signature)
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- c. \$100,001 to \$500,000 - Two signatures from the following:
  - Chair, Board of Commissioners
  - Treasurer, Board of Commissioners
  - President & Chief Executive Officer
  - Chief Financial Officer
  - Director of Treasury
- d. \$500,001 to \$1,000,000 - Two signatures from the following:
  - Chair, Board of Commissioners
  - Treasurer, Board of Commissioners
  - President & Chief Executive Officer
  - Chief Financial Officer
- e. \$1,000,001 and above - Two signatures, one each from Group A and Group B:

GROUP A

- Treasurer, Board of Commissioners
- President & Chief Executive Officer

GROUP B

- Chair, Board of Commissioners
- Vice Chair, Board of Commissioners
- Secretary, Board of Commissioners

K. Wire Transfer Authority (rev. 01/04/08) Wire Transfers and Automated Clearing House Transactions (ACH) are authorized for the transfer of funds between checking, investment and savings accounts, payment of services, equipment, construction in process, as well as, payroll related expenditures that are authorized by and in the name of the Bi-State Development Agency.

1. Wire Transfer and Automated Clearing House Transactions (ACH) authority is limited to the below listed individuals. Wire transfers of a non-repetitive nature require the authority of any two of the below listed individuals:

- President & Chief Executive Officer
- Chief Financial Officer
- Director of Treasury

- a. Any individual Automated Clearing House Transaction (ACH) over \$1 million  
- Two signatures, one each from Group A and Group B:

GROUP A

- Treasurer, Board of Commissioners
- President & Chief Executive Officer

GROUP B

- Chair, Board of Commissioners
- Vice Chair, Board of Commissioners
- Secretary, Board of Commissioners

2. Authorization to create new repetitive Wire Transfers and Automated Clearing House Transactions (ACH) requires approval of any two of the following:

- President & Chief Executive Officer
- Chief Financial Officer
- Chair, Vice Chair, Treasurer, Secretary, Board of Commissioners

- L. Authorized Signatories for the Release of Pledged Collateral:

- President & Chief Executive Officer
- Chief Financial Officer
- Director of Treasury

- M. Authorized Agency Funds: (revised 8/15/07, 09/28/12)

1. Operating Funds – Operating Funds include a general operating account, accounts payable accounts for clearing checks and EFT payments, a payroll account, and investment transitory accounts for security purchases. In addition, there is an investment safekeeping account for operating funds.

2. Revenue Funds – Revenue funds are established for Transit Revenue, Ticket Vending, Machine Credit Card Revenue, Passenger Revenue, Metrolink Revenue, Fare box Revenue, and Call A Ride Revenue.

3. Internal Service Funds – Deposit accounts and investment safekeeping accounts are established for Medical, Property, Workers Compensation, and Casualty Internal Service Funds.
4. Sales Tax and Internally Restricted Funds – Sales Tax Capital amounts and Restricted funds are kept in individual investment safekeeping accounts.
5. Enterprise Funds – Deposit accounts are established for the operational and capital needs of the Agency, the Gateway Arch, the Riverfront Attractions, the St. Louis Downtown Airport, Freighway, and Arts in Transit and the investment safekeeping accounts are used as needed to invest excess funds.

#### **Section 30.050 Financial Reporting** (revised 09/25/09)

A. Policy. It is the policy of the Agency to prepare the financial results of each operating company as required by specific agreement, but not less than quarterly. Financial statements for the Board of Commissioners shall be prepared quarterly, and include the following statements:

1. Transmittal letter of noteworthy variations, including disclaimer
2. Balance Sheet
3. Statement of Revenue, Expense Income (Loss)
4. Capital Expenditures for Active Projects
5. Statement of Cash Flows
6. Aged Receivables

#### **Disclaimer:**

The following disclaimer shall be included in each transmittal letter of noteworthy variance:

“These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the following reasons: Depreciation is not shown as an operating expense, but as other non-operating expense; capital contributions and total net assets are now shown on the Statement of Revenue, Expense, Income (Loss); and there are no accompanying footnote disclosure requirements or Management Discussion and Analysis (MD & A) sections included.”

#### **Section 30.060 Risk Management** (revised 2/25/2000 and 08/20/2021)

A. General. One of the Agency's primary objectives is to provide safe, reliable, and cost-effective transportation services while complying with federal, state, and local laws. In support of that objective, the Agency will develop and maintain an effective, integrated risk management program. This policy applies to all exposures to risk of loss that are fortuitous and result from external causes. These exposures include, but are not limited to, fires, collisions, theft, windstorm, construction accidents, workers' compensation claims, and auto or general liability claims as well as associated lawsuits against the Agency.

B. Authority and Responsibility. The Director of Risk Management is responsible for recommending the overall direction of the Agency's risk management program as specified in the

## Agency's Management Policies & Procedures.

C. Self-Insurance (revised 08/20/21). The Agency will self-insure those routine risks associated with its core transit operations. Risk exposures above the self-insured retention will be covered by excess insurance if such excess insurance is available and affordable.

D. Third Party Administrator (revised 08/20/21). The Agency will contract with a third party adjusting firm to assist in administering claims handling (TPA). The Risk Management Department will monitor the TPA and hold quarterly claims reviews. An annual audit will be performed.

E. Insurance. Primary property and liability insurance will be purchased for unique or special risks of loss, for major construction projects, and when required by law or by contract. A Broker of Record will perform the insurance marketing function under the direction of the Director of Risk Management.

F. Self-Insurance Fund (revised 08/20/21). The Agency will maintain asset accounts, referred to as "Self-Insurance Funds", as authorized by the Board of Commissioners on October 1, 1982, to support liabilities accrued as a result of its self-insured losses. The Chief Financial Officer of the Agency will maintain the Self-Insurance Fund, complying with prudent business practices and all applicable governmental pronouncements, and determine the amount of annual funding required. The fund is subject to following guidelines:

1. The current balance will be sufficient to pay estimated judgments, settlements, losses, and expenses for a three (3) year time period.
2. The amounts held in the Self Insurance Funds shall be used solely for the purpose of paying such liabilities and expenses.
3. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Self Insurance Funds to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Self Insurance Funds shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as Farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

G. Excess Judgment Fund (revised 08/20/21). The Agency will maintain an additional asset account, referred to as the "Excess Judgment Fund", as authorized by the Board of Commissioners on July 7, 1989, to provide supplemental cash flow to the Self-Insurance Funds, in the event of a large or catastrophic loss that is greater than 50% of the Agency's Self-Insured retention amount for that year. In addition, this fund will provide temporary or emergency funds for property losses that are equal or greater than \$500,000 and where the insurer has delayed payment or is questioning coverage under its policy. The Chief Financial Officer of the Agency will maintain the Excess Judgment Fund, complying with prudent business practices and all applicable governmental pronouncements. The fund is subject to following guidelines:

1. The goal is to attain and maintain a \$5,000,000 fund balance.
2. A minimum of \$250,000 shall be appropriated annually by the Board as part of the budget process until the fund goal of \$5,000,000 is reached.
3. Interest earned by monies in the fund shall inure exclusively to the fund on a cash basis until the fund goal of \$5,000,000 is reached.
4. Monies appropriated to the fund shall be deposited in the account at the beginning of the Fiscal Year, or as received from the funding jurisdictions.
5. This unencumbered balance of this fund may be used as collateral for short-term debt obligations.
6. The Chief Financial Officer, with concurrence of the President & CEO, is authorized to borrow amounts from the Excess Judgment Fund to pay expenses of the Transit System in anticipation of routine operating subsidies and capital grants. All amounts borrowed from the Excess Judgment Fund shall be reimbursed to such Fund as soon as possible with normal Agency revenues such as farebox revenue, sales tax revenues, interest earnings and operating subsidy funds. The Board of Commissioners is to be notified, in writing, of any borrowing, outlining the amount borrowed.

H. Claim Settlement Authorization (revised 08/20/21). The Board of Commissioners must approve defense settlements exceeding the Missouri sovereign immunity limit for any one person in a single accident or occurrence. The Claim Settlement Authorization, based upon the Missouri sovereign immunity limit, shall be adjusted annually as published by the Missouri Department of Insurance. Authorization granted by the Board of Commissioners is deemed to include an additional contingency amount, equal to 20% of the actual authorization granted, for extraordinary use by the President & CEO. This additional authorization may be granted by the President & CEO as trial approaches or during the actual trial. For settlement amounts over \$100,000 and up to the sovereign immunity limit, the President & CEO will approve and must notify and receive acknowledgement from the Board of Commissioner's Chair and Vice Chair. Settlements from \$20,000 to \$100,000 will require the approval of the Director of Risk Management who must notify and receive acknowledgement from the Agency's General Counsel.

I. Litigation Management and Board Notification (revised 08/20/21). In addition to requests for settlement, authorization, the Board of Commissioners will be notified by management about large claims or lawsuits that may significantly impact the Agency's financial stability, its assets, or its public image.

1. The Director of Risk Management will regularly provide informational briefs to the Board on claims and lawsuits that fall into the following classifications:
  - a. Fatalities & severely disabling injuries.
  - b. Jury verdict range or settlement range is expected to exceed \$100,000.
  - c. Other unusual or sensitive claims which may be of particular interest to the Commissioners.
  - d. Final results on claims where the Board has extended settlement authorization.

2. The briefing to the Board will contain:
  - a. Facts & background of the case.
  - b. Summary of injuries & special damages.
  - c. Assessment of liability and expected outcome.
  - d. Litigation history and status if in suit.
  - e. Opinion of legal counsel (if assigned).
  - f. Recommendations and strategy for an appropriate resolution.
3. The Director of Risk Management will maintain a written litigation management program, attorney billing guidelines, and procedures for selecting and retaining defense counsel as specified in more detail in the Agency's Management Policies & Procedures.

J. Review of Agency Contracts and Documents. The Director of Risk Management, in consultation with the Agency's General Counsel as needed, will review Agency contracts, leases, agreements, easements or other documents that transfer risk, specify indemnity obligations, or require specific insurance from one or more of the parties.

### **Section 30.070                      Hedging** (effective 2/23/2001; revised 11/20/15; revised 06/25/21)

A. General. Because of the nature of its responsibilities to the St. Louis Metropolitan region, the Bi-State Development Agency (Agency) manages financial risks attributed to the price variability of fuel usage. This risk can be managed effectively through the use of hedging techniques. The purpose of this policy is to generally outline how the Agency will manage these risks, what techniques will be employed, and the general guidelines to be followed.

B. Definition. A hedge is a financial tool used to reduce the risk associated with normal business activities of buying fuel. The purpose of this hedging program is not to make or lose money but to manage risk. This program is not an investment and should not be construed as such. Realized gains or losses will be considered as an element of fuel cost. A hedging program will:

- a. seek to decrease the volatility of fuel cost;
- b. seek to increase the likelihood that actual net fuel cost will remain below the budgeted cost;
- c. seek to increase the certainty of future fuel cost;
- d. seek to attain a lower overall cost of fuel in the long-term;
- e. seek to manage year-over-year changes in fuel cost.

#### C. Program Infrastructure.

- a. Instruments. The agency will maintain a futures account with a Futures Commission Merchant (Broker, which may be a separate entity from the Advisor. The Agency, through the management and direction of an

Advisor, acquires, holds, and disposes of fuel futures contracts in the operation of its program. The high correlation between the movement of the price that the Agency pays for its fuel and the movement of the value of the futures contracts produces the program's effectiveness as a hedge. Due to the liquidity of the futures contracts purchased, these contracts do not require an investment grade rating.

- b. **Maximum Hedge Ratio.** The Agency's volume of fuel consumption is predictable and without significant variability over time. Given this, the maximum hedge ratio will be limited to 95% of forecasted consumption.
- c. **Maximum Hedge Maturity.** To allow the establishment of cost certainty in current and future budget periods, the maximum maturity of the futures contracts taken in conjunction with the program is 36 months forward from the acquisition date.
- d. **Exiting Market Conditions.** The advisor will exit the futures contracts evenly through time to coincide with the fuel supply contract pricing mechanism. This even liquidation of futures hedges through time and the even purchase of fuel via the Agency's fuel supply process assures the effectiveness of the hedging process. Based on the difference between the hedge price (entry price) and the settlement price (exit price), there will be a realized gain/loss associated with the hedge that will appear in the futures account. Futures contracts will be held to maturity (exited when the corresponding fuel is purchased) and, in the normal operation of the program, there will be no interim trading or early exit allowed. Exceptions to this include situations where the volume of forecasted fuel consumption decreases in which case the hedge position may be adjusted to comply with the Maximum Hedge Ratio.

D. **Physical Supply.** The physical supply of fuel will be purchased according to the Agency's procurement policies, and will be priced according to the fuel supply contract.

E. **Strategy.** The Strategy is how the program's objectives are achieved. The strategy will utilize a process:

- a. that addresses market opportunities and market risks;
- b. that examines fundamental and technical market factors in the hedge decision-making process;
- c. that holds the risk of exceeding budget at or below an acceptable level;
- d. that uses historical pricing ranges as pricing parameters;
- e. that is continuously applied through time;
- f. that will take advantage of the inherent "dollar cost averaging" properties of a continuous hedging program;
- g. that mitigates transaction timing risk by making more numerous smaller volume transactions.

These things will be accomplished by the advisor executing the appropriate transactions at the appropriate times to create the desired effect within the constraints of the policy.



F. Risk Management. The Agency will engage only in financial hedge transactions that are related to the Agency's principal business, including the operation of diesel buses and vans. The Agency will only trade specific contracts as necessary to hedge for the pricing of fuel/energy costs, as related to these areas of business, and as advised by the Advisor.

G. Execution, Reporting and Oversight.

- a. The advisor will be responsible for the day to day execution of the program including the execution of transactions, generating reports on the program's status and results, and monitoring the program and the energy markets. The advisor will generate periodic updates on the status and results of the program.
- b. The Treasury Department will provide the Board of Commissioners with a summary of its activity through the quarterly Treasurer's Report.
- c. A Hedge Committee will oversee the activities of this program. The Committee shall include Chief Financial Officer, Director of Treasury, Assistant Executive Director Transit Assets, and the Vice President of Procurement, Inventory Management & Supplier Diversity. The role of the Hedge Committee will be to determine whether a proposed hedging strategy, transaction or group of transactions is consistent with this Hedge Policy and review the performance of the hedging activity on a periodic basis. The Hedge Committee will meet no less than quarterly, and meeting minutes and Committee decisions will be documented and approved by the Committee.

**Section 30.080 Debt Issuance and Administration** (revised 6/26/09)

A. Agency. The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "**Agency**") is a body corporate and politic created and existing by reason of a joint compact (the "**Compact**") between the States of Missouri and Illinois (Sections 70.370 *et seq.* of the Revised Statutes of Missouri, as amended, and Illinois Compiled Statutes, Chapter 45, Act 100, as amended) and approved by the United States Congress and the President.

B. Powers to Issue Debt. *RSMo Section 70.373; 45 ILCS 110/1 Ratified by Congress January 7, 1959; further amended and ratified by Congress January 3, 1985*

1. *To borrow money for any of the authorized purposes of the Agency and to issue the negotiable notes, bonds or other instruments in writing of the Agency in evidence of the sum or sums to be borrowed;*
2. *To issue negotiable refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its valid indebtedness from time to time outstanding, whether evidenced by notes, bonds or other instruments in writing;*
3. *To provide that all negotiable notes, bonds or other instruments shall be payable, both as to principal and interest, out of the revenues collected for the use of any*

*facility or combination of facilities owned and operated by the Agency, or out of any other resources of the Agency, and may be further secured by a mortgage or deed of trust upon any property owned by the Agency. All notes, bonds or other instruments in writing issued by the Agency as herein provided shall mature innot to exceed forty years from the date thereof, shall bear interest at a rate not exceeding fourteen percent per annum, and shall be sold for not less than ninety- five percent of the par value thereof. The Agency shall have the power to prescribe the details of such notes, bonds or other instruments in writing, and of the issuance and sale thereof, and shall have power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers herein granted to the Agency, without further legislative authority;*

4. *To issue bonds for industrial, manufacturing or commercial facilities located within the Bi-State metropolitan district upon the security of the revenue to be derived from such facilities; and, or upon any property held or to be held by it.*

C. Revenue Bonds.

**I. General Management Policies**

The Agency will provide for a periodic review of its financial performance, and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting and fare-setting process.

- A. In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted commensurately.
- B. The Agency may present proposed adjustments to existing fares, rates, fees and charges at public meetings, and will consider recommendations and input from the public as it relates to such proposed changes.
- C. All Agency funds will be invested according to the Investment Policies of the Agency.
- D. Necessary appropriations for annual debt service requirements will be routinely included in the Agency's annual budget.
- E. The Agency will maintain proactive communication with the investment community, including rating agencies, credit enhancers and investors, to ensure future capital market access at the lowest possible rates.
- F. The Agency may appoint a special committee of local financial experts to assist management as it develops financial plans.
- G. Fund co-mingling and inter-fund borrowing.

Transit is presently comprised of the following funds:

- Revenue Fund

- Operating Fund
- Internally Restricted Fund (Special Sales Tax Capital Fund)
- Debt Service Fund
- Sales Tax Capital Fund
- Prop M Fund
- Prop A Fund
- FTA Capital Fund
- Illinois Allocated Fund
- Private Capital Fund
- Internal Service Funds (Property, Casualty, Workers Compensation, and Medical) Excess Judgement Fund

The Agency maintains one bank depository account for operational and working capital purposes, which is comprised of the Operating, Internally Restricted, and Sales Tax Capital. While these funds are co-mingled in a single bank account, specific accounting is maintained on the Agency's books at the fund level.

Transit operations have little seasonality and are generally consistent throughout the year. Contractual funding and the annual appropriation process for state, local and federal formula funding provides approximately 95% of the Agency's funding. The annual appropriation process commences after the fiscal year begins. Local appropriations are subject to the legislative process, and Federal appropriations can be delayed up to 12 months. Consequently, Agency staff is authorized to transfer (borrow) funds within the groups identified above in order to maintain operational liquidity and adequate working capital.

In the event the above funds are exhausted, temporary operating deficits may be funded by unencumbered Self Insurance, Prop M and Prop A Funds. Staff shall inform the Board any time the local funding jurisdictions fail to provide funds within ninety days of the beginning of the fiscal year. Management shall recommend a course of action up to and including service interruption for the jurisdiction in question.

Furthermore, the Agency utilizes the Transit Operating Fund to fund disbursements for accounts payable and payroll. The Transit Operating account funds payments for transit and business enterprise obligations. Liability accounts shall be maintained for the recording of all payments made by Transit for Business Enterprises, and Business Enterprises shall reimburse Transit, in the following month, for any such payments.

## **II. Financial Management Policies**

The Agency utilizes a comprehensive planning process to determine its long-term capital needs. The Agency evaluates each capital project in relation to established federal, state and local grants and assistance programs and levels of reserves, current rate structure, expected asset life/replacement timeline, and available revenue sources to ensure that adequate financial resources are available to support the Agency's financial obligations. The Agency's Debt and Financial Management, Investment, and Swap Policies are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such the following policies outline the Agency's approach to debt management:

- A. The Agency will evaluate financing for each capital project on a case-by-case

basis. The Agency will seek to pay for all capital projects from current revenues, federal grants and assistance programs and available reserves prior to or in combination with the use of debt.

- B. The Agency will seek to issue debt only in the case where there is an identified source of repayment. Bonds will be issued to the extent that (i) projected fixed revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- C. Debt issuance for a capital project will not be considered unless such issuance has been incorporated into the capital improvement plan (Long Range Financial Plan).
- D. The Agency shall issue a request for proposal for underwriting services prior to the issuance or refunding of bonds.

### **III. Debt and Capital Management Policies**

The following policies formally establish parameters for evaluating, issuing, and managing the Agency's debt. The policies outlined below are not intended to serve as a list of rules to be applied to the Agency's debt issuance process, but rather to serve as a set of guidelines to promote sound financial management.

In issuing debt, the Agency objectives will be to:

- 1. Achieve the lowest cost of capital;
- 2. Maintain high credit ratings and access to credit enhancement;
- 3. Preserve financial flexibility.

### **IV. Standards for Use of Debt Financing**

When appropriate, the Agency will use long-term debt financing to: achieve an equitable allocation of capital costs/charges between current and future system users; to provide more manageable rates in the near and medium term; and to minimize rate volatility.

- A. For growth related projects, debt financing will be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system.
- B. The Agency shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life.
- C. Capital projects financed through debt issuance generally will not be financed for a term longer than the expected useful life of the project.

- D. Lease Agreements and Installment Sale Agreements shall be considered as an alternative to long-term debt. Although these forms of alternative financing are subject to annual appropriation, they shall be considered as long-term fixed rate debt for the purposes of this policy until maturity.

## **V. Financing Criteria**

Each debt issuance should be evaluated on an individual basis within the framework of the Agency's Long Range Financing Plan, as well as within the context of the Agency's overall financing objectives and current market conditions.

The Agency will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

- A. Credit Enhancement – The Agency will consider the use of credit enhancement on a case-by-case basis. Only when clearly demonstrable savings can be realized shall a credit enhancement be utilized.
- B. Cash-Funded Reserve vs. Surety – The Agency may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous.
- C. Call Provisions – In general, the Agency's securities should include optional call provisions. The Agency will generally avoid the sale of non-callable long-term fixed rate bonds, absent careful evaluation of the value of the call option.
- D. Additional Bonds Test/Rate Covenants - The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and these policies.
- E. Short-Term Debt – The Agency may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future bonding capacity.
- F. Use of Variable Rate Debt - The Agency will not issue variable interest rate debt unless: the proposed debt is converted to a fixed rate or hedged (for an interim period or to maturity) by use of a put-type mode, swap agreement or hedging mechanism (e.g., interest rate cap); outstanding un-hedged variable rate debt, including any proposed new variable debt, does not exceed the Agency's "hedge position" (defined herein) in aggregate; or, interest is capitalized during the expected term that bonds will be outstanding in a variable rate mode. For this purpose, the Agency's hedge position will be calculated as the Agency's cash reserves multiplied by 125%. Notwithstanding the above, the Agency will refrain from issuing new variable rate debt (including synthetic variable rate debt), whether hedged or un-hedged, which exceeds 20 percent of the Agency's aggregate debt outstanding.

- G. Use of Swaps & Derivatives - The use of any swap agreement in conjunction with the issuance or management of debt instruments will be governed by the Agency's Swap Policy. The use of swaps to create synthetic fixed rate debt should generally be considered only such synthetic fixed rate debt would result in a 20% reduction in debt service vs. traditional fixed rate bonds.
- H. Investment of Bond Proceeds - Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in the Agency's Investment Policy. The preservation of funds, notwithstanding, the Agency will seek to maximize investment earnings within the investment parameters set forth in each respective bond indenture. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision; specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a "net" debt service basis, where appropriate.

## **VI. Refinancing Outstanding Debt**

The Agency shall have the responsibility to evaluate potential refunding opportunities presented by underwriting and/or financial advisory firms. The Agency will consider the following issues when analyzing potential refinancing opportunities:

- (1) Debt Service Savings – The Agency shall establish a target savings level equal to 3% (current refunding) to 5% (advance refunding) of par refunded on a net present value (NPV) basis. These figures should serve only as a guideline, the Agency must evaluate each refunding opportunity on a case-by-case basis, and must take into consideration: the time to maturity, size of the issue, current interest rate environment, annual cash flow savings, and the value of the call option. Economic savings resulting from a refunding will generally be structured to occur on a level basis over the life of the refunding bonds. The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Agency's Finance and Audit Committee and Board of Commissioners.
- (2) Restructuring - The Agency may seek to refinance a bond issue on a non-economic basis in order to restructure debt, mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, comply with and/or eliminate rate/bond covenants, or terminate a swap.
- (3) Term/Final Maturity – The Agency may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is permissible under the Agency's Compact and Federal tax law. The term of the bonds generally should not extend beyond the reasonably expected useful life of the asset being financed. The Agency may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.

- (4) Escrow Structuring - The Agency shall utilize the least costly securities available in structuring each escrow. A certificate will be required from a third party agent who is not acting as a broker-dealer, stating that the securities were purchased through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Series Securities (SLGS), or that SLGS were not available at the time of the pricing of the escrow and that the price paid was reasonable and within Federal guidelines. The Agency retains the right to use SLGS at any time in structuring its escrows.

When evaluating the economic viability of an economic versus legal defeasance, the Agency shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The Agency shall take all necessary steps to optimize its escrows and to avoid negative arbitrage in any refunding.

## **VII. Method of Issuance**

The Agency will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

- A. Competitive Sale – In a competitive sale, the Agency’s bonds shall be awarded to the bidder providing the lowest true interest cost (“TIC”), as long as the bid adheres to requirements set forth in the official notice of sale.
- B. Negotiated Sale – The Agency shall assess the following circumstances that weigh toward the use of a negotiated sale:
1. Issuance of variable rate or taxable bonds;
  2. Complex structure or credit considerations (such as non-rated bonds), which requires a strong pre-marketing effort;
  3. Significant par value, which may limit the number of potential bidders;
  4. Unique/ proprietary financing mechanism (such as a financing pool), or specialized knowledge of financing mechanism or process;
  5. Market volatility, such that the Agency would be better served by flexibility in the timing of its sale in a changing interest rate environment;
  6. When an Underwriter has identified new financing opportunities or presented alternative structures that financially benefit the Agency;
  7. As a result of an Underwriter’s familiarity with the project/financing, which enables the Agency to take advantage of efficiency and timing considerations.
- C. Private Placement – From time to time the Agency may elect to issue debt on a private placement basis. Such method shall generally be considered only if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

- D. Conduit Issuance – The Agency may elect to enter into financing agreements with other issuers, including but not limited to the City of St. Louis, St. Louis County, and the Missouri Development Finance Board, to permit debt to be issued on the Agency's behalf. The Agency will consider this approach if such an arrangement is expected to produce lower borrowing costs, enhance the flexibility of the Agency, or provide other operational efficiencies.

### **VIII. Market Communication, Debt Administration and Reporting Requirements**

Rating Agencies and Investors – The Chief Financial Officer shall be responsible for maintaining the Agency's relationships with Moody's Investors Service, Standard & Poor's Ratings-Services, Fitch Ratings, Kroll Bond Rating Agency or any other nationally-recognized rating service. The Agency may, from time to time, choose to deal with fewer than all of these agencies as circumstances dictate.

In addition to general communication, the Chief Financial Officer shall: (1) meet with Credit Analysts periodically as requested, and (2) prior to each competitive or negotiated sale, offer conference calls with Agency analysts in connection with the planned sale.

- A. Board Communication – The Chief Financial Officer shall include in an annual report to the Finance and Audit Committee and the Board of Commissioners feedback from rating agencies and/or investors regarding the Agency's financial strengths and weaknesses and recommendations for addressing any weaknesses.
- B. Continuing Disclosure – The Agency shall remain in compliance with Rule 15c2-12 or any successor rule or regulation by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year. The inability to make timely filings must be disclosed and would be a negative reflection on the Agency. While also relying on a timely audit and preparation of the Agency's annual report, the Chief Financial Officer will ensure the Agency's timely filing with each Nationally Recognized Municipal Securities Information Repository.
- C. Record-Keeping and Post-Issuance Compliance – A copy of all debt-related records shall be retained at the Agency's offices. Consistent with the Agency's tax compliance agreements and post-issuance compliance policy, at minimum, these records shall include all official statements, bid documents, bond documents/transcripts, resolutions, trustee statements, leases, records related to expenditure and investment of bond proceeds, records related to periodic reviews of the use of bond financed facilities, and title reports for each Agency financing (to the extent available). To the extent possible, the Agency shall retain an electronic copy of each document.
- D. Arbitrage Rebate – The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code arbitrage rebate requirements. The Chief Financial Officer shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if



rebate is due, such payments are made.

**Section 30.090                      Donation and Gift Policy (NEW effective 11/19/21)**

A.     Policy. It is the policy of the Agency that gifts and donations to the Agency are welcomed and encouraged. Gifts and donations are valued as expressions of individual support for the Agency's mission and help to enhance its services, programs and facilities by supplementing federal, state, or contractual support.

B.     Types of Gifts. The Agency accepts the following types of gifts and donations: cash, tangible personal property, publicly traded and recognizable securities, real estate, bequests, trust funds and annuities.

C.     Use of Gifts. The President and CEO or Board of Commissioners will carefully consider the needs of the Agency and will use a gift where it determines it is most needed, so that all donations may directly and indirectly support the public purposes of the Agency. The Agency may choose not to accept a gift if the donor wishes to place limitations or restrictions on its use or disposal. The Agency may refuse any gift that does not sufficiently benefit the Agency, is in conflict with the Agency's mission, puts the reputation of the Agency at risk, or is prohibited by law.

D.     Acceptance of Gifts. The President and CEO may accept any gift or donation of the types described in Section B on behalf of the Agency. Other types of gifts and donations will be evaluated on a case-by-case basis by the Board of Commissioners

When processing each gift, the Agency will follow generally accepted accounting principles. The Agency takes no responsibility for valuing gifts for tax purposes or for the tax consequences to the donor.

All accepted gifts and donations become the property of the Agency. The Agency reserves the right to sell or otherwise dispose of non-monetary gifts, if the Board of Commissioners or President and CEO, determines that such sale or disposition is advisable or necessary.

E.     Documentation. The Agency will retain a written receipt of each donation and gift identifying the name of the donor, the amount and the date of the donation or gift, and the nature of restriction on the gift, if any. The Agency will acknowledge each donation by letter, thanking the donor. Donors who make a significant financial or material donation will receive a contemporaneous written acknowledgement of the donation from the Agency.

**Bi-State Development Agency**  
**Audit, Finance & Administration Committee**  
**Open Session Agenda Item**  
**August 19, 2022**

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**From:** Thomas Curran, Executive Vice President - Administration  
**Subject:** **Fare Collection Program Consultant Contract**  
**Disposition:** Information  
**Presentation:** Thomas Curran, Executive Vice President - Administration

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**Objective:**

To present to the Audit, Finance and Administration Committee an update on the Fare Collection Program (FCP) project and the hiring of a consultant to assist in this effort.

**Background:**

In order to update its aging fare collection system, Bi-State's Fare Collection Program project will revise our fare policy, structure and collection through development of a new electronic faring system, inclusive of validators and ticket vending machines for MetroLink and new fareboxes for MetroBus. This fare collection modernization project will tie into the new Secure Platforms Program (SPP), which is dependent upon updated fare media to open the planned gates at all MetroLink stations.

The FCP consultant will act as an extension of staff and assist in: 1) reviewing the previous RFP for a new electronic faring system; 2) affirming and refining project goals; 3) preparing a Request for Information (RFI) for new fare collection equipment; 4) development of an RFP for new ticket vending machines and fareboxes, including bid-ready specifications; 5) integrating and testing replacement equipment, 6) recommending business rules for FCP system security and reviewing electronic transaction security; and 7) project planning and management. The anticipated length of time for these activities is two years, which coincides with the SPP schedule for new gates and fencing for MetroLink.

**Analysis:**

Bi-State issued solicitation **22-RFP-342190-TJL – Fare Collection Program Consultant** on June 25, 2022. The solicitation was published on Bi-State's iSupplier Portal, the agency's web-based communication tool that allows interested bidders full and open access to view, communicate and submit bids on active solicitations. Additionally, six firms were notified of the RFP in order to encourage participation. In response to the solicitation, three proposals were received:

- Consult Hyperion
- Four Nines Technologies
- Hatch LTK (prime) with Intueor Consulting, Inc., Secure Technology Integration Group, Ltd., and The Transport Group, LLC

All three proposals were deemed to be responsive and were forwarded to an evaluation committee, consisting of representatives from Administration, Grants, Revenue, and the St. Clair County Transit District. The proposals were scored in accordance with the evaluation requirements, specified in the solicitation package. After completion of the initial technical evaluation, a consensus meeting was held to discuss the scoring.

The table below displays the overall results, representing the consensus technical and cost scores combined. Consult Hyperion is the highest ranking firm.

<b>Proposing Firm</b>	<b>Technical Score</b>	<b>Cost Score</b>	<b>Total Overall Score</b>	<b>Rank</b>
<b>Consult Hyperion</b>	<b>265.83</b>	<b>111.05</b>	<b>376.88</b>	<b>1</b>
Four Nines Technologies	240.00	125.00	365.00	2
Hatch LTK	209.58	20.67	230.25	3
Total Possible Points = 500	<b>375</b>	<b>125</b>	<b>500</b>	
Percentage of Total Points	75%	25%	100%	

Bi-State will negotiate a contract with Consult Hyperion for the provision of the services requested in the solicitation.

**Committee Action Requested:**

None. Information only.

**Funding Source:**

Federal grants

**Bi-State Development Agency  
Open Session Agenda Item  
Audit, Finance, and Administration Committee  
August 19, 2022**

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**From:** Crystal M. Messner, CIA, CFE, CISA  
Chief Audit Executive  
**Subject:** **Internal Audit Follow-Up Summary – 4th Quarter FY2022**  
Briefing Paper No. 23-01  
**Disposition:** Information  
**Presentation:** Crystal M. Messner, Chief Audit Executive

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**Objective:**

To present to the Committee, the Internal Audit Department's (**IAD's**) Follow-Up Summary Findings regarding the status of prior Recommendations during the 4th Quarter Fiscal Year (**FY**) 2022 for informational purposes.

**Background:**

The Standards for the Professional Practice of Internal Auditing, Standard 2500 – Monitoring Process, states that, “The Chief Audit Executive should establish and maintain a system to monitor the disposition of audit results communicated to management.” To ensure compliance with this standard, the IAD regularly monitors the status of recommendations.

The Audit Follow-Up Executive Summary Report, on the following page, is a comprehensive overview highlighting the current implementation status of recommendations issued in prior audit reports. Each Recommendation has been reviewed and its status has been classified as follows:

- **Completed** – The recommendation has been implemented.
- **Outstanding** – The recommendation has not yet been implemented, and/or the implementation date has not occurred yet.
- **Overdue** – The recommendation remains outstanding past the established implementation date.

The report should be used to determine the timeliness and the completeness of the implementation of corrective action. Management should place specific focus on those Recommendations that are determined to be overdue.

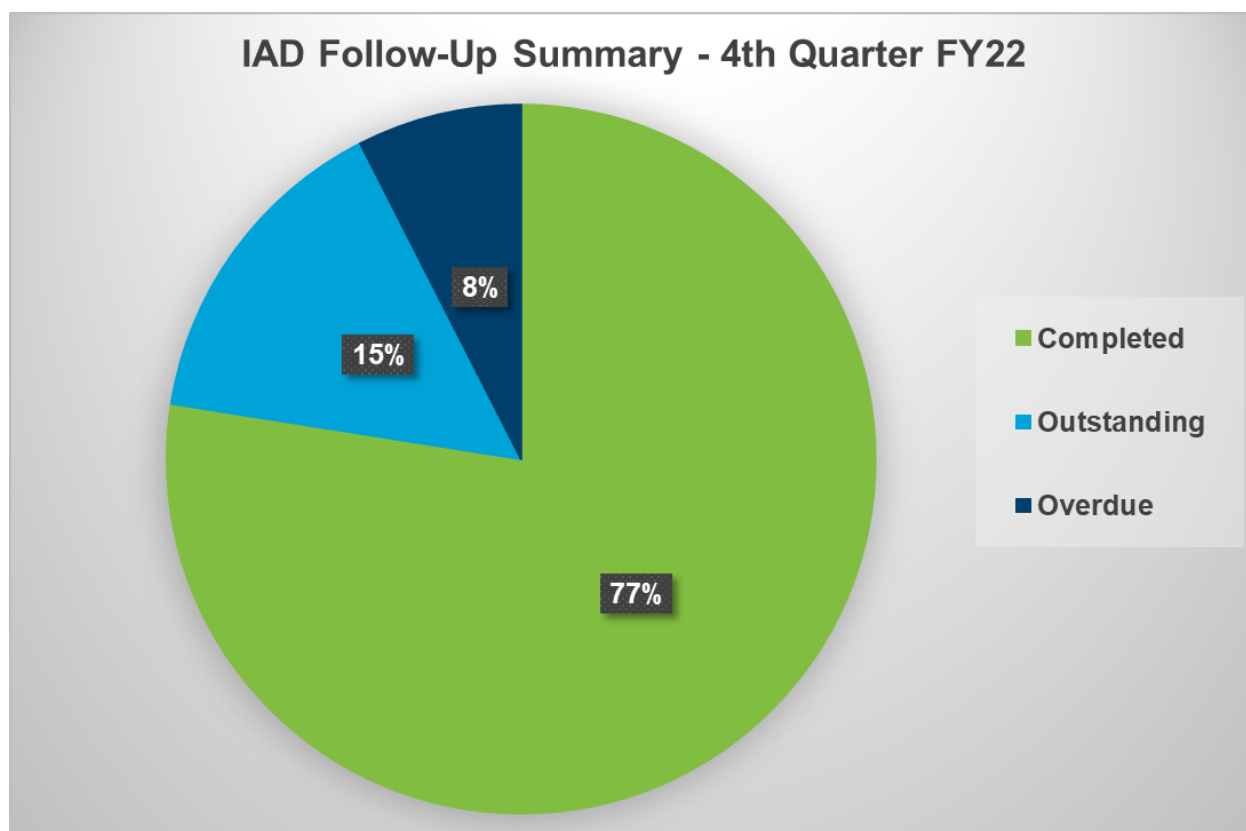
**Funding Source:**

Funding is provided through the IAD Operating Budget.

**Committee Action Requested:**

This material is presented for information only; therefore, no action is required of the Committee.

**Fourth Quarter-FY2022 Audit Follow-Up  
Executive Summary  
By Percentages**



**Fourth Quarter-FY2022 Audit Follow-Up  
 Executive Summary  
 By the Numbers**

<b>Report Name</b>	<b>Number of Recommendations</b>	<b>Completed</b>	<b>Outstanding Not Overdue</b>	<b>Overdue</b>
OE Data Integrity Audit	7	0	7	0
Office Supplies Program Audit	7	7	0	0
Passenger Revenue-Ticket Vending Machines (TVM) Audit	3	2	1	0
Accounts Payable-DataServ Audit	1	1	0	0
Armored Car (Loomis) Contract Audit	3	1	2	0
Passenger Revenue-Working Fund Cash Count Audit	2	0	2	0
SSO – SCADA Systems Audit (On-Call) [Information only; tracking with SSO Follow-Ups]	5	0	5	0
IT Penetration Testing (On-Call)	8	7	1	0
Audit of Failed DOT Medical Exams	2	2	0	0
Fuel Hedging Audit (On-Call)	10	10	0	0
Cortex MetroLink Station Construction Audit	3	3	0	0
Legal Fees Expense 5030301 Audit	6	5	0	1
InterCompany Account Balances Audit	7	6	0	1
Small Purchase Requisition Audit	7	5	0	2
Casualty Claims Audit	19	19	0	0
Payroll Hours of Service Audit	14	11	0	3
Drug and Alcohol Program Testing Audit - FY2017	11	11	0	0
SSO-Compliance, Federal, State and Local Requirements Audit	5	3	0	2
<b>TOTAL</b>	<b>120</b>	<b>93</b>	<b>18</b>	<b>9</b>

*Board Policy Chapter 30 Audit, Finance and Budget, Section 30.005 Audit Committee Charter, A. GENERAL (3); and IAD Policies and Procedures Manual: Section 2.9*

**Bi-State Development Agency  
Open Session Agenda Item  
Audit, Finance, and Administration Committee  
August 19, 2022**

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**From:** Crystal M. Messner, CIA, CFE, CISA  
Chief Audit Executive  
**Subject:** **Internal Audit Status Report – 4th Quarter FY2022**  
Briefing Paper No. 23-02  
**Disposition:** Information  
**Presentation:** Crystal M. Messner, Chief Audit Executive

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**Objective:**

To present to the Committee, the Internal Audit Department's (IAD's) Status Report for the 4th Quarter Fiscal Year (FY) 2022, for informational purposes.

**Background:**

The Internal Audit Status Report provides the Board of Commissioners, the Audit, Finance and Administration Committee members and Senior Management with a summary of the IAD's quarterly activity pertaining to the Annual Audit Plan.

IAD began the System Access Review and Physical Access Review audits in April. The System Access audit scope expanded, while the Physical Access audit is reaching completion. The Arch and Riverboats' audit is progressing as expected. Additionally, the Procurement Card audit is complete and was presented at the Special Board Meeting on August 11, 2022 for final approval.

In addition to tracking the status of current audits and special projects, this report also highlights the follow-up activity related to the implementation of recommendations from prior audits.

**Committee Action Requested:**

This material is presented for information only; therefore, no action is required of the Committee.

**Funding Source:**

Funding is provided through the Internal Audit Operating Budget.

**Attachments:**

1. Internal Audit Status Report – 4th Quarter FY2022



<b>Fiscal Year 2022 Special Projects</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Status</b>	<b>Completion Rate (Percentage)</b>	<b>Budget</b>	<b>Hours Previous Periods</b>	<b>Hours This Quarter</b>	<b>Total Hours</b>	<b>Hours Remaining</b>
Board Meeting / Audit Committee Preparations and Meetings (FY22)	July 2021	June 2022	Complete	93.83%	300.00	158.50	123.00	281.50	18.50
Intercompany Account Reconciliation	November 2020		Ongoing	91.21%	1,200.00	1,094.50	0.00	1,094.50	105.50
Consulting Services for Finance Department	March 2021		Ongoing	67.25%	1,000.00	527.50	145.00	672.50	327.50
Team Meetings/1:1 meetings (FY22)	July 2021	June 2022	Complete	98.37%	460.00	262.00	190.50	452.50	7.50
Other Special Projects (FY22)	July 2021	June 2022	Ongoing	69.83%	600.00	314.50	104.50	419.00	181.00
Training & Professional Development (FY22)	July 2021	June 2022	Ongoing	75.92%	600.00	357.50	98.00	455.50	144.50
<b>Total Special Projects Hours</b>					<b>4,160.00</b>	<b>2,714.50</b>	<b>661.00</b>	<b>3,375.50</b>	<b>784.50</b>

Fiscal Year 2022 - Audit Plan	Start Date	Completion Date	Status	Completion Rate (Percentage)	Budget	Hours Previous Periods	Hours This Quarter	Total Hours	Hours Remaining
Audit Follow - Up (FY22)	July 2021	June 2022	Complete	61.21%	620.00	219.00	160.50	379.50	240.50
Quarterly IAD Status Report (FY22)	July 2021	June 2022	Complete	89.00%	200.00	132.00	46.00	178.00	22.00
Quarterly Treasury Safekeeping Audit (FY22)	July 2021	June 2022	Complete	90.77%	260.00	184.00	52.00	236.00	24.00
Ticket Vending Machines (TVM) Audit	January 2019	October 2021	Complete	92.92%	360.00	334.50	0.00	334.50	25.50
Office Supply Program Audit	April 2021	October 2021	Complete	93.85%	130.00	122.00	0.00	122.00	8.00
Accounts Payable-DataServ Audit	May 2021	October 2021	Complete	92.35%	170.00	157.00	0.00	157.00	13.00
IT Penetration Test - IAD Hours	November 2020	October 2021	Complete	78.75%	80.00	63.00	0.00	63.00	17.00
IT SCADA Systems Audit - IAD Hours	November 2020	October 2021	Complete	85.94%	160.00	137.50	0.00	137.50	22.50
Procurement Card Audit	September 2021		In Progress	82.37%	760.00	453.50	172.50	626.00	134.00
OE System Data Integrity Audit	July 2021	February 2022	Complete	82.50%	200.00	165.00	0.00	165.00	35.00
Healthcare Claims Audit - IAD Hours	October 2021		In Progress	26.46%	240.00	60.00	3.50	63.50	176.50
St. Louis Downtown Airport Revenue Audit - IAD Hours	September 2021	April 2022	On Hold	40.28%	360.00	145.00	0.00	145.00	215.00
Arch and Riverboat Ticket Sales Audit	December 2021		In Progress	11.25%	360.00	38.50	2.00	40.50	319.50
Payroll Audit	October 2021		On Hold	2.50%	160.00	4.00	0.00	4.00	156.00
<b>Subtotal Audit Hours</b>					<b>4,060.00</b>	<b>2,215.00</b>	<b>436.50</b>	<b>2,651.50</b>	<b>1,408.50</b>

<b>Fiscal Year 2022 - Audit Plan</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Status</b>	<b>Completion Rate (Percentage)</b>	<b>Budget</b>	<b>Hours Previous Periods</b>	<b>Hours This Quarter</b>	<b>Total Hours</b>	<b>Hours Remaining</b>
Turnover Cost Audit	April 2022		Planning	0.00%	360.00	0.00	0.00	0.00	360.00
Overall Risk Assessment	July 2021	June 2022	Complete	97.98%	420.00	377.50	34.00	411.50	8.50
FY2023 Annual Audit Work Plan	April 2022	June 2022	Complete	2.08%	240.00	5.00	0.00	5.00	235.00
Workers' Compensation Self-Insurance Fund	April 2022		On Hold	0.00%	240.00	0.00	0.00	0.00	240.00
Shaw Park Garage Review	September 2021	December 2021	Complete	12.50%	40.00	5.00	0.00	5.00	35.00
Systems Access Audit	April 2022		In Progress	71.88%	400.00	47.00	240.50	287.50	112.50
Physical Access Audit	April 2022		In Progress	45.50%	400.00	0.00	182.00	182.00	218.00
Executive Card Audit	June 2022		In Progress	29.00%	400.00	0.00	116.00	116.00	284.00
<b>Grand Total Annual Audit Plan</b>					<b>6,560.00</b>	<b>2,649.50</b>	<b>1,009.00</b>	<b>3,658.50</b>	<b>2,901.50</b>

<b>Fiscal Year 2022 - Audit Plan Summary On-Call Contract Audit Hours</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Status</b>	<b>Completion Rate (Percentage)</b>	<b>Budget</b>	<b>Hours Previous Periods</b>	<b>Hours This Quarter</b>	<b>Total Hours</b>	<b>Hours Remaining</b>
On-call Healthcare Claims Audit	October 2021		In Progress	0.00%	1,125.00	406.25	38.25	444.50	680.50
<b>Total On-Call Contract Audit Hours</b>					<b>1,125.00</b>	<b>406.25</b>	<b>38.25</b>	<b>444.50</b>	<b>680.50</b>

**Bi-State Development Agency  
Open Session Agenda Item  
Audit, Finance, and Administration Committee  
August 19, 2022**

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**From:** Crystal M. Messner, CIA, CFE, CISA  
Chief Audit Executive  
**Subject:** **Internal Audit State Safety Oversight Status Report  
2nd Quarter Calendar Year 2022**  
Briefing Paper No. 23-03  
**Disposition:** Information  
**Presentation:** Crystal M. Messner, Chief Audit Executive

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**Objective:**

To present to the Committee, the Internal Audit Department's (**IAD's**) State Safety Oversight (**SSO**) Status Report for the 2nd Quarter of Calendar Year 2022.

**Background:**

The Internal Audit Status Report provides the Board of Commissioners, the Audit, Finance and Administration Committee members and Senior Management with a summary of the IAD's quarterly activity pertaining to the Federal Transit Administration (**FTA**) Required Rail Security and Safety.

This status report tracks all current SSO Audits and special projects completed during the 1st Quarter.

The following audit activities were proposed by Internal Audit during the 2nd Quarter:

1. Conduct follow-ups on open Internal SSO Audits' CAPs that are ready for closure;
2. Monitor the progress on the open CAPs from the 2021 non-compliance areas, including Supervisory Control and Data Acquisition (**SCADA**) Assessment CAPs by collaborate with Safety on the CAP Advisory Committee to ensure satisfactory progress is being made towards addressing risks properly;
3. Collaborate with Kensington Consulting's audit team to plan and schedule the 2022 Internal Safety and Security Audits; and,
4. Participate in other audit activities for BSSO.

**Conclusion:**

Second quarter proposed activities were accomplished.

IAD is currently collaborating with Safety and management to monitor the progress monthly for all open SSO and SCADA CAPs. Management successfully closed five (5) CAPs.

The 2022 IAD SSO Internal Audit planning process is on schedule. External and internal audit customers, including the Bi-State Safety Oversight (BSSO), participated in the 2022 SSO Pre-Audit Meeting on July 25, 2022. Audit document requests were sent to Safety August 1, 2022.

IAD along with Kensington Consulting's team will be conducting onsite field work on September 13-15, 2022.

**Committee Action Requested:**

This material is presented for information only; therefore, no action is required of the Committee.

**Funding Source:**

Funding is provided through the Internal Audit Operating Budget.

**Attachment:**

1. CY 2022 – SSO Quarterly Status Report – 2nd Quarter

<b>Calendar Year 2022 - Audit Plan</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Status</b>	<b>Completion Rate (Percentage)</b>	<b>Budget</b>	<b>Hours Previous Periods</b>	<b>Hours This Quarter</b>	<b>Total Hours</b>	<b>Hours Remaining</b>
PTASP/Audit Plan	January 2022		Ongoing	5.00%	240.00	11.00	1.00	12.00	228.00
Quarterly SSO Status Report	January 2022		Ongoing	22.50%	80.00	16.00	2.00	18.00	62.00
SSO Administrative Activities	January 2022		Ongoing	72.50%	80.00	11.00	47.00	58.00	22.00
21-11A - Outsourcing Activities	January 2021		Ongoing	36.67%	150.00	51.00	4.00	55.00	95.00
21-11B - CAP Preparation/Follow-Up/Meetings	January 2021		Ongoing	36.67%	300.00	91.00	19.00	110.00	190.00
21-11C - SSO-ESSC-BSSO Meetings	January 2021		Ongoing	22.00%	150.00	19.00	14.00	33.00	117.00
CAPs for 2020 SSO Audits	January 2022		Ongoing	16.25%	80.00	0.00	13.00	13.00	67.00
CAPs for 2021 SSO Audits	January 2022		Ongoing	7.50%	120.00	0.00	9.00	9.00	111.00
CAPs for 2022 SSO Audits	January 2022		Ongoing	0.00%	80.00	0.00	0.00	0.00	80.00
Loop Trolley - SSO Activities	February 2022		In Progress	11.12%	832.00	35.00	57.50	92.50	739.50
<b>Subtotal Audit Hours</b>					<b>2,112.00</b>	<b>234.00</b>	<b>166.50</b>	<b>400.50</b>	<b>1,711.50</b>

**Bi-State Development Agency  
Audit, Finance & Administration Committee  
Open Session Agenda Item  
August 19, 2022**

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**From:** Charles A. Stewart, Jr., Executive Director, Metro Transit  
**Subject:** **Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2022**  
**Disposition:** Information  
**Presentation:** Charles A. Stewart, Jr., Executive Director, Metro Transit

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**Objective:**

To present to the Audit, Finance and Administration Committee, the Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2022.

**Background:**

Year to date June 30, 2022, Pension Plan, 401(k) Retirement Savings Program and OPEB Investment Performance Reports were presented to the respective Trustees by CAPTRUST at the August 2022 round of trustee committee meetings.

**Analysis:**

**BSD 401(k) Retirement Savings Program**

- Total 401(k) Program assets were \$71.6M as of the end of June 2022. This is down -\$15.9M in combined contributions and investment earnings from calendar year end 2021 which stood at \$87.5M.
- During calendar year 2022, the Plan saw ~\$3.0M in new contributions representing vesting employer only contributions, employee elective contributions and their corresponding employer match.
- Allocations to individual funds and asset types remain relatively unchanged over the last year. The Vanguard Index Fund remains the most popular investment option among participants with ~\$14.8M in participant money or 18% of total assets. The T. Rowe Price Stable Value Fund (8%) and Dodge & Cox Balanced (9%) both also have significant participation. The T. Rowe Price Lifecycle Funds continue to grow in popularity. Approximately 40% of participant money is now held in these funds.



### **Salaried Pension Plan**

- As of June 30, total Plan assets were \$90.1M. The plan experienced \$9.9 million in investment losses during the second quarter of 2022 and \$14.6 million in losses for the first half of the year. Cash flows were positive in the second quarter at \$3.2M. Year-to-date cash flows are now positive negative at \$2.4M.
- The Portfolio declined -10.0% during the second quarter of 2022, bringing performance for the first six months of the year to -14.2%. Since inception dating back to 1988, the Total Portfolio has gained +7.3% outpacing its benchmark by 40 basis points. The Portfolio is also in line with its current actuarial return target of 6.0%.
- The Portfolio was rebalanced earlier this month to bring in line with target asset allocations.

### **IBEW Pension Plan**

- As of June 30, total Plan assets were \$6.6M. With the exception of 2018 and the first half of this year, Total Portfolio Market values have steadily increased over the past 11 years. In 2008 the market value fell to \$1.1M, but has quadrupled since reaching the market bottom. Now that the Plan is fully-funded the cash flows into the Plan have moderated.
- The Portfolio declined -10.9% during the second quarter of 2022, bringing performance for the first six months of the year to -16.5%. The Portfolio has strong long-term performance gaining +6.5% and +7.6% over the trailing 5- and 10-year periods, respectively. Since inception the Plan has gained +6.3%. The Portfolio's current actuarial return target is 6.0%.
- The Portfolio was rebalanced earlier this year to bring in line with target asset allocations.

### **ATU 788 Pension Plan**

- As of June 30, total Plan assets were \$156.60M. Fund flows over the past few years have been consistently negative and 2022 continued this trend. Second quarter cash flows totaled -1.6M, with year-to-date cash flows of -\$3.6M. The Portfolio experienced investment losses of \$20.5M for the quarter and \$30.8M for the first year of 2022.
- Through June 30, the Portfolio has declined -11.5% brining 2022 performance to -16.4%. Longer-term performance remains favorable. Over the trailing 10-year period, the Portfolio has gained 7.8%. The Portfolio's current actuarial return target is 6.5%.

- The Portfolio was rebalanced earlier this month to bring in line with target asset allocations.

### **OPEB Trust**

- The OPEB Retirement Trust ended the quarter with a total Portfolio market value of \$52.5M. The Portfolio declined -9.5% during the second quarter of 2022 bringing the year-to-date performance to -12.9%. This equates to ~7.9M in investment losses for the year.
- The Portfolio was rebalanced earlier last year and is in line with target asset allocations.

### **Committee Action Requested:**

None. Information only.

### **Attachments:**

1. BSD 401(k) Retirement Savings Program 2nd Quarter 2022 Performance Report
2. BSD Salaried Pension Plan 2nd Quarter 2022 Performance Report
3. IBEW Pension Trust Local 2 and Local 309 2nd Quarter 2022 Performance Report
4. Div. 788 A.T.U. AFL-CIO Pension 2nd Quarter 2022 Performance Report
5. BSD OPEB Retirement Trust 2nd Quarter 2022 Performance Report

### **Funding Source:**

No funding request is being made. The pension plans and 401(k) retirement savings programs are funded by employer and employee contributions. The OPEB Trust is funded solely through the operating budget.

# Q2

## Second Quarter 2022 Performance Report

Bi-State Development Agency 401(k)  
Retirement Savings Program

Scott R. Meggenberg  
Principal

Brian P. Thrasher  
Vice President



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- I. Capital Markets Overview
- II. 401(k) Retirement Savings Portfolio Review
- III. Investment Manager Appendix
  - Manager Performance Review
  - Investment Program Fee Review

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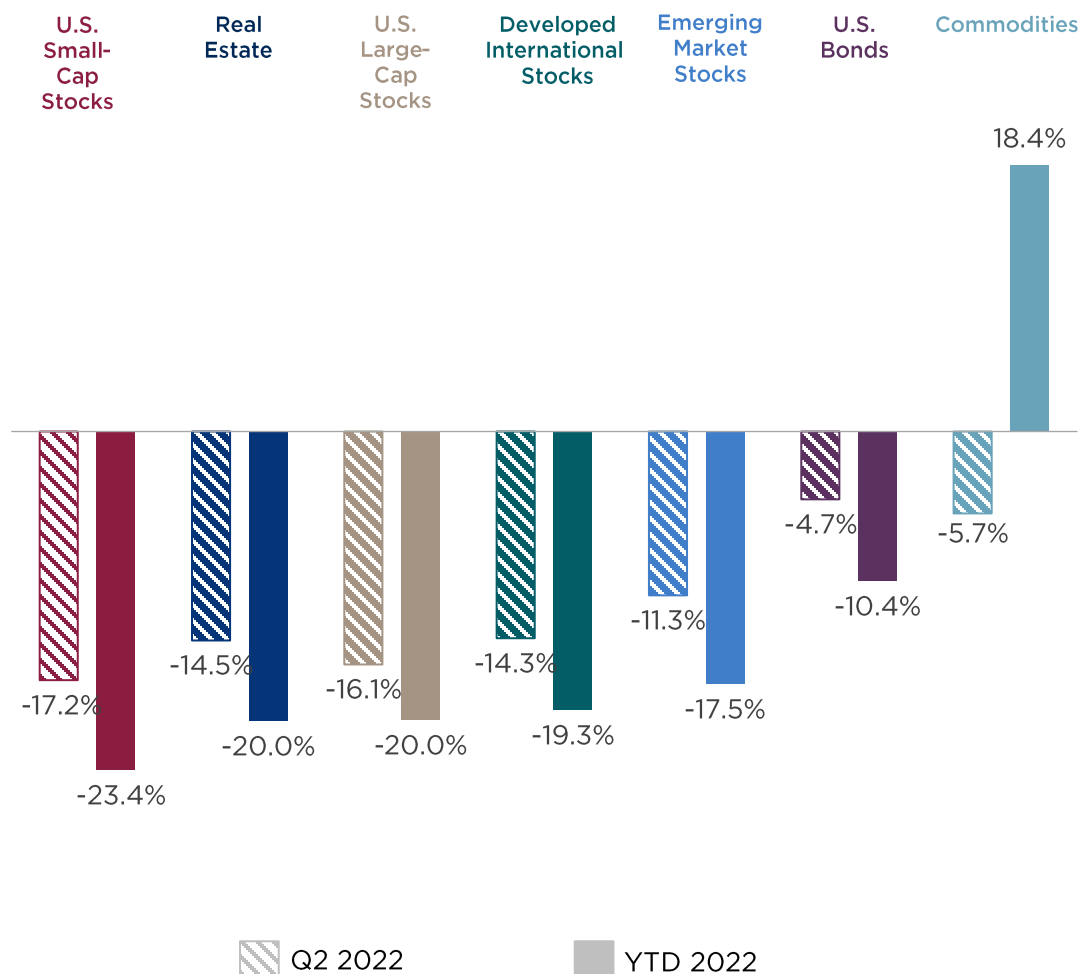
# Second Quarter 2022 Capital Markets Exhibits

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## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

Q2 2022				YTD 2022				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

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**CAPTRUST**



## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

## INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today's inflation has been driven by constrained supply.

### Estimated Impact to Consumer Price Index (CPI) – May 2022

**41%**

#### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

**24%**

#### COVID-19 Pandemic

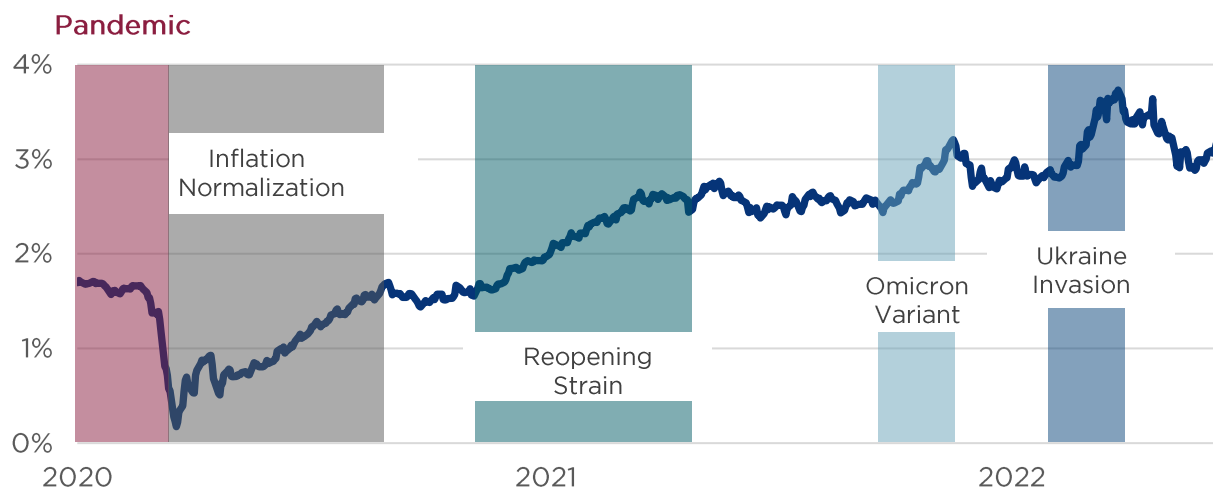
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

**35%**

#### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

### Inflation Waves: Five-Year Inflation Expectations



#### OBSERVATIONS

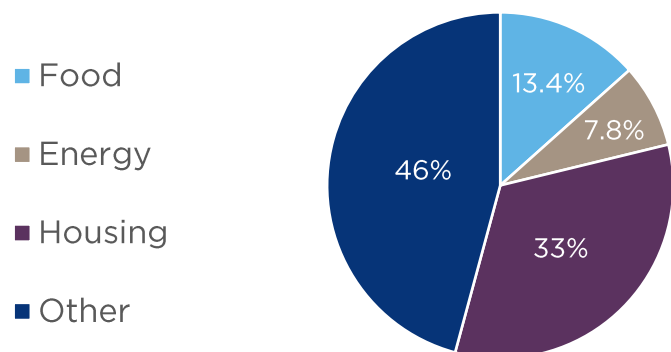
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody's Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

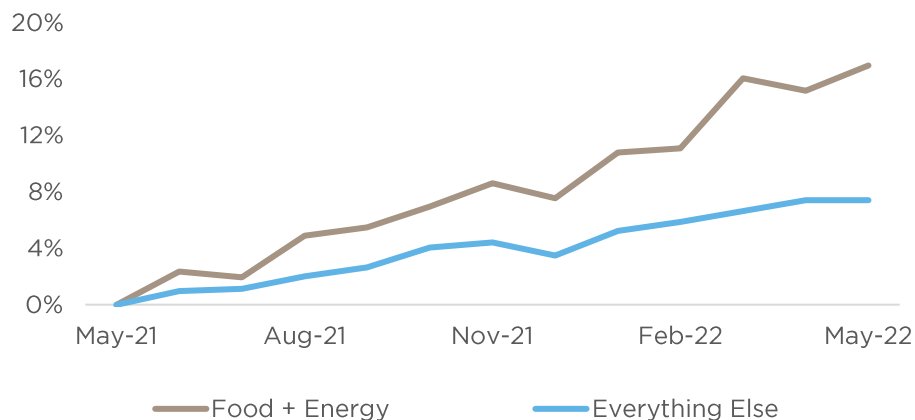
## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

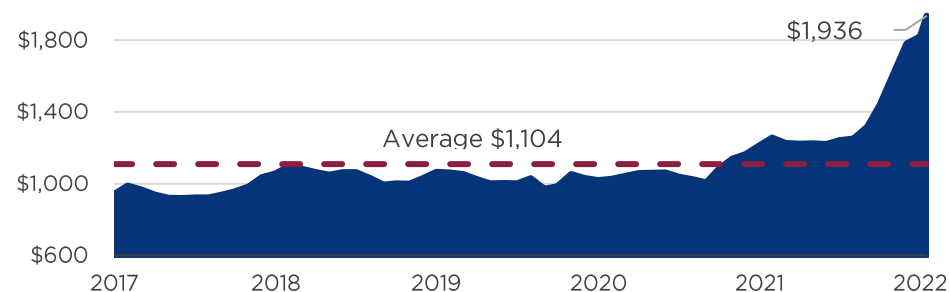
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### FOOD AND ENERGY PRICES HAVE SOARED



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



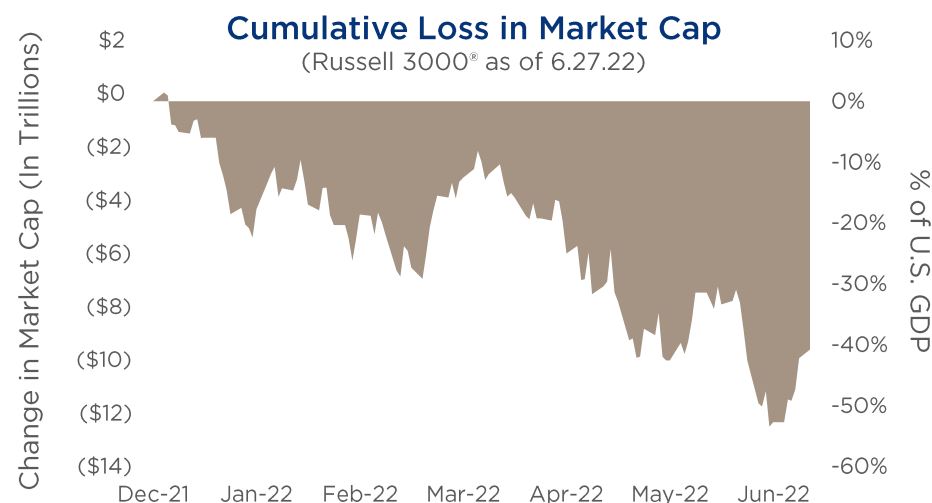
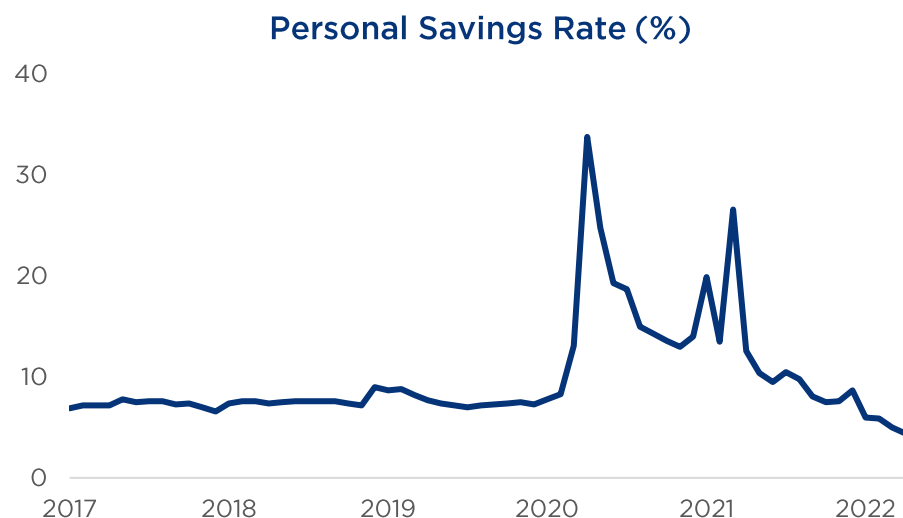
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve's direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

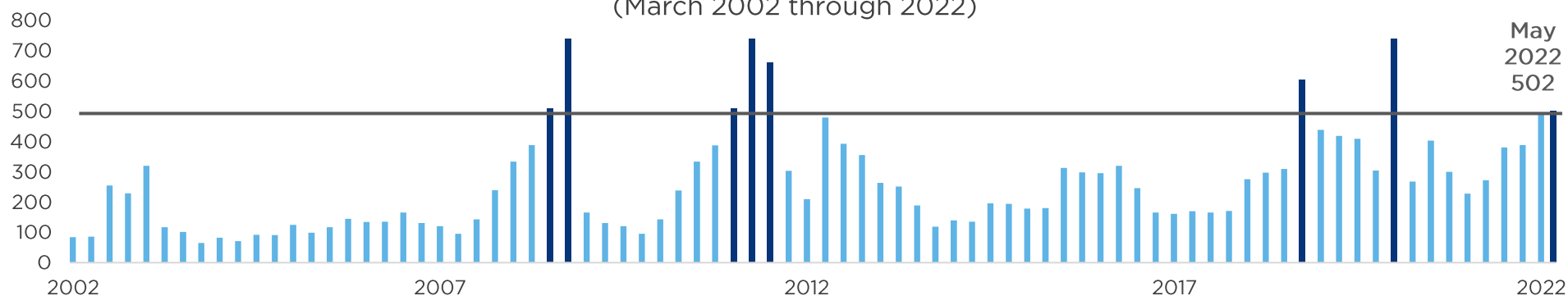
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

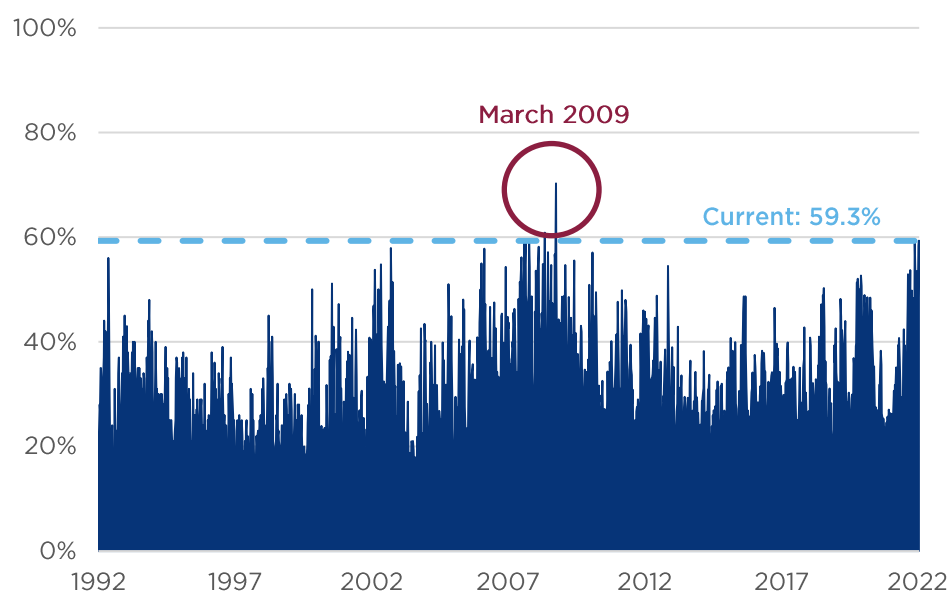
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research

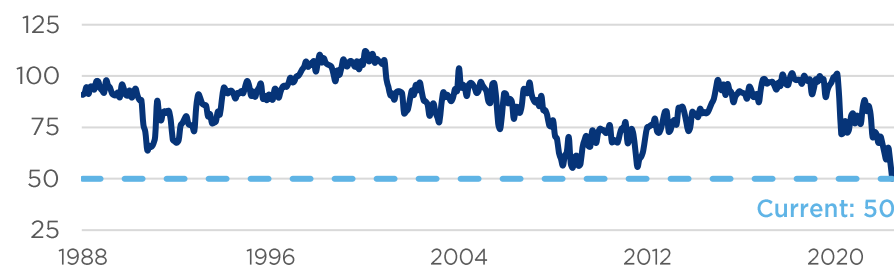
## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.

### Percentage of Bearish Investors



### Consumer Sentiment



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.



# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDED BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



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# 401(k) Retirement Savings Portfolio Review

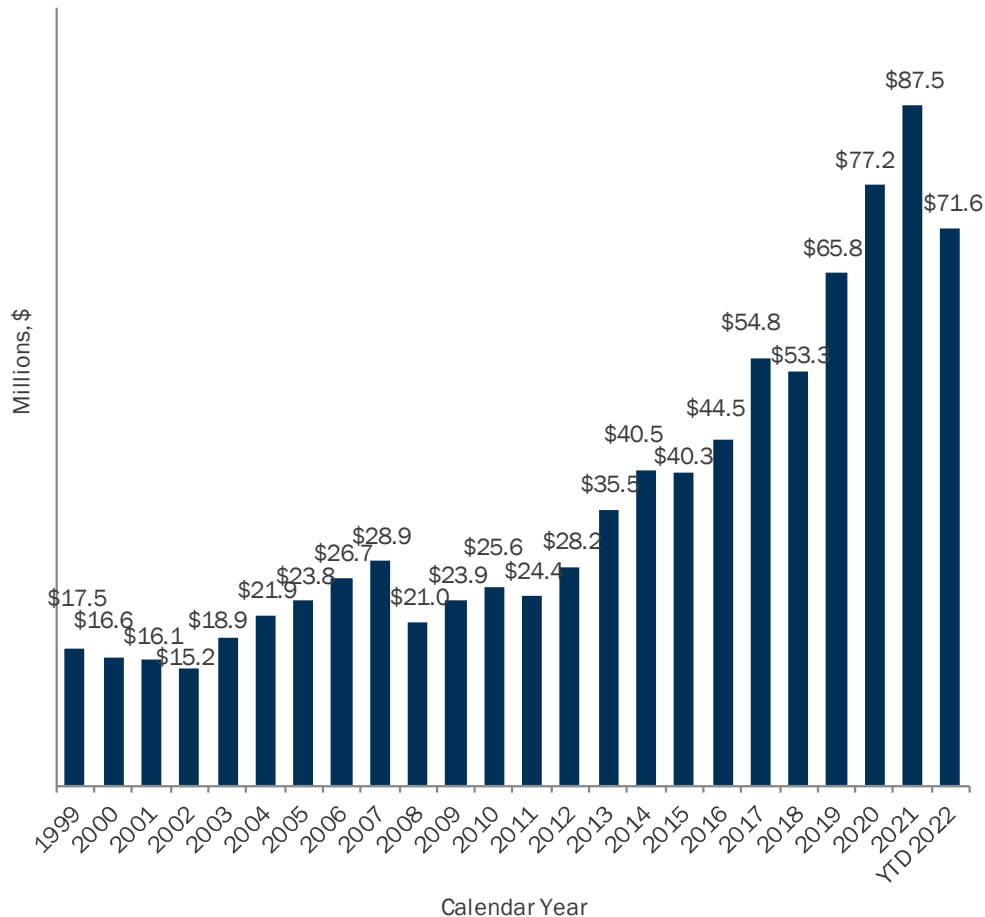
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# Bi-State Development Agency 401(k) Retirement Savings Program

## Total Portfolio Overview

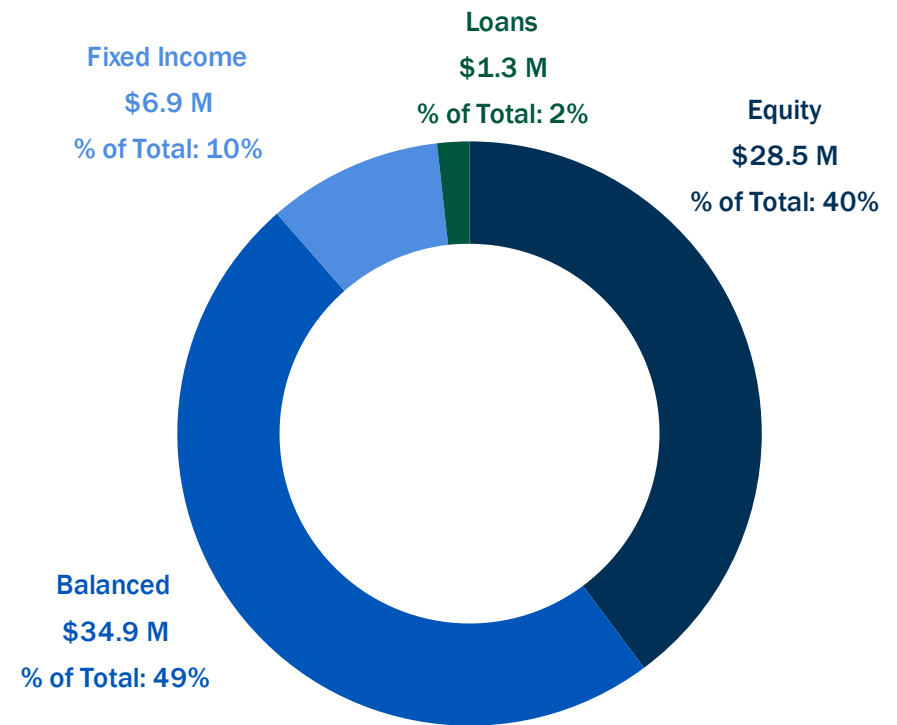
As of June 30, 2022

### Growth of Assets



Note: Totals may not equal 100% due to rounding.

### Asset Allocation



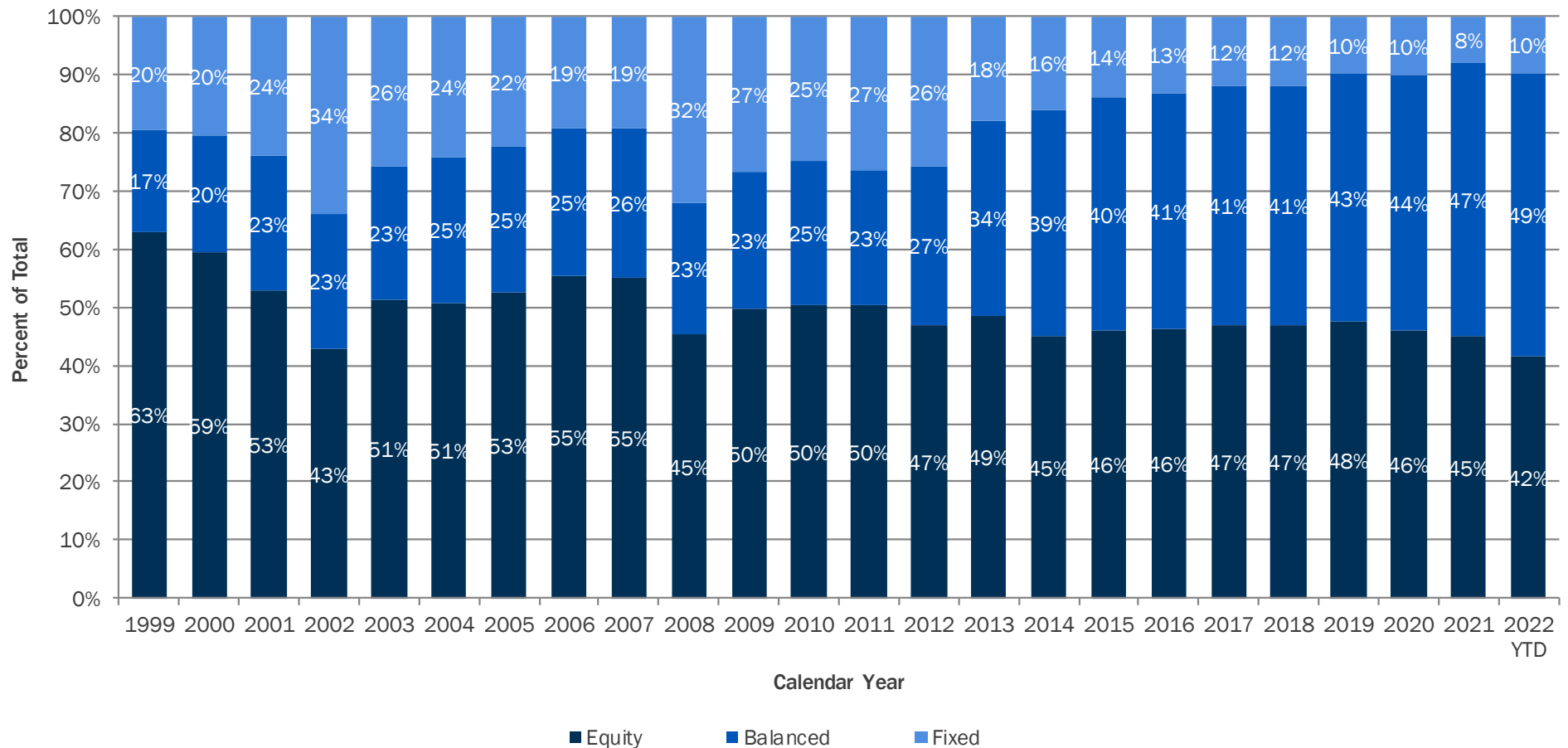
Total Assets: \$71.6 million

# Bi-State Development Agency 401(k) Retirement Savings Program

## Historical Allocation

As of June 30, 2022

### Historical Allocations



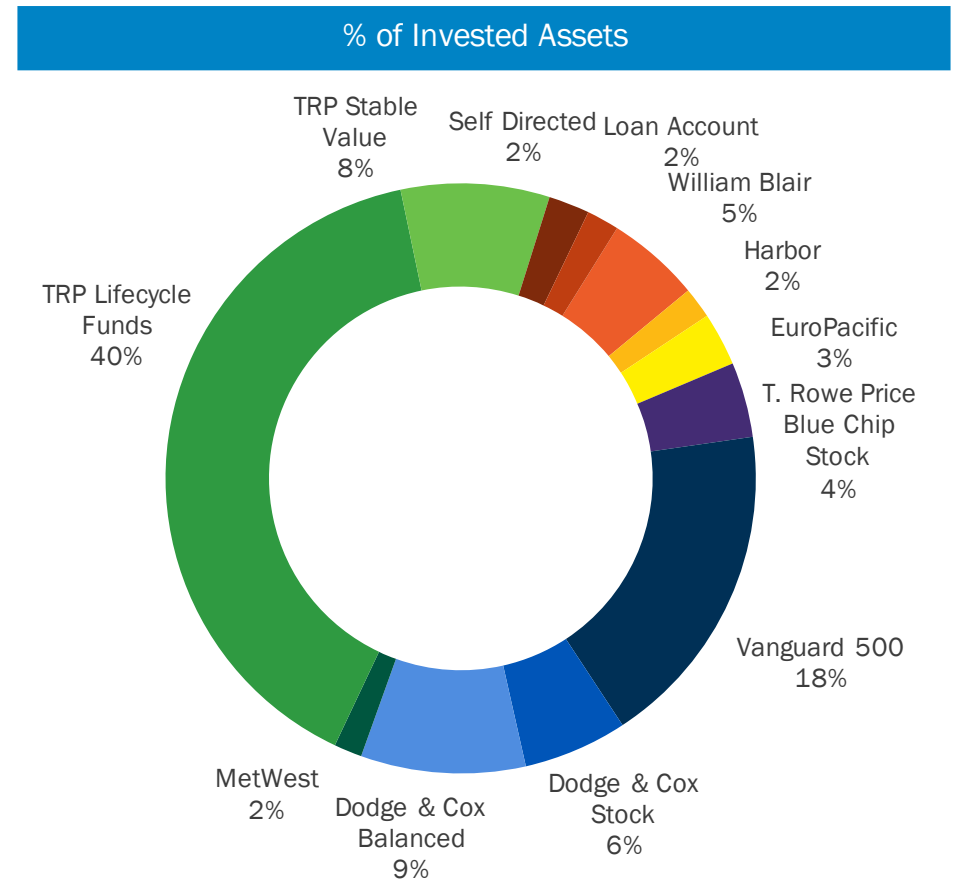
Note: Historical allocations exclude loans and self directed accounts.

# Bi-State Development Agency 401(k) Retirement Savings Overview

## Investment Option Exposure

As of June 30, 2022

Asset Allocation (\$, millions)		
	1/1/2022	6/30/2022
Investment Option	Assets	Assets
William Blair SMID Growth	\$5.4	\$3.7
Harbor Small Cap Value	\$1.5	\$1.2
EuroPacific Growth	\$2.6	\$2.1
T. Rowe Price Blue Chip Stock	\$5.2	\$2.9
Vanguard Index Trust 500	\$16.7	\$12.9
Dodge & Cox Stock	\$4.7	\$4.1
Dodge & Cox Balanced	\$7.3	\$6.5
T. Rowe Price Lifecycle Funds	\$33.7	\$28.4
T. Rowe Price Stable Value	\$5.6	\$5.8
MetWest Total Return	<u>\$1.2</u>	<u>\$1.1</u>
<b>Total</b>	<b>\$84.0</b>	<b>\$68.7</b>
<b>Self-Directed</b>	<b>\$2.1</b>	<b>\$1.6</b>
<b>Loan Account</b>	<b><u>\$1.4</u></b>	<b><u>\$1.3</u></b>
<b>Total Plan Assets</b>	<b>\$87.5</b>	<b>\$71.6</b>



# Bi-State Development Agency 401(k) Retirement Savings Program

## Plan Cash Flow Activity

### As of June 30, 2022

Calendar Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Beginning Assets (\$000)	\$17,488	\$16,584	\$16,142	\$15,159	\$18,930	\$21,456	\$23,321	\$25,945	\$28,132	\$20,273
Inflows	1,561	1,659	1,704	1,859	2,071	2,266	2,171	2,133	2,388	2,222
Outflows	(2,294)	(1,588)	(908)	(1,207)	(1,556)	(2,092)	(2,641)	(1,774)	(2,336)	(3,215)
Net Cash Flow	(733)	71	796	652	515	174	(470)	359	52	(993)
Investment Earnings	(179)	(513)	(1,779)	3,119	2,011	1,691	3,094	1,828	(7,911)	4,032
Ending Market Value (\$000)	\$16,584	\$16,142	\$15,159	\$18,930	\$21,456	\$23,321	\$25,945	\$28,132	\$20,273	\$23,312
Loan Balance (\$000)	--	--	--	--	\$421	\$543	\$770	\$835	\$736	\$569

Calendar Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Beginning Assets (\$000)	\$23,312	\$24,987	\$23,794	\$27,252	\$34,404	\$39,218	\$39,185	\$44,482	\$54,756	\$53,284
Inflows	2,141	2,169	2,166	2,322	6,239	3,515	3,981	4,444	4,928	5,365
Outflows	(2,707)	(2,714)	(1,281)	(1,581)	(3,746)	(3,634)	(3,548)	(1,949)	(3,988)	(4,754)
Net Cash Flow	(566)	(545)	885	740	2,493	(118)	433	2,495	940	601
Investment Earnings	2,241	(648)	2,573	6,412	1,321	85	5,343	7,779	(2,412)	11,876
Ending Market Value (\$000)	\$24,987	\$23,794	\$27,252	\$34,404	\$39,218	\$39,185	\$44,482	\$54,756	\$53,284	\$65,761
Loan Balance (\$000)	\$626	\$632	\$925	\$1,042	\$1,288	\$1,084	\$1,255	\$1,338	\$1,473	\$1,708

# Bi-State Development Agency 401(k) Retirement Savings Program

## Plan Cash Flow Activity

As of June 30, 2022

Calendar Year	2020	2021	YTD 2022
Beginning Assets (\$000)	\$65,761	\$77,249	\$87,455
Inflows	6,240	6,536	3,015
Outflows	<u>(4,839)</u>	<u>(8,799)</u>	<u>(4,189)</u>
Net Cash Flow	1,401	(2,263)	(1,174)
Investment Earnings	<u>10,087</u>	<u>12,469</u>	<u>(14,671)</u>
Ending Market Value (\$000)	\$77,249	\$87,455	\$71,610
Loan Balance (\$000)	\$1,783	\$1,352	\$1,277

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# Benchmark Definitions

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## Investment Option

MetWest Total Return

T. Rowe Price Stable Value

T. Rowe Price Lifecycle Funds

Dodge & Cox Balanced

Dodge & Cox Stock

Vanguard 500 Index

T. Rowe Price Blue Chip Growth Stock Fund

EuroPacific Growth

Harbor Small Cap Value

William Blair Small/Mid Growth

## Benchmark

Barclays Aggregate Bond Index

Average GIC Pooled Fund

Custom Target Benchmark

60% S&P 500 Index/40% Barclays Capital Aggregate Bond Index

Russell 1000 Value Index

S&P 500 Index

Russell 1000 Growth Index

MSCI EAFE Index

Russell Mid Cap Value Index

Russell 2000 Growth Index



# Performance Summary

As of June 30, 2022

	Manager Performance					
	Quarter	YTD	Five Years	Ten Years	Since Inception	Inception Date
Dodge & Cox Stock Fund	-12.4	-11.5	9.9	13.1	8.0	8/1/06
<i>Russell 1000 Value Index</i>	-12.2	-12.9	7.2	10.5	6.9	
Vanguard 500 Index Fund	-16.1	-20.0	11.3	12.9	7.7	2/1/98
<i>S&amp;P 500</i>	-16.1	-20.0	11.3	13.0	7.7	
T. Rowe Price Blue Chip Growth Stock Fund	-25.0	-34.3	9.7	13.3	9.7	6/1/17
<i>Russell 1000 Growth Index</i>	-20.9	-28.1	14.3	14.8	14.0	
Harbor Small Cap Value Fund	-13.5	-15.0	6.5	10.9	7.3	4/1/19
<i>Russell 2000 Value Index</i>	-15.3	-17.3	4.9	9.1	6.1	
William Blair SMID Growth	-21.0	-28.5	7.9	12.1	8.9	4/1/06
<i>Russell 2000 Growth Index</i>	-19.3	-29.5	4.8	9.3	6.8	
American Funds EuroPacific Growth	-14.7	-25.2	2.7	5.9	5.9	7/1/01
<i>MSCI EAFE Index (Net)</i>	-14.5	-19.6	2.2	5.4	4.5	

# Performance Summary

As of June 30, 2022

	Manager Performance					
	Quarter	YTD	Five Years	Ten Years	Since Inception	Inception Date
Dodge & Cox Balanced Fund	-9.2	-9.9	7.2	9.9	8.1	2/1/98
<i>Blended Benchmark</i>	<i>-11.6</i>	<i>-16.1</i>	<i>7.4</i>	<i>8.5</i>	<i>6.6</i>	
MetWest Total Return Bond	-5.7	-11.7	1.1	2.3	0.9	7/1/16
<i>Blmbg. U.S. Aggregate</i>	<i>-4.7</i>	<i>-10.3</i>	<i>0.9</i>	<i>1.5</i>	<i>0.7</i>	
T. Rowe Price Retirement Income	-8.8	-12.8	4.2	5.0	4.7	2/1/08
T. Rowe Price Retirement 2005	-9.3	-13.4	3.9	5.1	4.8	2/1/08
T. Rowe Price Retirement 2010	-9.6	-13.9	4.3	5.7	5.1	2/1/08
T. Rowe Price Retirement 2015	-9.9	-14.3	4.7	6.4	5.5	2/1/08
T. Rowe Price Retirement 2020	-10.3	-14.8	5.2	7.2	5.9	2/1/08
T. Rowe Price Retirement 2025	-11.2	-16.0	5.7	7.9	6.3	2/1/08
T. Rowe Price Retirement 2030	-12.4	-17.6	6.1	8.5	6.7	2/1/08
T. Rowe Price Retirement 2035	-13.5	-19.0	6.4	9.0	6.9	2/1/08
T. Rowe Price Retirement 2040	-14.4	-20.1	6.7	9.3	7.1	2/1/08
T. Rowe Price Retirement 2045	-14.8	-20.6	6.9	9.4	7.2	2/1/08
T. Rowe Price Retirement 2050	-14.9	-20.7	6.9	9.4	7.2	2/1/08
T. Rowe Price Retirement 2055	-14.9	-20.7	6.9	9.4	7.2	2/1/08
T. Rowe Price Retirement 2060	-14.9	-20.7	6.9	-	8.8	7/1/16
T. Rowe Price Stable Value Fund	0.4	0.8	2.0	2.0	3.9	1/1/95
<i>ICE BofAML 3 Month U.S. T-Bill</i>	<i>0.1</i>	<i>0.1</i>	<i>1.1</i>	<i>0.6</i>	<i>2.3</i>	

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# Manager Performance Review

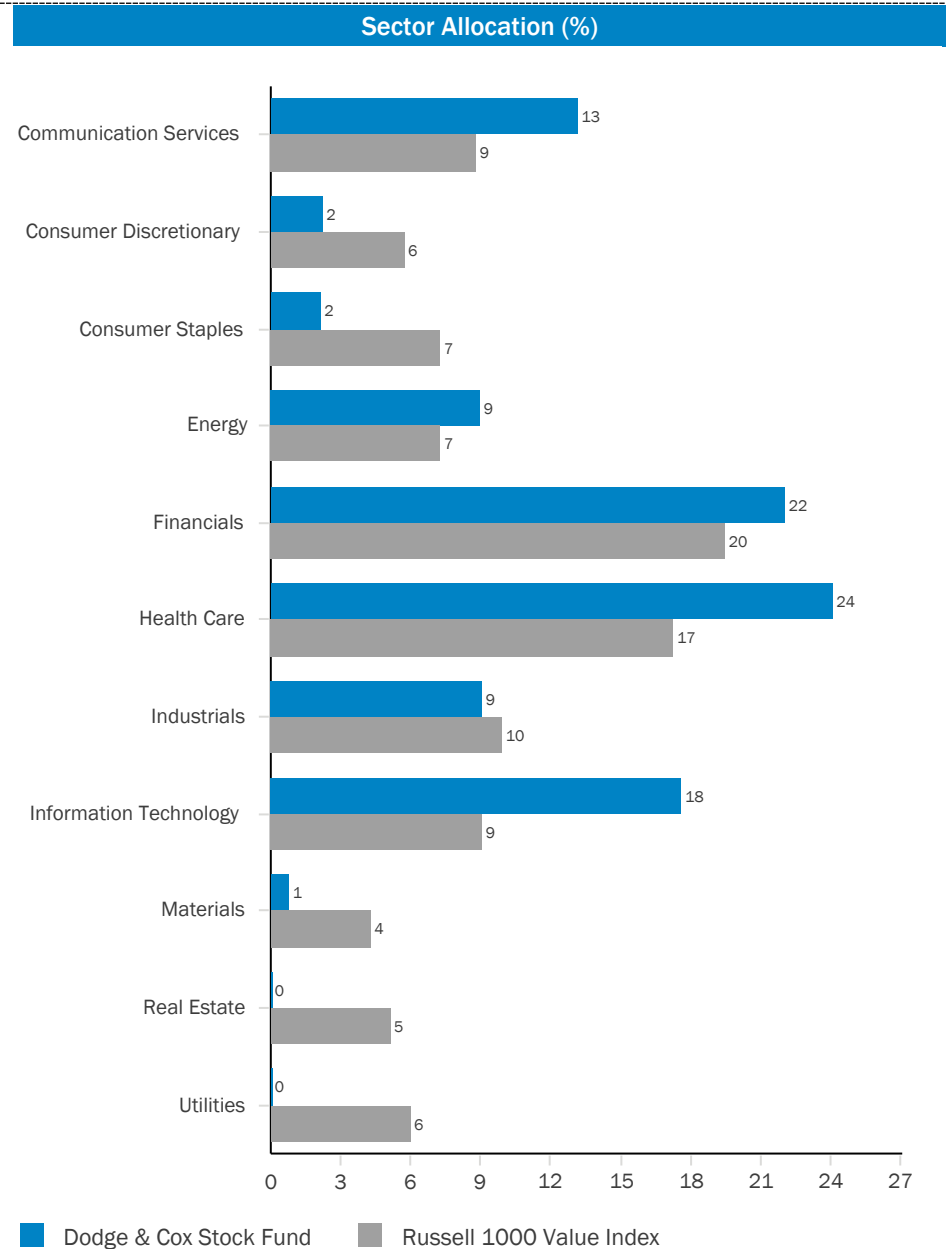
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# Dodge & Cox Stock Fund

As of 6/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	175.9	143.6
P/E Ratio	12.4	14.1
P/B Ratio	2.6	2.4
Yield (%)	2.1	2.3

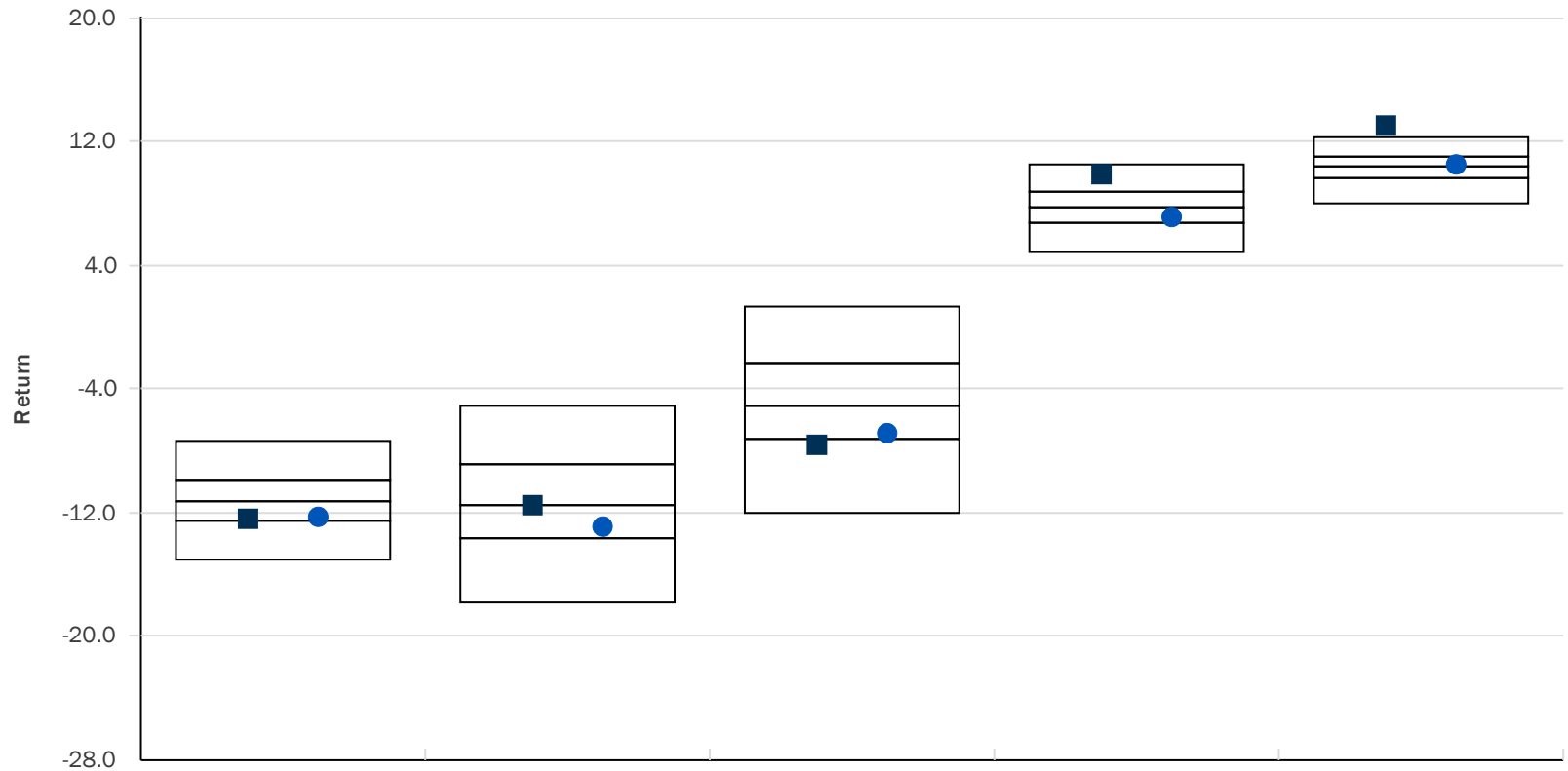
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Occidental Petroleum Corp	Energy	4.3	4.0
Sanofi	Health Care	3.9	1.0
Wells Fargo & Co	Financials	3.8	-18.7
Schwab (Charles) Corp	Financials	3.7	-24.8
Cigna Corp	Health Care	3.5	10.4
Alphabet Inc	Communication Services	3.3	-21.7
GSK plc	Health Care	3.1	0.7
Metlife Inc.	Financials	3.0	-10.0
FedEx Corp.	Industrials	2.9	-1.6
Raytheon Technologies Corp	Industrials	2.9	-2.4
% of Portfolio		34.4	



# Dodge & Cox Stock Fund

As of 6/30/22

Peer Group: Large Value



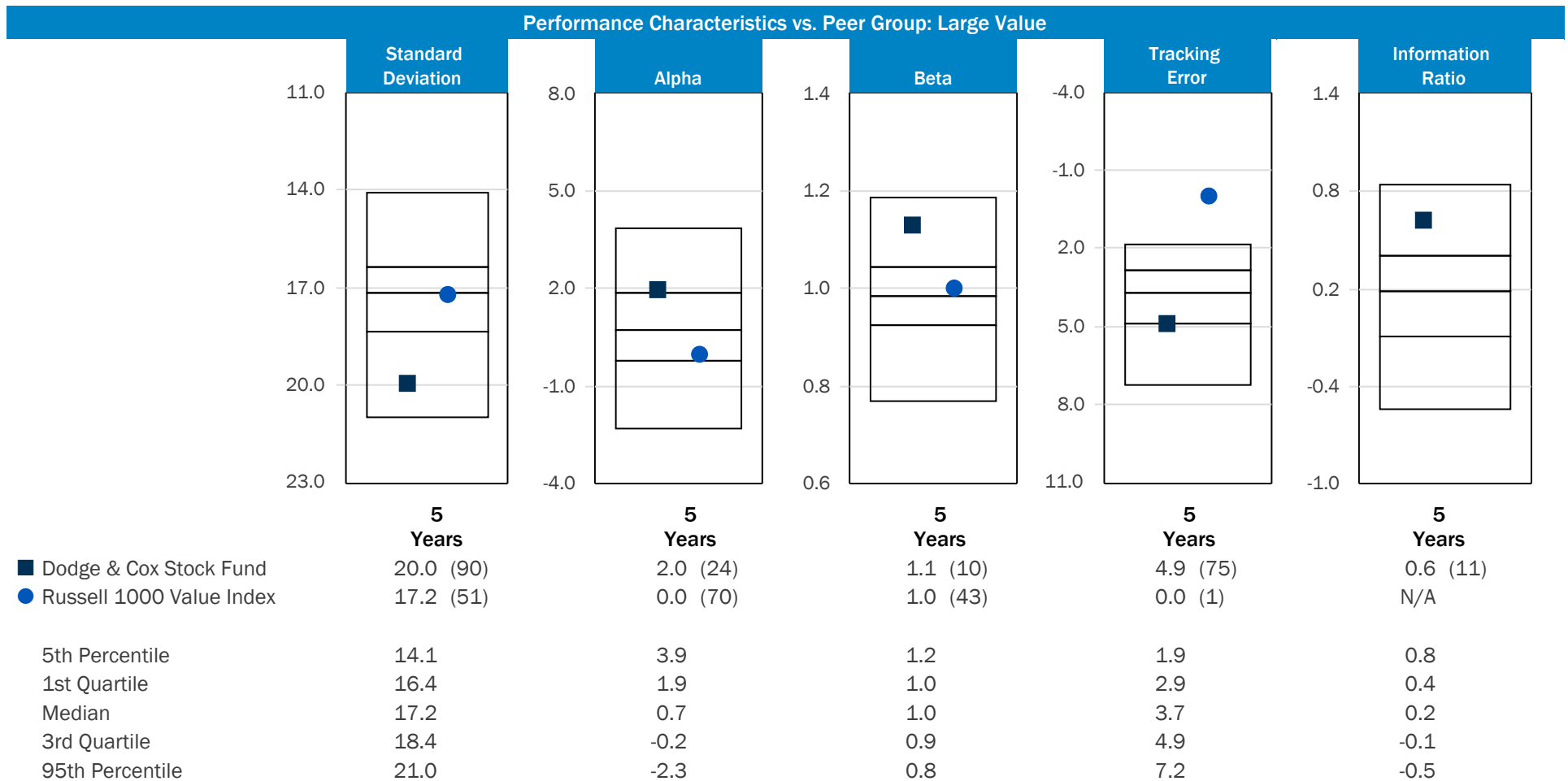
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Dodge & Cox Stock Fund	-12.4 (74)	-11.5 (51)	-7.6 (79)	9.9 (10)	13.1 (2)
● Russell 1000 Value Index	-12.2 (69)	-12.9 (65)	-6.8 (70)	7.2 (68)	10.5 (46)
5th Percentile	-7.3	-5.0	1.3	10.5	12.3
1st Quartile	-9.9	-8.9	-2.3	8.8	11.1
Median	-11.2	-11.5	-5.1	7.8	10.4
3rd Quartile	-12.5	-13.7	-7.2	6.8	9.7
95th Percentile	-15.0	-17.7	-12.0	4.9	8.0
Population	1,804	1,792	1,764	1,639	1,446

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Dodge & Cox Stock Fund

As of 6/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox Stock Fund	22.0	40.5	10.4	-4.5	21.3	18.3	-7.1	24.8	7.2	31.7	-11.5	11.3	9.9	13.1
Russell 1000 Value Index	17.5	32.5	13.5	-3.8	17.3	13.7	-8.3	26.5	2.8	25.2	-12.9	6.9	7.2	10.5

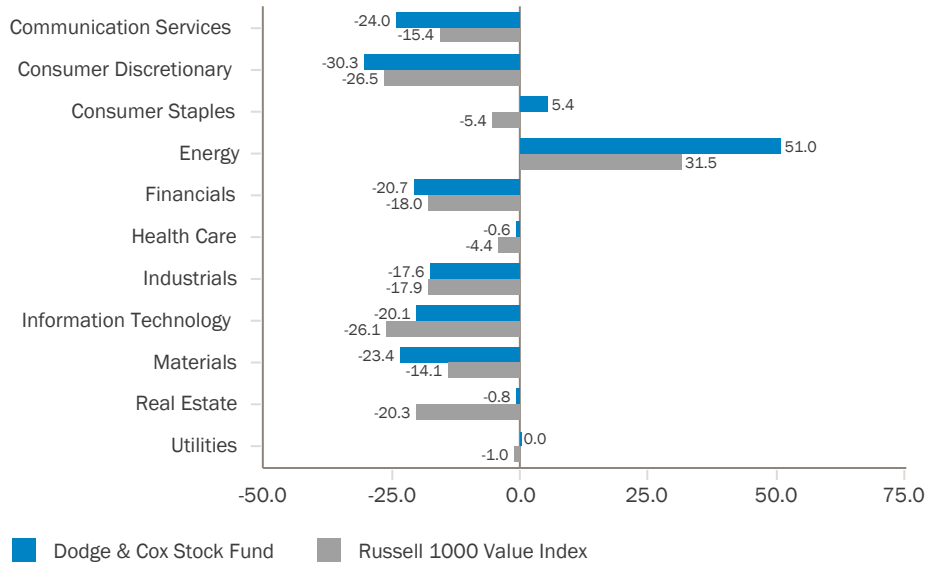


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# Dodge & Cox Stock Fund

As of 6/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Cigna Corp	2.4	10.4	0.3
Occidental Petroleum Corp	3.4	4.0	0.1
Gilead Sciences Inc	1.2	5.3	0.1
Bristol-Myers Squibb Co	0.5	6.2	0.1
T-Mobile US Inc	1.0	4.8	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

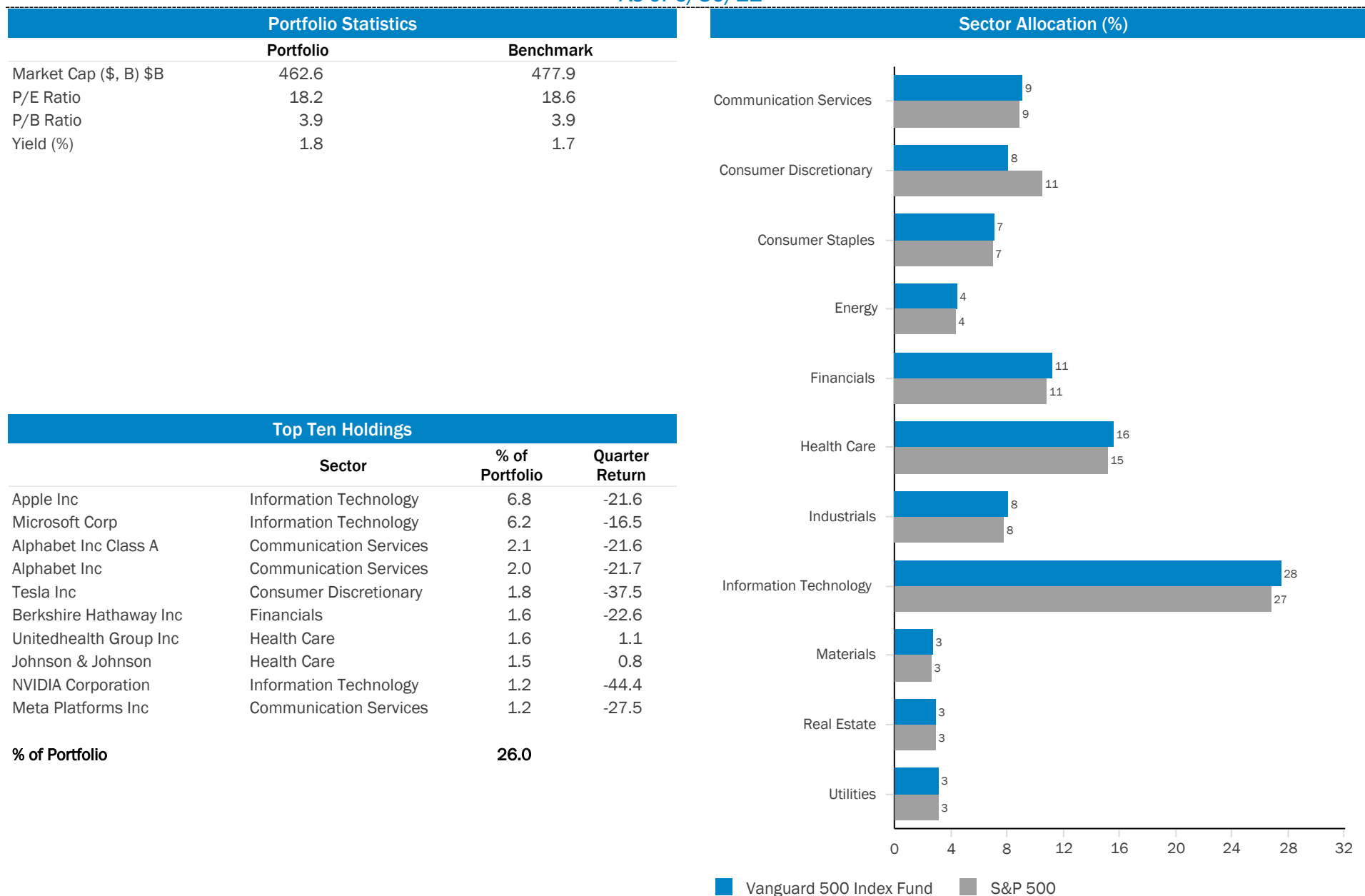
	Relative Weights	Quarter Return	Return Contribution
Schwab (Charles) Corp	3.7	-24.8	-1.1
Alphabet Inc	3.2	-21.7	-0.8
Wells Fargo & Co	3.1	-18.7	-0.8
Capital One Financial Corp.	2.7	-20.2	-0.6
Johnson Controls International Plc	2.0	-26.4	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	13.4	7.1	-24.0	-15.4	-1.3	-0.2	-1.5
Consumer Discretionary	2.5	5.2	-30.3	-26.5	-0.1	0.4	0.3
Consumer Staples	1.8	7.6	5.4	-5.4	0.2	-0.4	-0.2
Energy	8.5	6.8	51.0	31.5	1.2	0.7	1.9
Financials	24.3	20.7	-20.7	-18.0	-0.6	-0.2	-0.8
Health Care	21.2	18.0	-0.6	-4.4	0.7	0.3	1.0
Industrials	8.6	10.9	-17.6	-17.9	0.0	0.1	0.2
Information Technology	18.7	9.5	-20.1	-26.1	1.3	-1.4	-0.1
Materials	0.9	3.9	-23.4	-14.1	-0.1	0.0	0.0
Real Estate	0.0	4.9	-0.8	-20.3	0.0	0.4	0.4
Utilities	0.0	5.3	0.0	-1.0	0.0	-0.6	-0.6
Total	100.0	100.0	-11.7	-12.3	1.3	-0.7	0.6

# Vanguard 500 Index Fund

As of 6/30/22

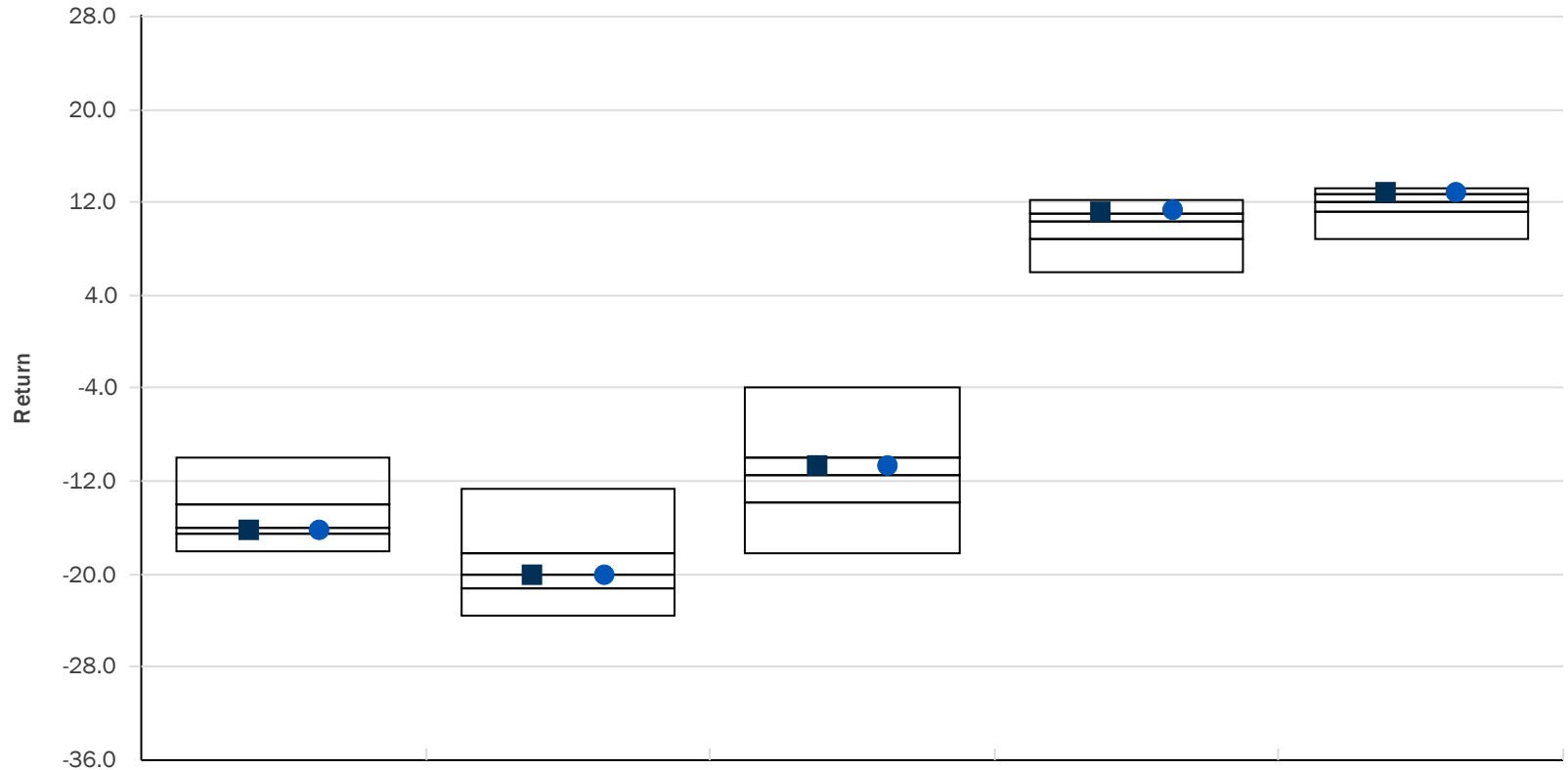




# Vanguard 500 Index Fund

As of 6/30/22

Peer Group: Large Blend



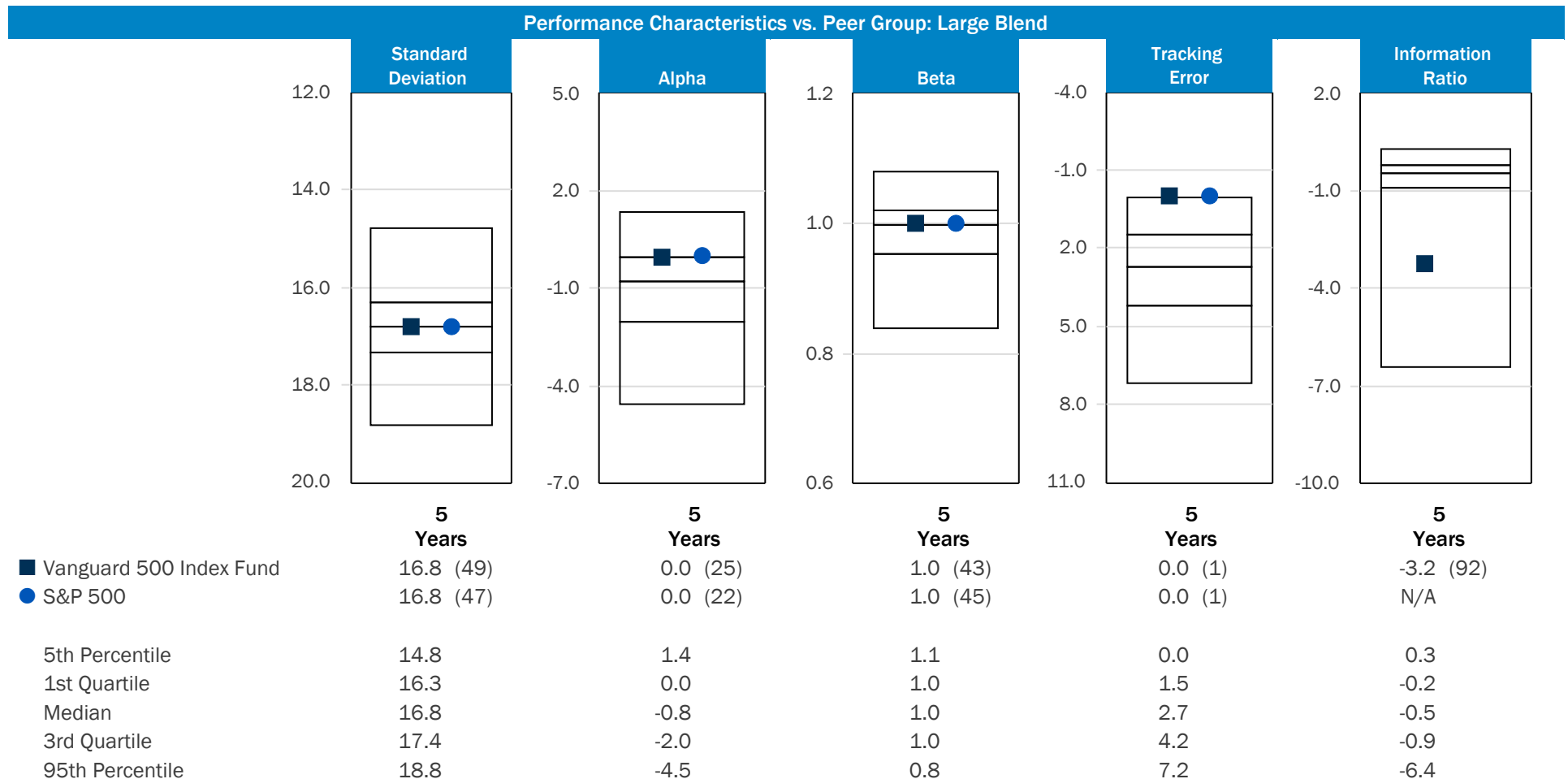
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Vanguard 500 Index Fund	-16.1 (58)	-20.0 (48)	-10.7 (34)	11.3 (18)	12.9 (13)
● S&P 500	-16.1 (56)	-20.0 (46)	-10.6 (31)	11.3 (15)	13.0 (11)
5th Percentile	-10.0	-12.6	-3.9	12.1	13.3
1st Quartile	-13.9	-18.3	-9.9	11.1	12.7
Median	-15.9	-20.0	-11.5	10.3	12.1
3rd Quartile	-16.5	-21.2	-13.8	8.9	11.2
95th Percentile	-18.0	-23.6	-18.2	6.0	8.9
Population	2,147	2,126	2,082	1,812	1,494

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Vanguard 500 Index Fund

As of 6/30/22

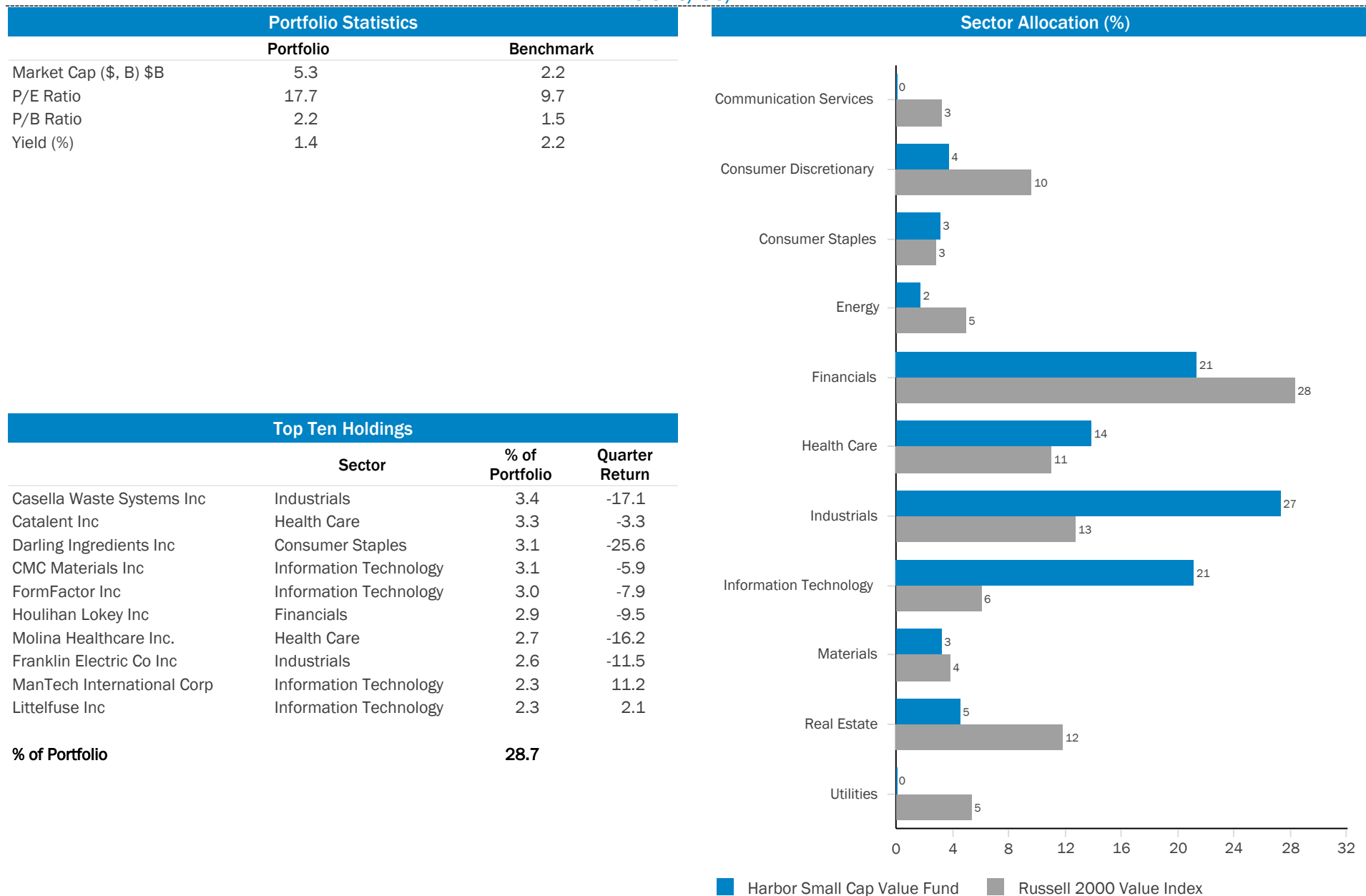
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Vanguard 500 Index Fund	16.0	32.3	13.6	1.4	11.9	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	12.9
S&P 500	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0



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# Harbor Small Cap Value Fund

As of 6/30/22

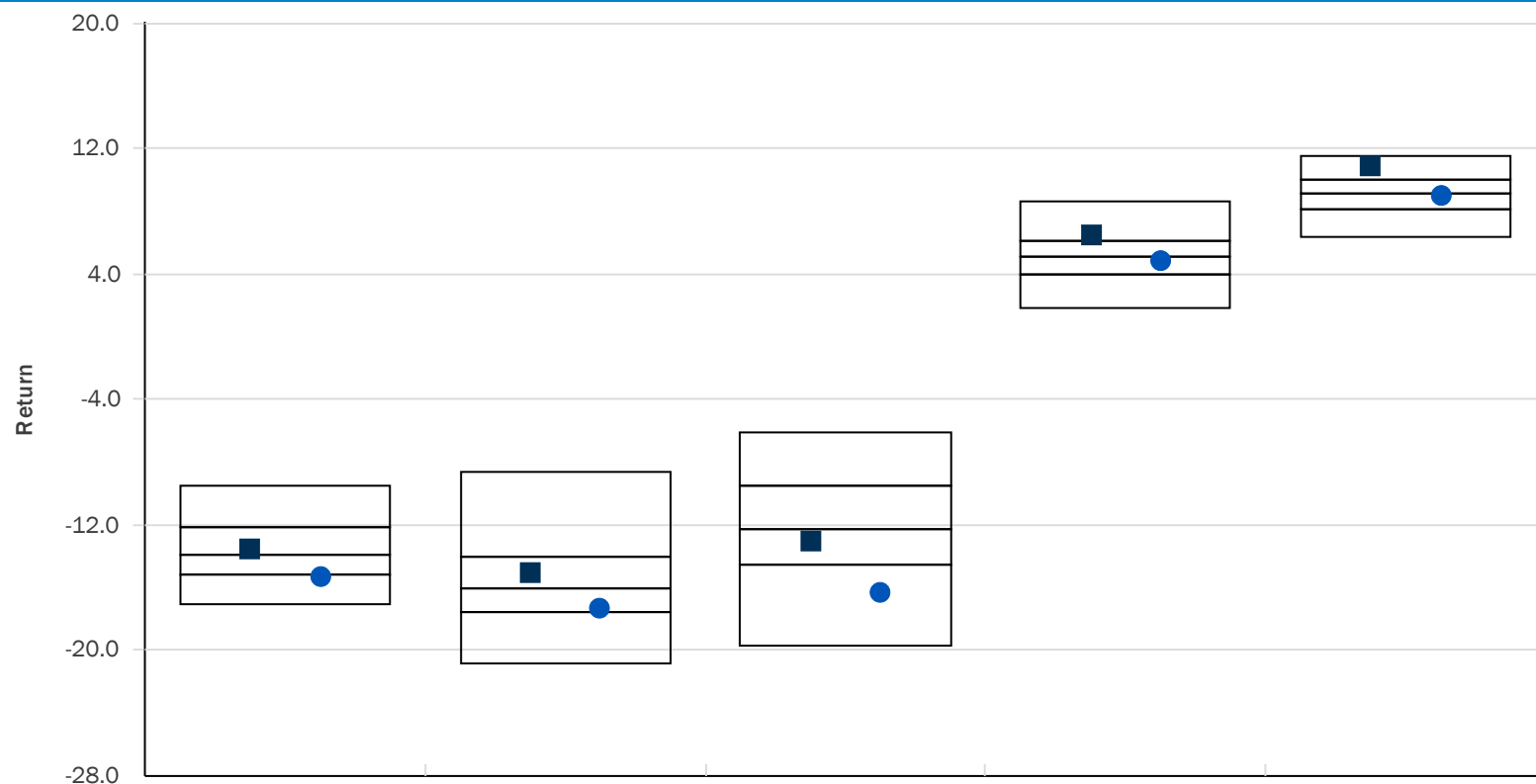


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# Harbor Small Cap Value Fund

As of 6/30/22

Peer Group: Small Value



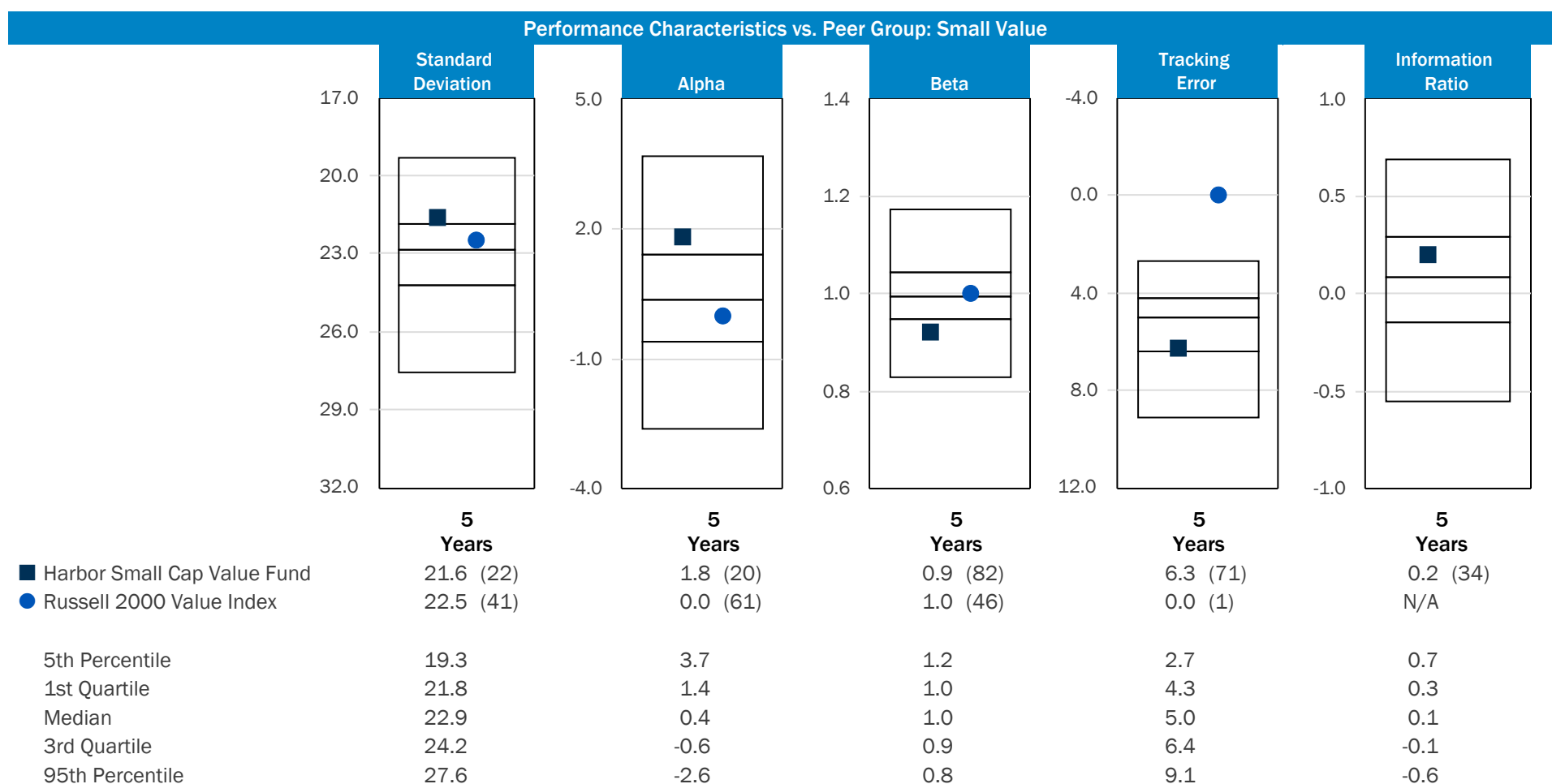
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Harbor Small Cap Value Fund	-13.5 (45)	-15.0 (36)	-13.0 (58)	6.5 (21)	10.9 (12)
● Russell 2000 Value Index	-15.3 (78)	-17.3 (70)	-16.3 (85)	4.9 (58)	9.1 (54)
5th Percentile	-9.5	-8.6	-6.1	8.6	11.6
1st Quartile	-12.1	-14.0	-9.5	6.2	10.0
Median	-13.9	-16.0	-12.3	5.1	9.2
3rd Quartile	-15.2	-17.5	-14.5	4.0	8.2
95th Percentile	-17.0	-20.8	-19.7	1.9	6.4
Population	663	654	652	580	537

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Harbor Small Cap Value Fund

As of 6/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Harbor Small Cap Value Fund	14.2	35.6	7.9	-3.7	23.5	21.7	-15.9	29.1	13.2	14.8	-15.0	6.0	6.5	10.9
Russell 2000 Value Index	18.1	34.5	4.2	-7.5	31.7	7.8	-12.9	22.4	4.6	28.3	-17.3	6.2	4.9	9.1

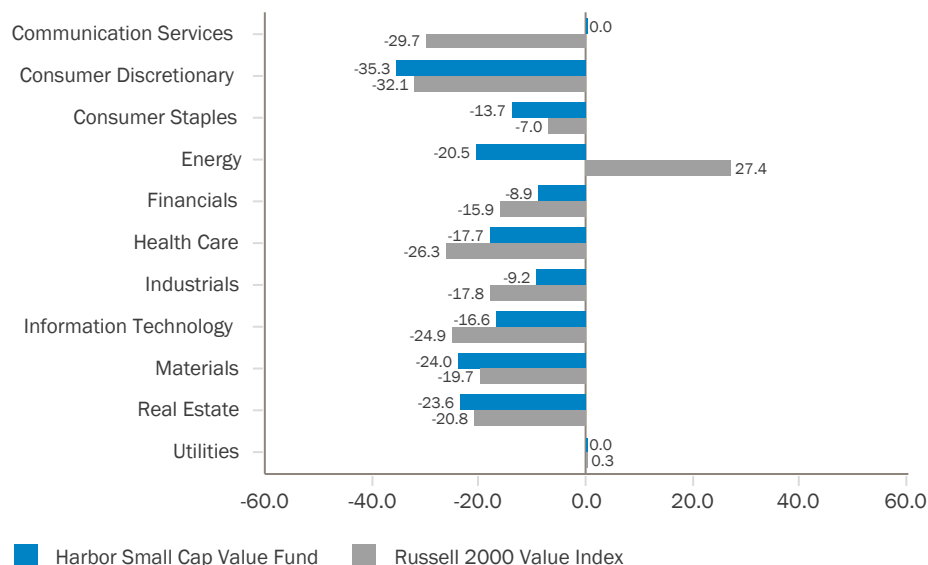


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# Harbor Small Cap Value Fund

As of 6/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Meridian Bioscience Inc	1.1	17.2	0.2
ManTech International Corp	1.6	11.2	0.2
Reinsurance Group of America Inc.	1.7	7.8	0.1
Parsons Corp	1.6	4.4	0.1
United Fire Group Inc	0.6	10.7	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

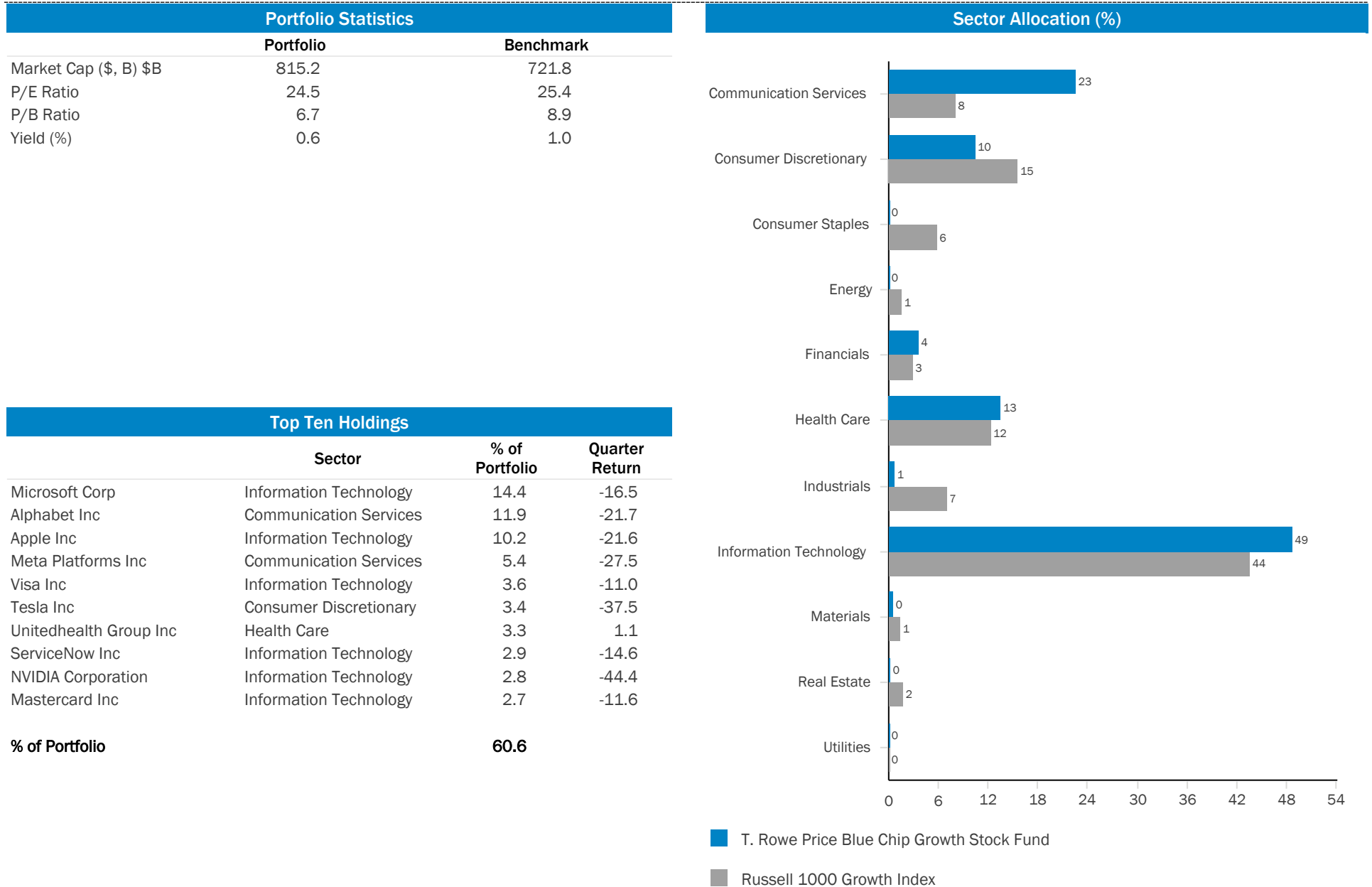
	Relative Weights	Quarter Return	Return Contribution
Sabre Corp	2.0	-49.0	-1.0
CONMED Corp	2.7	-35.4	-1.0
Darling Ingredients Inc	3.6	-25.6	-0.9
Casella Waste Systems Inc	3.6	-17.1	-0.6
Scotts Miracle-Gro Co (The)	1.7	-35.3	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	0.0	3.4	0.0	-29.7	0.0	0.5	0.5
Consumer Discretionary	4.3	7.4	-35.3	-32.1	-0.2	0.5	0.3
Consumer Staples	3.4	3.1	-13.7	-7.0	-0.3	0.1	-0.2
Energy	2.0	8.9	-20.5	27.4	-0.8	-2.1	-2.9
Financials	21.2	26.2	-8.9	-15.9	1.4	0.0	1.4
Health Care	13.7	9.0	-17.7	-26.3	1.2	-0.4	0.8
Industrials	25.6	15.1	-9.2	-17.8	2.2	-0.1	2.0
Information Technology	21.3	5.4	-16.6	-24.9	1.9	-1.4	0.5
Materials	3.6	4.5	-24.0	-19.7	-0.2	0.0	-0.1
Real Estate	5.0	11.6	-23.6	-20.8	-0.1	0.3	0.2
Utilities	0.0	5.3	0.0	0.3	0.0	-0.9	-0.9
Total	100.0	100.0	-14.9	-16.4	5.1	-3.6	1.5

# T. Rowe Price Blue Chip Growth Stock Fund

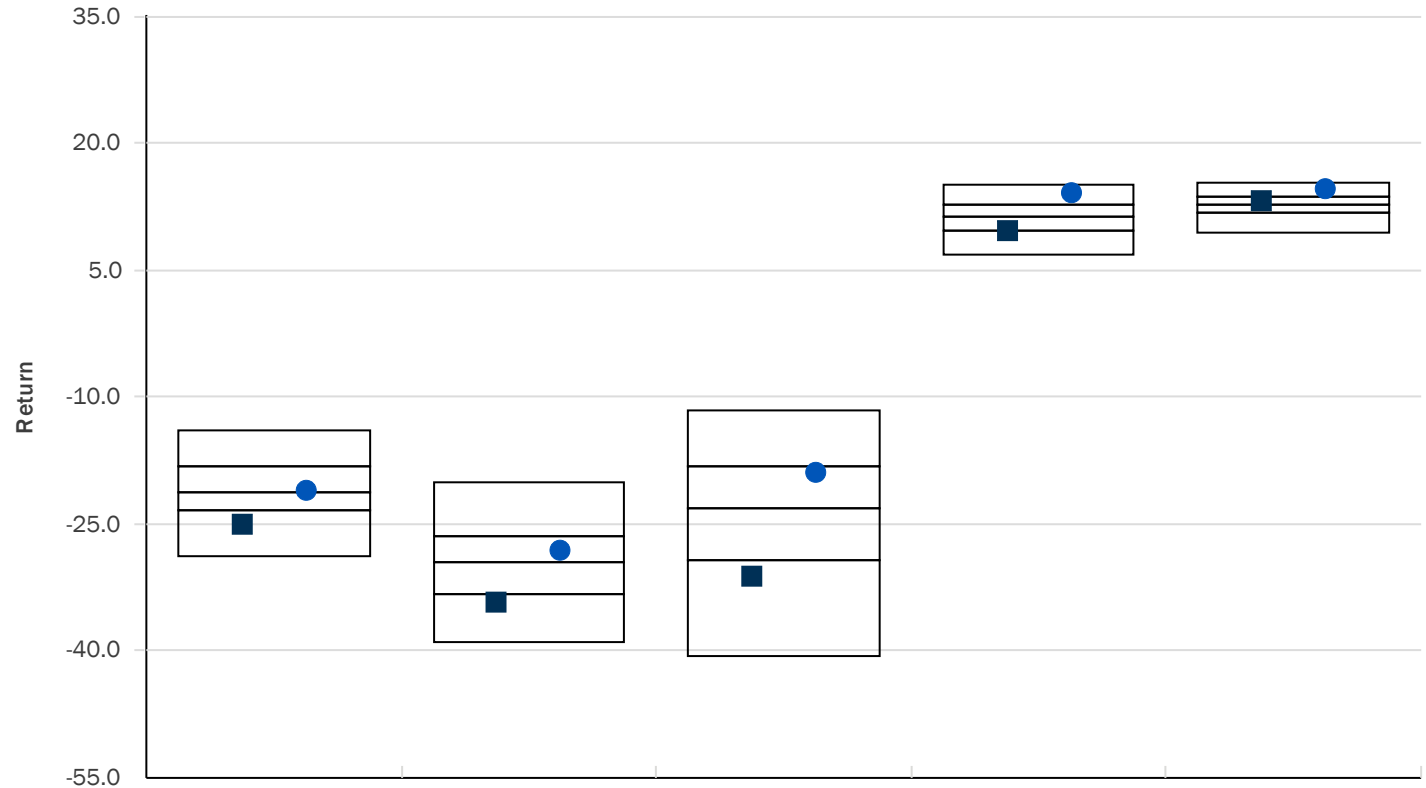
As of 6/30/22



# T. Rowe Price Blue Chip Growth Stock Fund

As of 6/30/22

Peer Group: Large Growth



	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ T. Rowe Price Blue Chip Growth Stock Fund	-25.0 (86)	-34.3 (83)	-31.2 (82)	9.7 (75)	13.3 (36)
● Russell 1000 Growth Index	-20.9 (48)	-28.1 (37)	-18.8 (28)	14.3 (11)	14.8 (9)
5th Percentile	-13.8	-20.1	-11.4	15.3	15.4
1st Quartile	-18.2	-26.4	-18.2	12.7	13.7
Median	-21.2	-29.5	-23.1	11.3	12.8
3rd Quartile	-23.4	-33.2	-29.3	9.6	11.7
95th Percentile	-28.9	-38.9	-40.7	6.9	9.6
Population	1,954	1,943	1,915	1,690	1,510

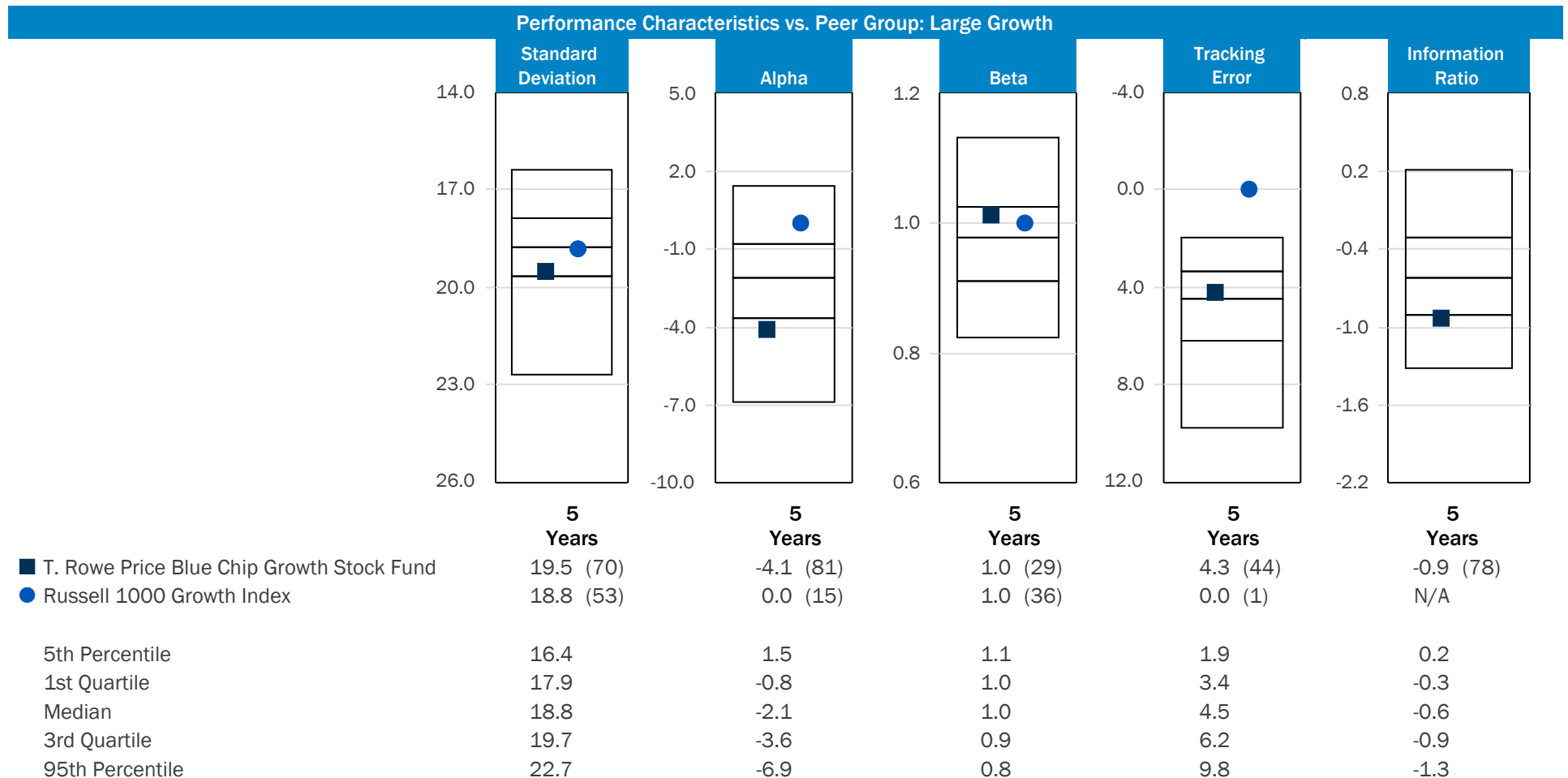
Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.



# T. Rowe Price Blue Chip Growth Stock Fund

As of 6/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
T. Rowe Price Blue Chip Growth Stock Fund	18.4	41.6	9.3	11.1	1.1	36.7	2.1	30.1	34.9	17.8	-34.3	4.0	9.7	13.3
Russell 1000 Growth Index	15.3	33.5	13.1	5.7	7.1	30.2	-1.5	36.4	38.5	27.6	-28.1	12.6	14.3	14.8

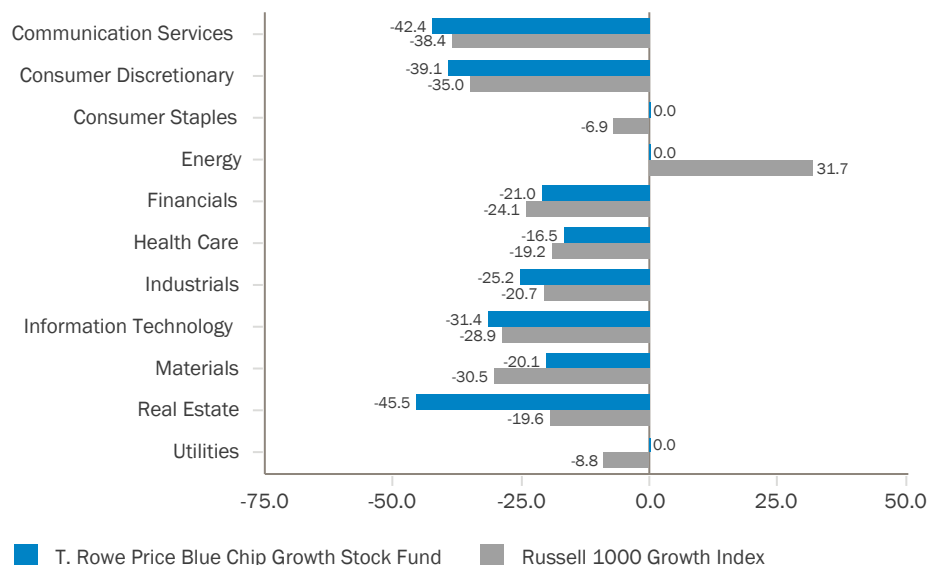


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# T. Rowe Price Blue Chip Growth Stock Fund

As of 6/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Eli Lilly and Co	0.4	13.6	0.2
Dollar General Corporation	0.6	10.5	0.1
Humana Inc.	0.4	7.7	0.0
Unitedhealth Group Inc	2.0	1.1	0.0
T-Mobile US Inc	0.2	4.8	0.0

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Amazon.com Inc	4.4	-34.8	-3.8
Alphabet Inc	7.2	-21.7	-2.2
Microsoft Corp	0.9	-16.5	-1.9
Apple Inc	-3.7	-21.6	-1.9
NVIDIA Corporation	0.5	-44.4	-1.5

## Attribution Detail (1/1/2022 to 6/30/2022)

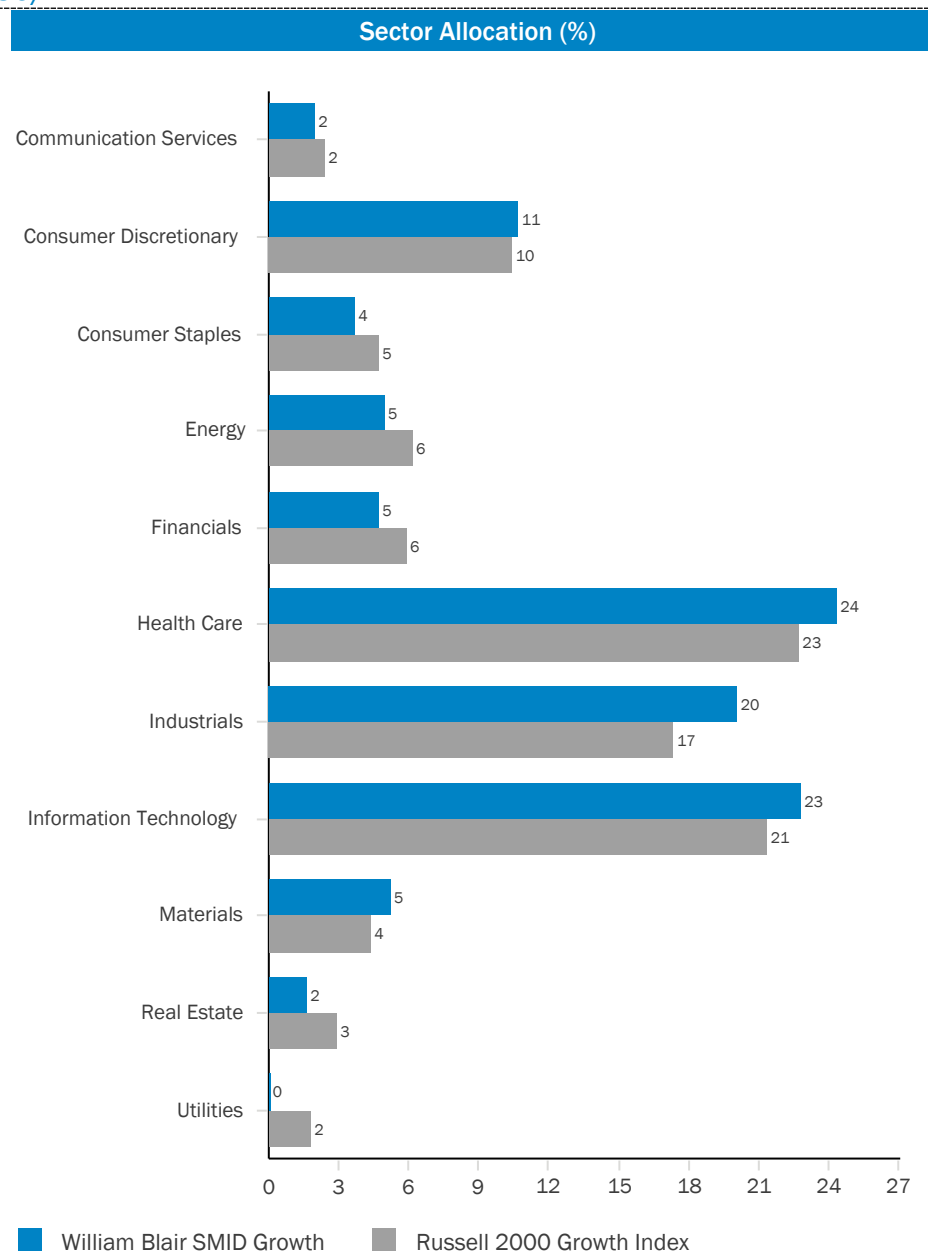
	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	21.9	10.6	-42.4	-38.4	-1.0	-1.1	-2.2
Consumer Discretionary	19.3	18.0	-39.1	-35.0	-0.9	-0.1	-1.0
Consumer Staples	0.0	4.4	0.0	-6.9	0.0	-0.8	-0.8
Energy	0.0	0.4	0.0	31.7	0.0	-0.2	-0.2
Financials	2.9	2.5	-21.0	-24.1	0.1	0.0	0.1
Health Care	10.5	8.9	-16.5	-19.2	0.2	0.2	0.4
Industrials	1.1	6.1	-25.2	-20.7	-0.1	-0.3	-0.4
Information Technology	43.9	46.2	-31.4	-28.9	-1.1	0.0	-1.1
Materials	0.4	1.0	-20.1	-30.5	0.0	0.0	0.0
Real Estate	0.1	1.8	-45.5	-19.6	0.0	-0.1	-0.2
Utilities	0.0	0.0	0.0	-8.8	0.0	0.0	0.0
Total	100.0	100.0	-33.8	-28.5	-2.7	-2.6	-5.3

# William Blair SMID Growth

As of 6/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	7.2	2.8
P/E Ratio	23.3	16.8
P/B Ratio	3.9	3.6
Yield (%)	0.5	0.8

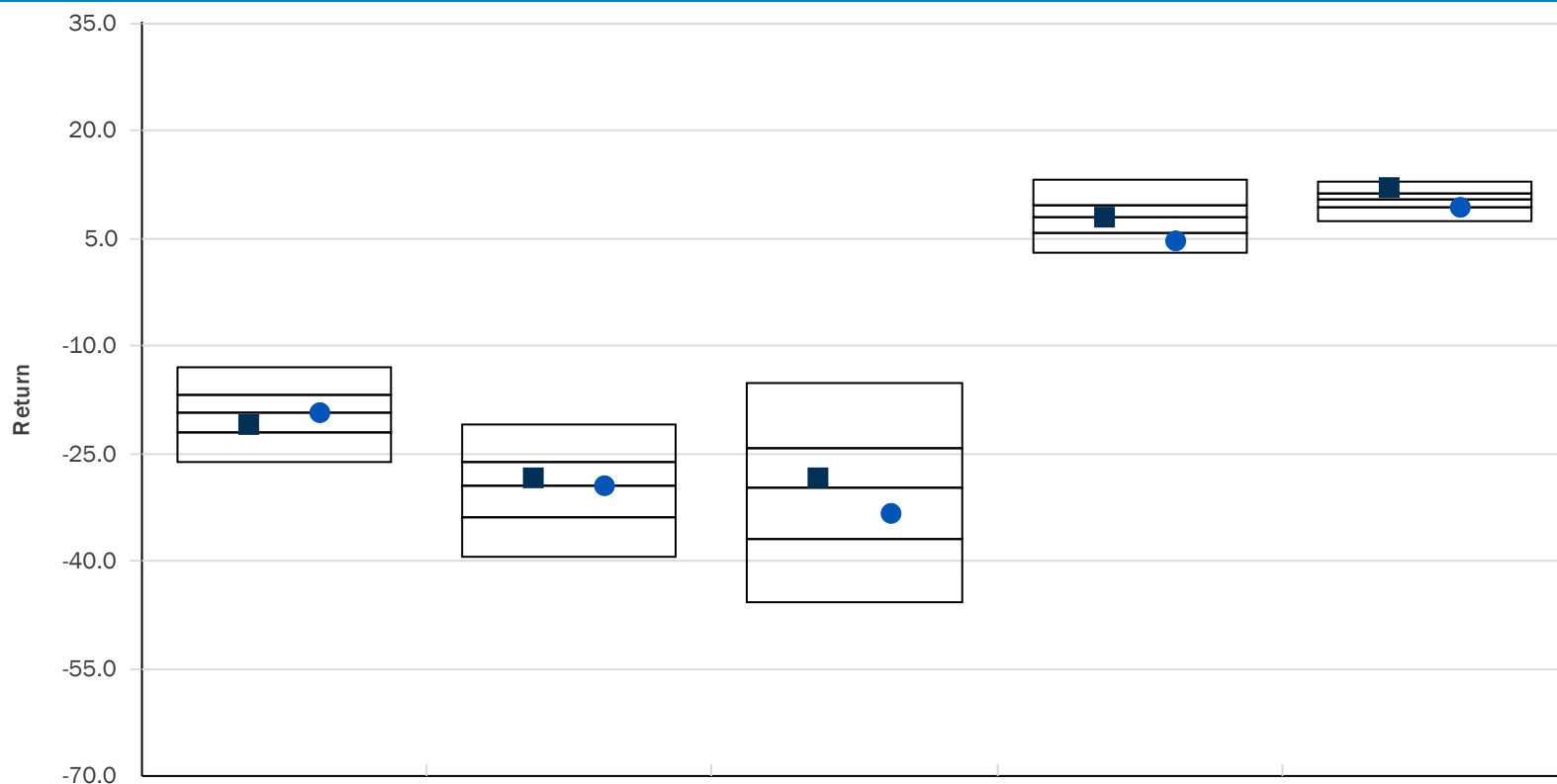
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
BWX Technologies Inc	Industrials	2.9	2.7
Builders FirstSource Inc	Industrials	2.9	-16.8
Dynatrace Inc	Information Technology	2.7	-16.3
Crown Holdings Inc	Materials	2.6	-26.2
Mercury Systems Inc	Information Technology	2.4	-0.2
SolarEdge Technologies Inc	Information Technology	2.4	-15.1
PERFORMANCE FOOD GROUP COMPANY	Consumer Staples	2.3	-9.7
Wyndham Hotels & Resorts Inc	Consumer Discretionary	2.3	-22.0
Euronet Worldwide Inc	Information Technology	2.2	-22.7
Acadia Healthcare Co Inc	Health Care	2.2	3.2
% of Portfolio		24.9	



# William Blair SMID Growth

As of 6/30/22

Peer Group: Small Growth



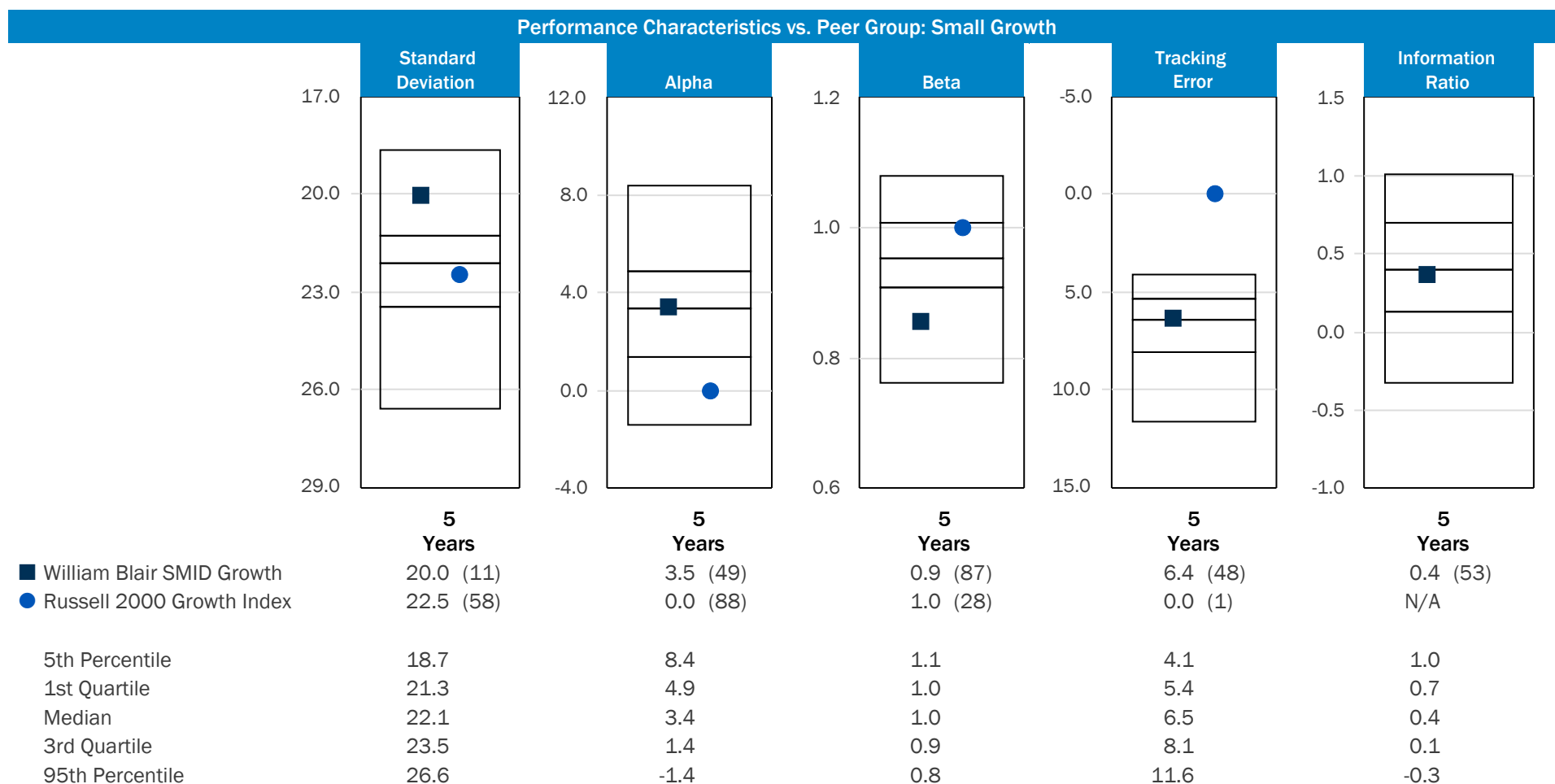
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ William Blair SMID Growth	-21.0 (68)	-28.5 (40)	-28.3 (45)	7.9 (50)	12.1 (14)
● Russell 2000 Growth Index	-19.3 (49)	-29.5 (49)	-33.4 (68)	4.8 (85)	9.3 (77)
5th Percentile	-12.9	-20.8	-15.2	13.3	13.1
1st Quartile	-16.9	-26.3	-24.2	9.5	11.4
Median	-19.4	-29.6	-29.7	7.9	10.5
3rd Quartile	-22.0	-33.9	-36.9	5.8	9.3
95th Percentile	-26.3	-39.5	-45.7	3.1	7.5
Population	929	926	913	822	733

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# William Blair SMID Growth

As of 6/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
William Blair SMID Growth	12.4	41.9	8.6	4.7	6.7	28.9	-2.1	30.8	32.4	8.6	-28.5	2.6	7.9	12.1
Russell 2000 Growth Index	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6	2.8	-29.5	1.4	4.8	9.3

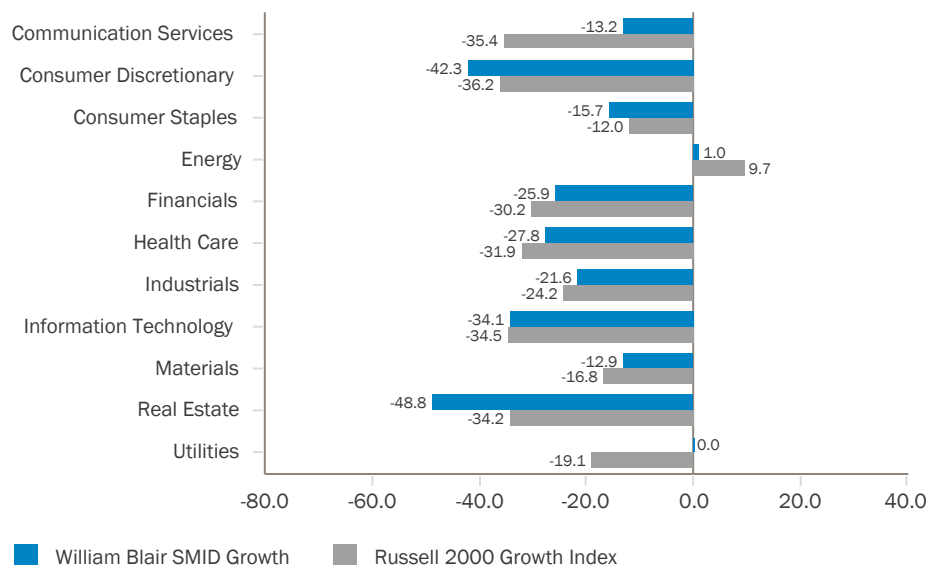


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# William Blair SMID Growth

As of 6/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Halozyne Therapeutics Inc	1.0	10.3	0.1
Ritchie Bros Auctioneers Inc	1.1	10.7	0.1
Celsius Holdings Inc	0.4	18.3	0.1
BWX Technologies Inc	2.3	2.7	0.1
Acadia Healthcare Co Inc	1.7	3.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
VIRTU FINANCIAL INC	2.3	-36.5	-0.8
Revolve Group Inc	1.5	-51.7	-0.8
Crown Holdings Inc	2.8	-26.2	-0.7
Cameco Corp	2.2	-27.8	-0.6
Penumbra Inc	1.4	-43.9	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	2.3	2.7	-13.2	-35.4	0.6	0.1	0.7
Consumer Discretionary	12.8	14.4	-42.3	-36.2	-0.8	0.2	-0.7
Consumer Staples	3.2	4.2	-15.7	-12.0	0.0	-0.2	-0.2
Energy	4.5	3.2	1.0	9.7	-0.3	0.5	0.2
Financials	5.4	5.5	-25.9	-30.2	0.3	0.0	0.2
Health Care	22.9	24.4	-27.8	-31.9	0.7	0.2	0.9
Industrials	17.8	15.8	-21.6	-24.2	0.5	0.1	0.6
Information Technology	24.5	22.8	-34.1	-34.5	0.1	-0.1	0.0
Materials	5.1	3.4	-12.9	-16.8	0.1	0.2	0.3
Real Estate	1.5	3.3	-48.8	-34.2	-0.2	0.1	-0.2
Utilities	0.0	0.4	0.0	-19.1	0.0	0.0	0.0
Total	100.0	100.0	-27.9	-29.8	0.9	1.0	2.0

# American Funds EuroPacific Growth

As of 6/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	107.6	69.5
P/E Ratio	16.0	12.5
P/B Ratio	3.4	2.4
Yield (%)	2.4	3.6

## Top Ten Holdings

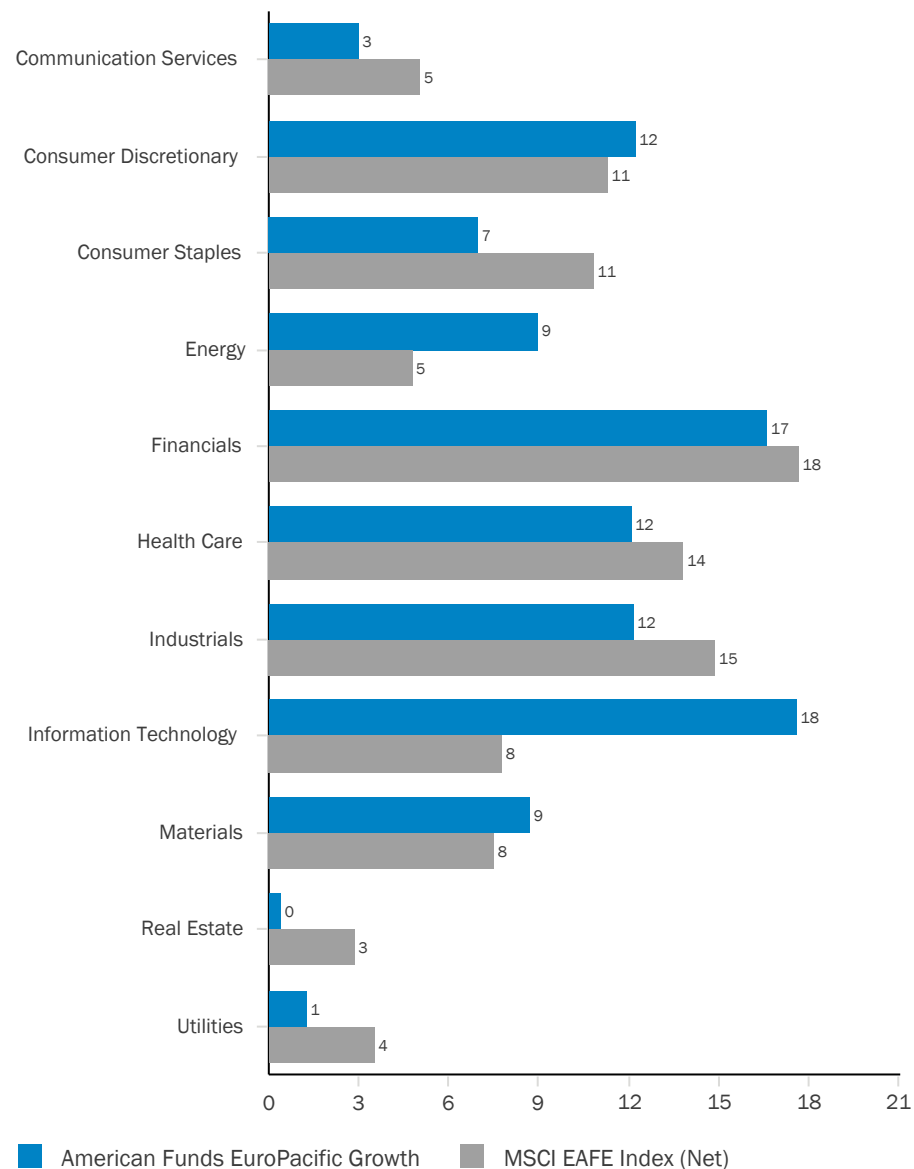
	Sector	% of Portfolio	Quarter Return
Reliance Indus	Energy	4.1	-5.3
ASML Holding NV	Information Technology	3.3	-29.2
Taiwan Semiconductor Manufacturing	Information Technology	2.8	-22.8
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.6	-15.4
AIA Group Ltd	Financials	2.2	4.4
Canadian Natural Resources Ltd	Energy	2.0	-12.5
Airbus SE	Industrials	2.0	-20.0
Daiichi Sankyo Co	Health Care	1.9	14.6
WuXi Biologics (Cayman) Inc	Health Care	1.4	10.2
H D F C Bank Ltd	Financials	1.4	-10.9

% of Portfolio 23.7

## Regional Allocation (%)

	Manager	Index
Canada	6.1	0.0
United States	1.5	0.2
Europe	47.0	64.5
Asia Pacific	15.9	34.4
<b>Developed Markets</b>	<b>70.5</b>	<b>99.1</b>
Americas	4.7	0.0
Europe	0.2	0.0
Asia Pacific	22.5	0.0
<b>Emerging Markets</b>	<b>27.4</b>	<b>0.0</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)

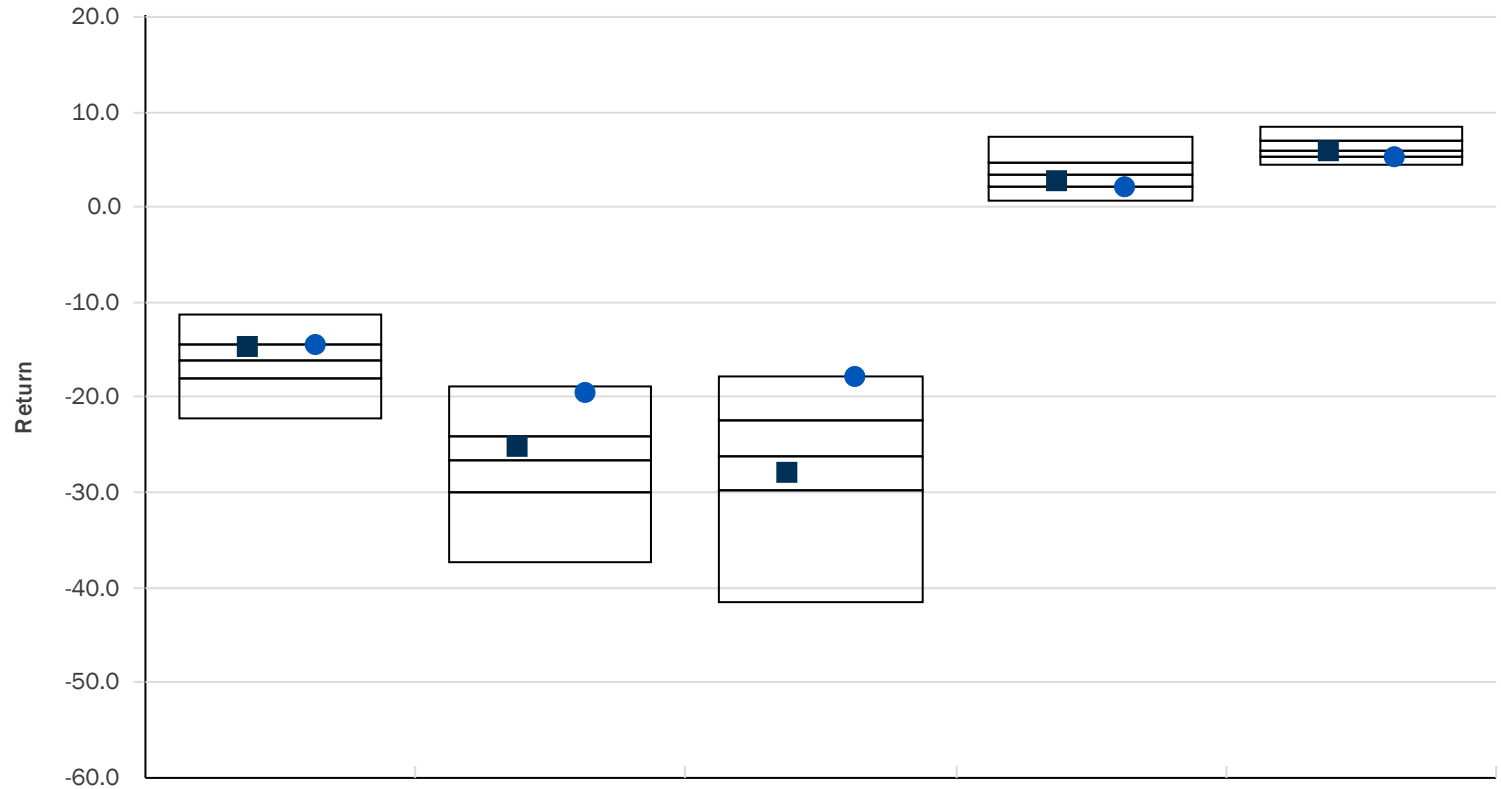


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# American Funds EuroPacific Growth

As of 6/30/22

Peer Group: Foreign Large Growth



	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ American Funds EuroPacific Growth	-14.7 (33)	-25.2 (36)	-27.9 (65)	2.7 (65)	5.9 (51)
● MSCI EAFE Index (Net)	-14.5 (28)	-19.6 (9)	-17.8 (6)	2.2 (74)	5.4 (73)
5th Percentile	-11.2	-18.9	-17.8	7.3	8.5
1st Quartile	-14.4	-24.0	-22.4	4.7	7.0
Median	-16.1	-26.7	-26.2	3.4	5.9
3rd Quartile	-17.9	-30.1	-29.8	2.1	5.3
95th Percentile	-22.2	-37.4	-41.5	0.8	4.4
Population	686	683	676	575	469

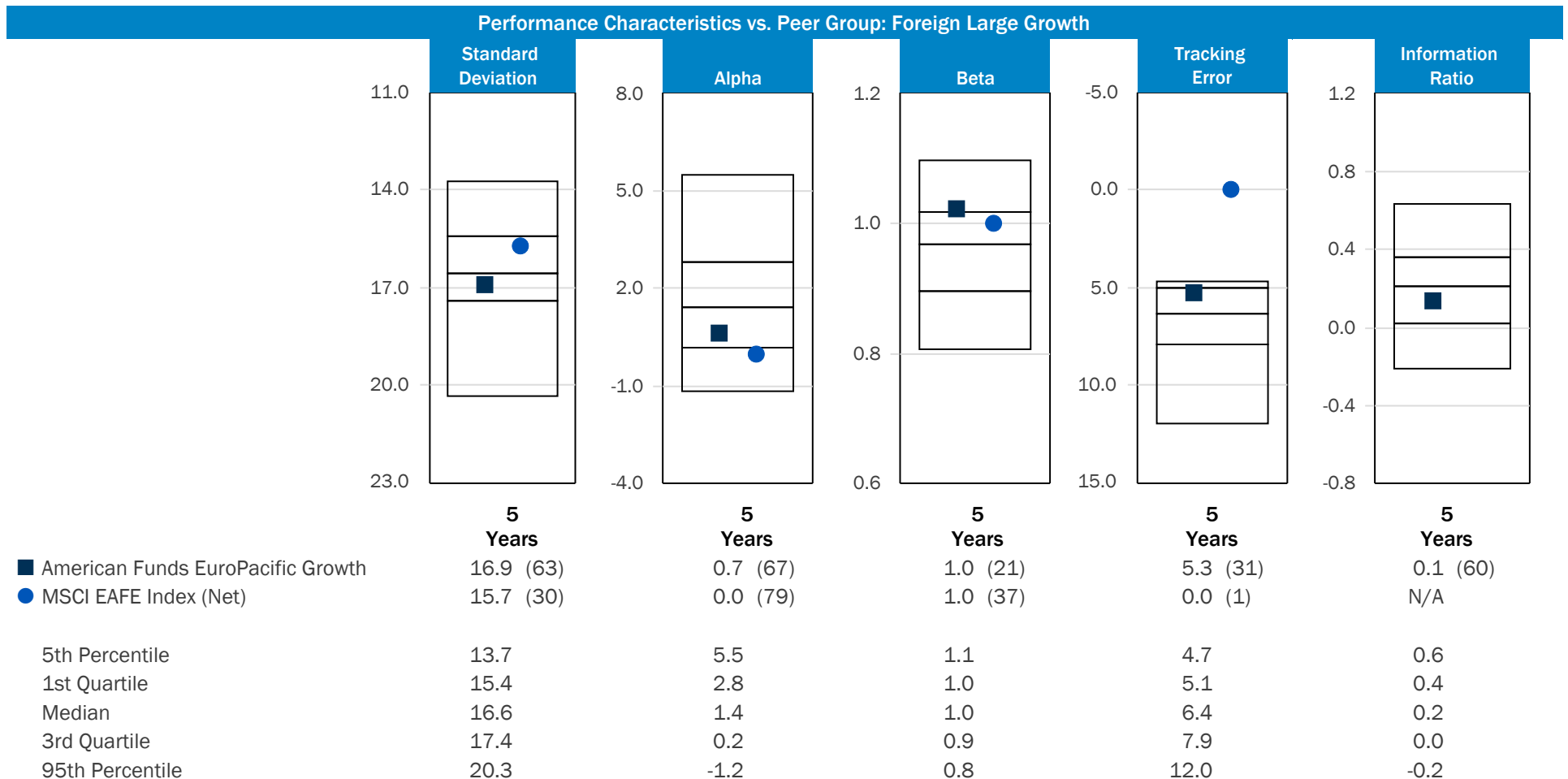
Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.



# American Funds EuroPacific Growth

As of 6/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
American Funds EuroPacific Growth	19.2	20.2	-2.6	-0.8	0.7	30.7	-15.2	26.9	24.8	2.5	-25.2	1.1	2.7	5.9
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

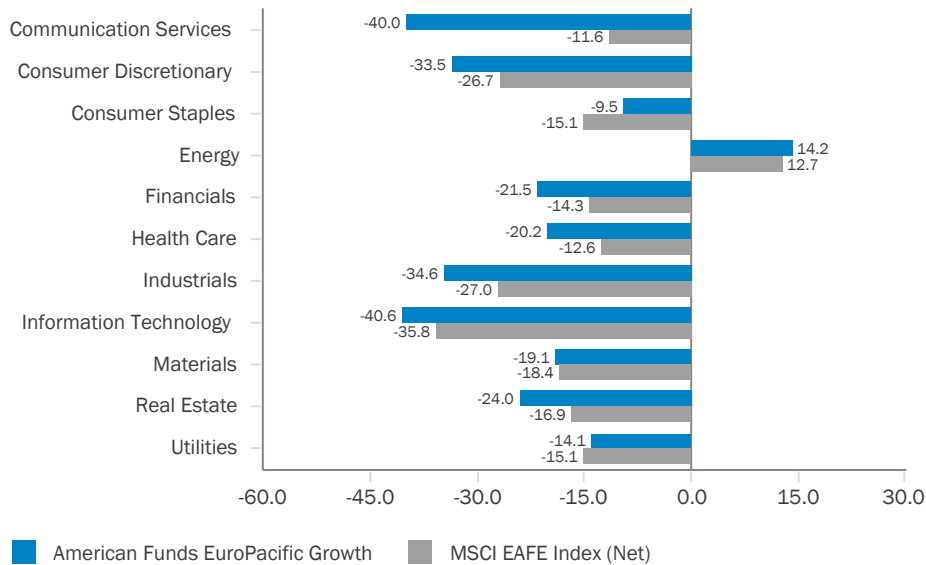


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# American Funds EuroPacific Growth

As of 6/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Daiichi Sankyo Co	1.2	14.6	0.2
Swedish Match AB	0.4	35.6	0.2
Gazprom PJSC	0.0	1,003.3	0.2
Kweichow Moutai Co Ltd	1.0	13.9	0.1
WuXi Biologics (Cayman) Inc	1.1	10.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
ASML Holding NV	2.1	-29.2	-1.1
Taiwan Semiconductor Manufacturing	3.0	-22.8	-0.7
MercadoLibre Inc	1.4	-46.5	-0.7
First Quantum Minerals Ltd	1.2	-45.4	-0.5
Sika AG, Baar	1.3	-30.5	-0.5

## Attribution Detail (1/1/2022 to 6/30/2022)

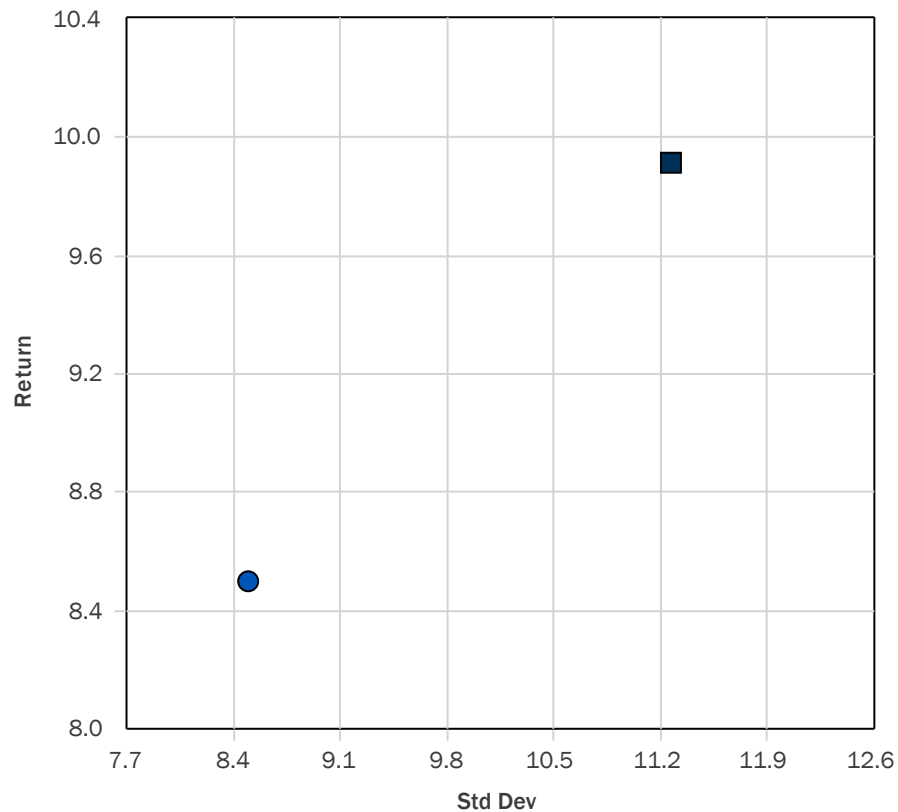
	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.8	4.8	-40.0	-11.6	-1.3	-0.1	-1.3
Consumer Discretionary	12.9	11.9	-33.5	-26.7	-1.0	-0.1	-1.1
Consumer Staples	5.8	10.4	-9.5	-15.1	0.3	-0.2	0.2
Energy	7.8	4.1	14.2	12.7	0.1	0.9	1.0
Financials	15.9	17.6	-21.5	-14.3	-1.1	-0.1	-1.2
Health Care	11.1	12.9	-20.2	-12.6	-0.8	-0.1	-0.9
Industrials	12.3	15.4	-34.6	-27.0	-1.0	0.3	-0.8
Information Technology	20.0	8.6	-40.6	-35.8	-1.2	-2.0	-3.2
Materials	8.7	8.0	-19.1	-18.4	-0.1	-0.1	-0.2
Real Estate	0.5	2.9	-24.0	-16.9	0.0	-0.1	-0.1
Utilities	1.3	3.5	-14.1	-15.1	0.0	-0.1	-0.1
Total	100.0	100.0	-26.8	-19.2	-6.0	-1.6	-7.6

# Dodge & Cox Balanced Fund

As of 6/30/22

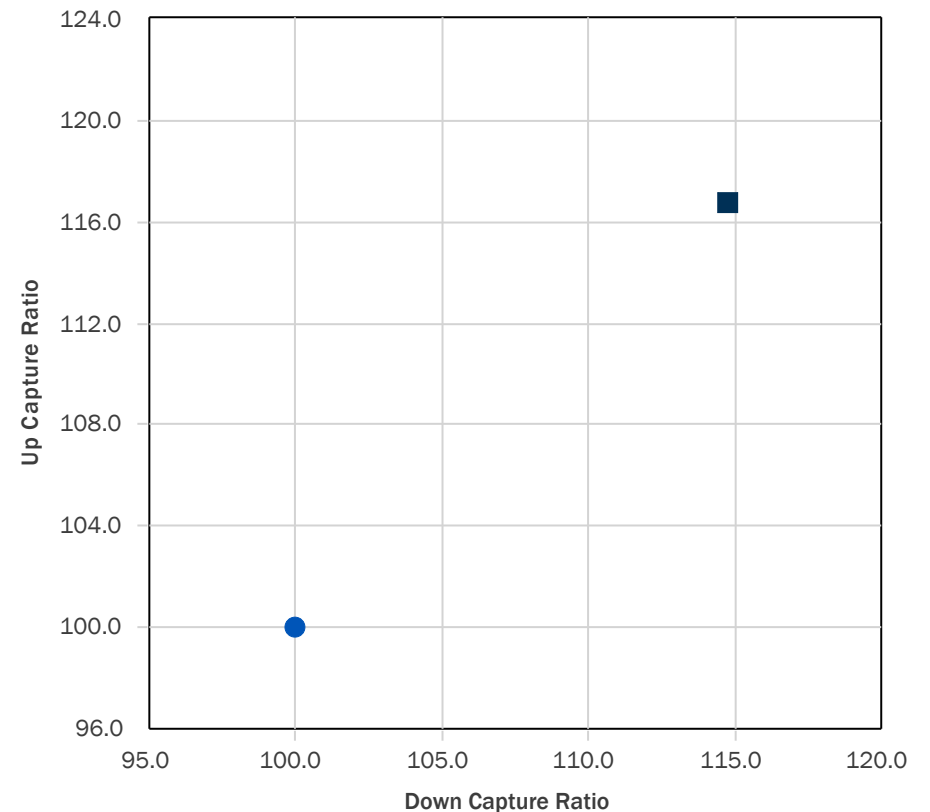
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox Balanced Fund	18.3	28.4	8.9	-2.9	16.6	12.6	-4.6	19.6	7.9	19.3	-9.9	7.8	7.2	9.9
60% S&P 500 / 40% BC Agg	11.3	17.6	10.6	1.3	8.3	14.2	-2.3	22.2	14.7	15.9	-16.1	6.2	7.4	8.5

Risk vs. Return - 10 Years



■ Dodge & Cox Balanced Fund    ● 60% S&P 500 / 40% BC Agg

Market Capture - 10 Years



■ Dodge & Cox Balanced Fund    ● 60% S&P 500 / 40% BC Agg

# Fixed Income Overview: MetWest Total Return Bond

As of 6/30/22

Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark	MetWest Total Return Bond		Blmbg. U.S. Aggregate
Duration	6.5	6.6	0-1 Years	-8	0
Average Maturity	8.8	8.8	1-3 Years	22	20
Average Quality	AA	AA+	3-5 Years	23	17
Yield To Maturity	3.5	2.9	5-10 Years	46	43
			10-20 Years	9	6
			20+ Years	8	13

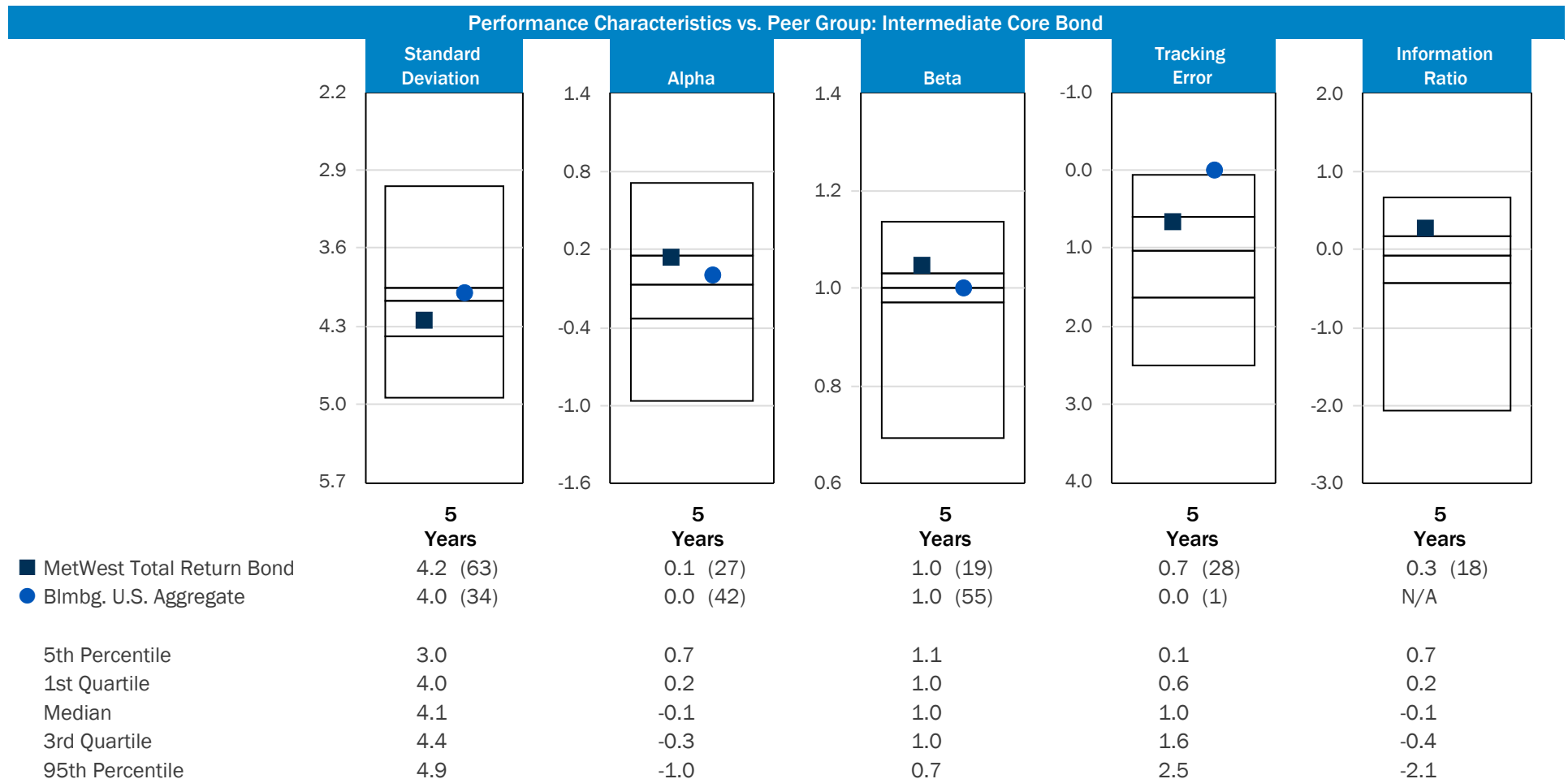
Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	MetWest Total Return Bond	Blmbg. U.S. Aggregate	MetWest Total Return Bond		Blmbg. U.S. Aggregate
Government	27	44	AAA/Government Guaranteed	62	72
Municipals	0	1	AA	5	3
Bank Loan	2	0	A	12	11
Investment Grade Corporate	19	25	BBB	15	14
High Yield Corporate	2	0	Below Investment Grade	7	0
ABS	4	0	Not Rated / Other	0	0
Agency RMBS	29	28			
Non Agency RMBS	2	0			
CMBS	2	2			
Collateralized Obligations	5	0			
Other Sector	8	0			

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# MetWest Total Return Bond

As of 6/30/22

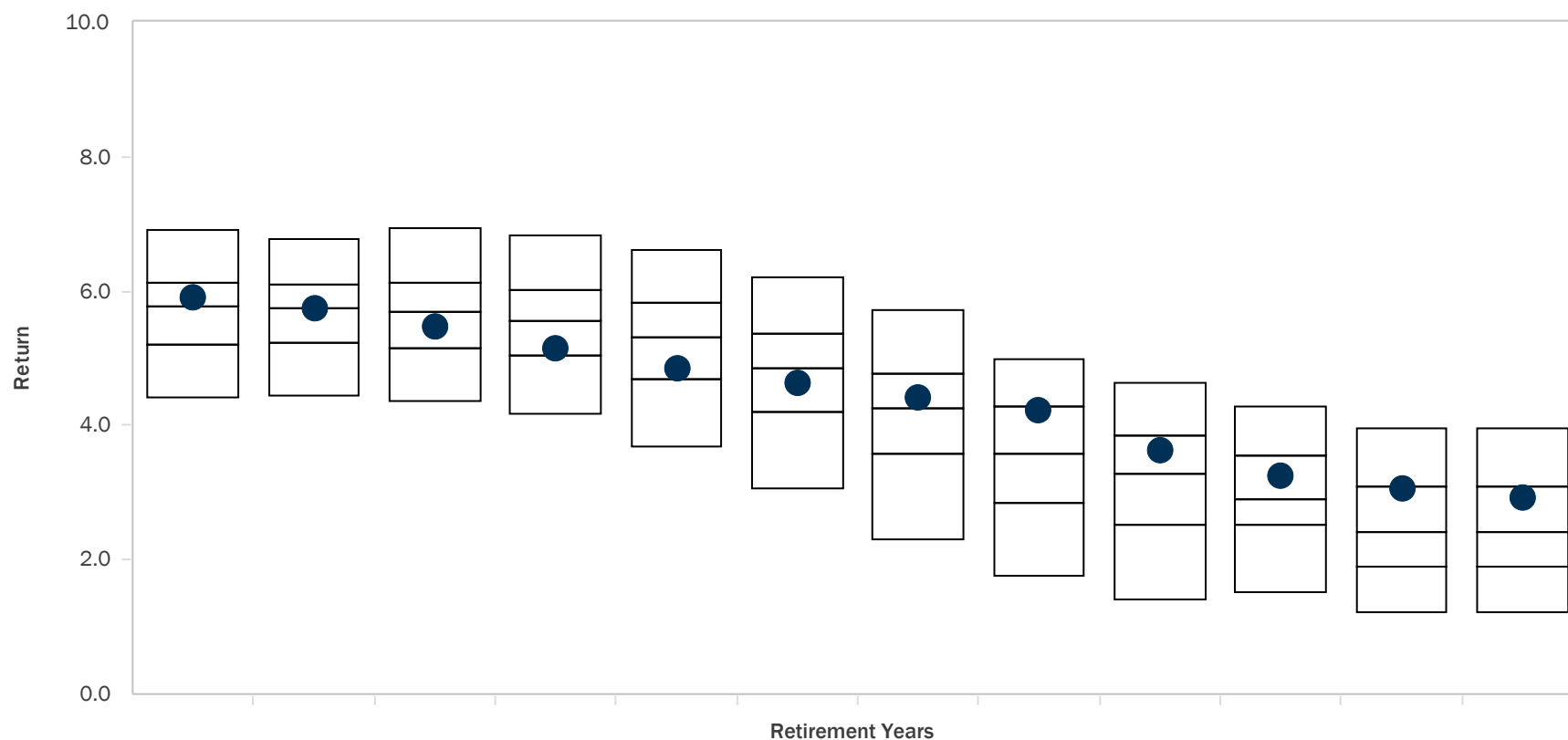
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
MetWest Total Return Bond	11.5	0.5	6.0	0.3	2.5	3.4	0.2	9.1	9.1	-1.1	-11.7	-0.8	1.1	2.3
Blmbg. U.S. Aggregate	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5	-1.5	-10.3	-0.9	0.9	1.5



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# Performance by Vintage vs. Peer Group

3 Years Ending June 30, 2022



	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	2005
● T. Rowe Price Target	5.9 (42)	5.7 (51)	5.5 (61)	5.1 (72)	4.8 (70)	4.6 (58)	4.4 (44)	4.2 (27)	3.6 (34)	3.2 (34)	3.1 (28)	2.9 (34)
5th Percentile	6.9	6.8	6.9	6.8	6.6	6.2	5.7	5.0	4.6	4.3	4.0	4.0
1st Quartile	6.1	6.1	6.1	6.0	5.8	5.4	4.8	4.3	3.9	3.6	3.1	3.1
Median	5.8	5.7	5.7	5.6	5.3	4.9	4.3	3.6	3.3	2.9	2.4	2.4
3rd Quartile	5.2	5.2	5.1	5.0	4.7	4.2	3.6	2.9	2.5	2.5	1.9	1.9
95th Percentile	4.4	4.4	4.4	4.2	3.7	3.1	2.3	1.8	1.4	1.5	1.2	1.2
Population	387	444	419	445	418	448	423	447	336	234	239	239

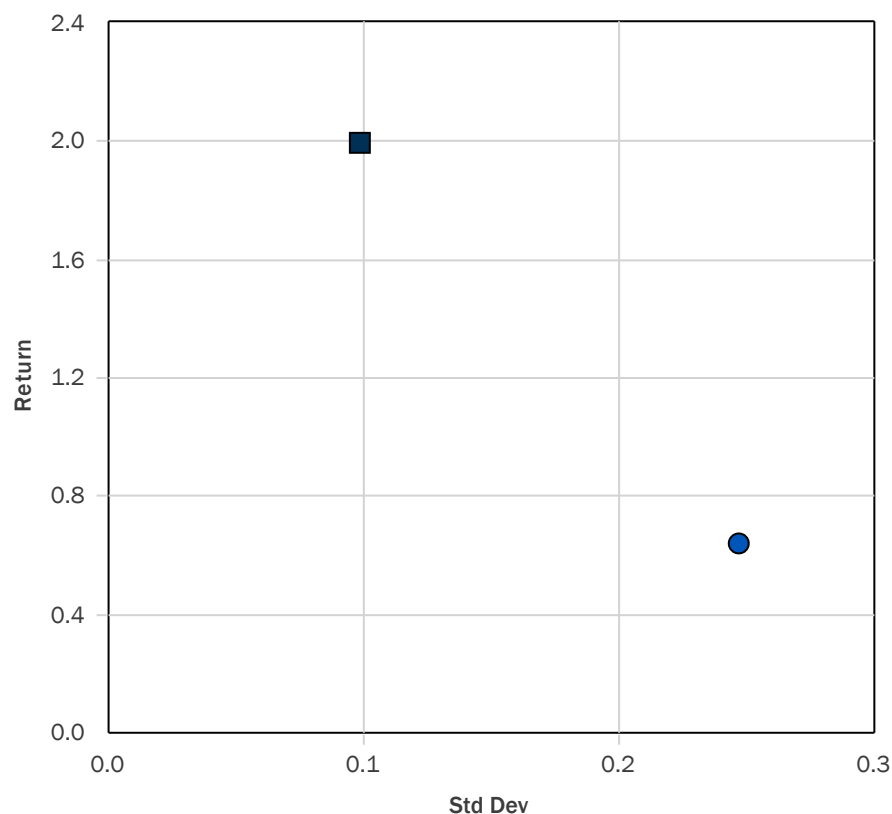
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# T. Rowe Price Stable Value Fund

As of 6/30/22

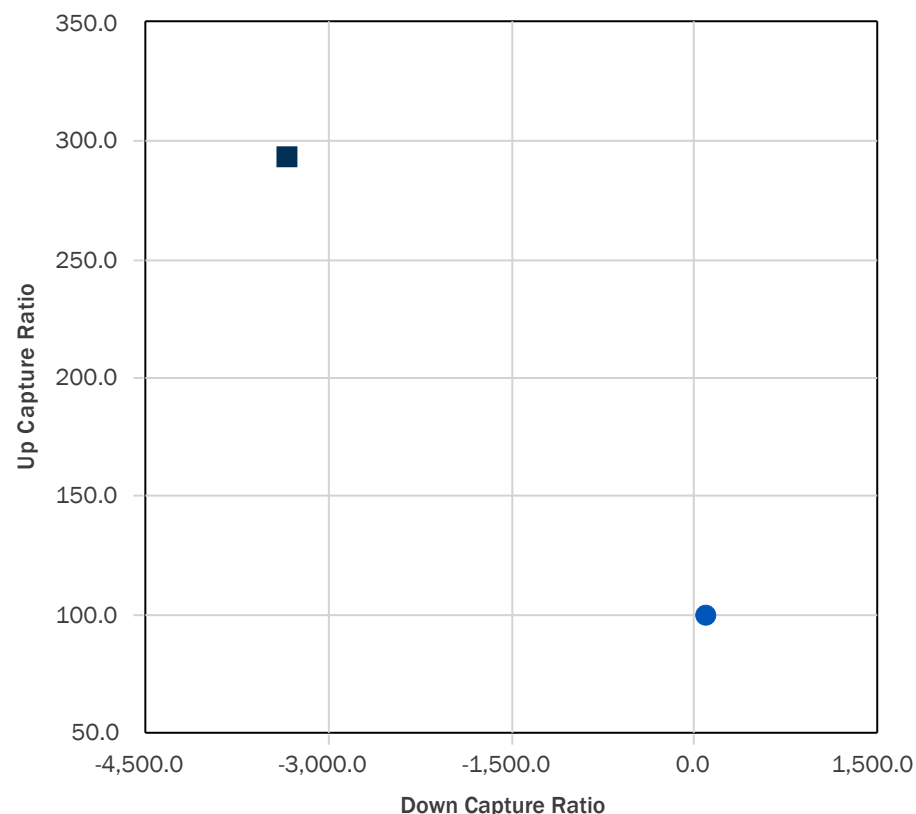
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
T. Rowe Price Stable Value Fund	2.4	2.2	2.0	1.7	1.8	1.9	2.1	2.2	2.1	1.8	0.8	1.9	2.0	2.0
ICE BofAML 3 Month U.S. T-Bill	0.1	0.1	0.0	0.1	0.3	0.9	1.9	2.3	0.7	0.0	0.1	0.6	1.1	0.6

Risk vs. Return - 10 Years



■ T. Rowe Price Stable Value Fund ● ICE BofAML 3 Month U.S. T-Bill

Market Capture - 10 Years



■ T. Rowe Price Stable Value Fund ● ICE BofAML 3 Month U.S. T-Bill

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# Investment Program Fee Review

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# Bi-State Development Agency 401(k) Plan Fee Summary

As of June 30, 2022

Investment Manager	Style	Manager Expense Ratio	Annual Fee In Dollar Terms	Morningstar Average Expense Ratio
Dodge & Cox Stock	US Large Cap	0.52%	\$21,195	0.81%
Vanguard Index Trust 500	US Large Cap	0.04%	\$5,162	0.29%
T. Rowe Price Blue Chip Growth	US Large Cap	0.56%	\$16,518	0.83%
William Blair SMID Growth	US Mid Cap	1.10%	\$40,340	1.02%
Harbor Small Cap Value	US Small Cap	0.79%	\$9,606	1.04%
EuroPacific Growth	Non-US Equity	0.82%	\$17,148	0.92%
Dodge & Cox Balanced	Balanced	0.53%	\$34,249	0.87%
MetWest Total Return Bond Fund	Fixed Income	0.45%	\$4,933	0.61%
T. Rowe Price Retirement Income	Balanced	0.49%	\$3,849	0.57%
T. Rowe Price Retirement 2005	Balanced	0.49%	\$3,512	0.46%
T. Rowe Price Retirement 2010	Balanced	0.49%	\$1,181	0.46%
T. Rowe Price Retirement 2015	Balanced	0.51%	\$6,904	0.54%
T. Rowe Price Retirement 2020	Balanced	0.53%	\$21,768	0.56%
T. Rowe Price Retirement 2025	Balanced	0.55%	\$25,655	0.59%
T. Rowe Price Retirement 2030	Balanced	0.58%	\$38,182	0.60%
T. Rowe Price Retirement 2035	Balanced	0.59%	\$20,814	0.61%
T. Rowe Price Retirement 2040	Balanced	0.60%	\$18,147	0.62%
T. Rowe Price Retirement 2045	Balanced	0.62%	\$11,899	0.62%
T. Rowe Price Retirement 2050	Balanced	0.63%	\$6,087	0.62%
T. Rowe Price Retirement 2055	Balanced	0.64%	\$2,706	0.62%
T. Rowe Price Retirement 2060	Balanced	0.64%	\$789	0.62%
T. Rowe Price Stable Value	Stable Value	0.25%	\$14,566	0.41%
Total Investment Management Fees <sup>(1)</sup>		0.45%	\$325,212	
CAPTRUST Consulting Fee <sup>(2)</sup>		0.04%	\$31,199	
Lincoln Alliance Program Fee <sup>(3)</sup>		0.14%	\$100,255	
<b>Total Fees</b>		<b>0.64%</b>	<b>\$456,666</b>	

<sup>(1)</sup> Investment management fee calculated based on June 30, 2022 market values.

<sup>(2)</sup> CAPTRUST fee based on most recent invoice.

<sup>(3)</sup> Lincoln Financial fees shown above do not include revenue sharing received from plan investments. In total, including revenue share, fees for Lincoln are approximately \$120,000.

Note: Participants electing to invest in the self-directed brokerage option pay a \$100 fee, plus any trading costs associated with the account.



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Updated 09/02/21

# Q2

## Second Quarter 2022 Performance Report

Bi-State Development Agency  
Salaried Pension Plan

Scott R. Meggenberg  
Principal

Brian P. Thrasher  
Vice President



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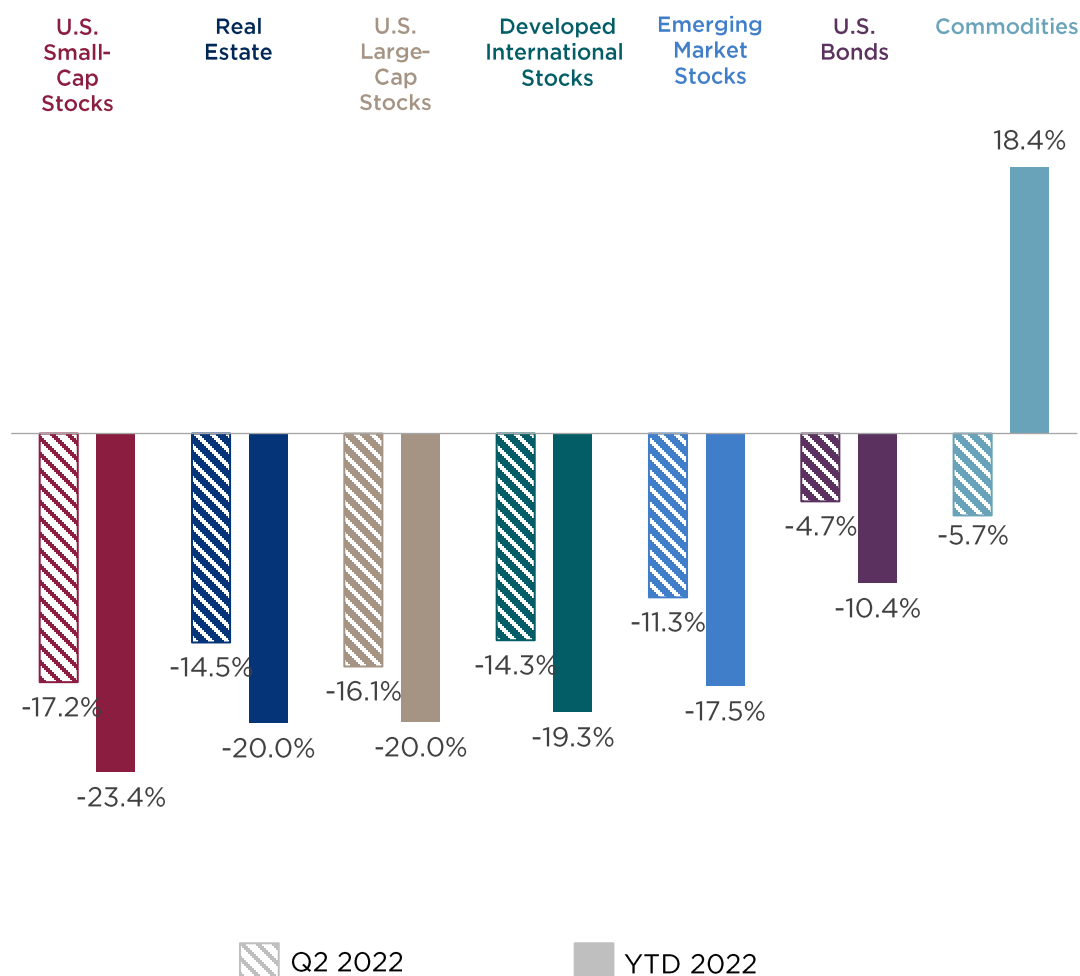
# Second Quarter 2022 Capital Markets Exhibits

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## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

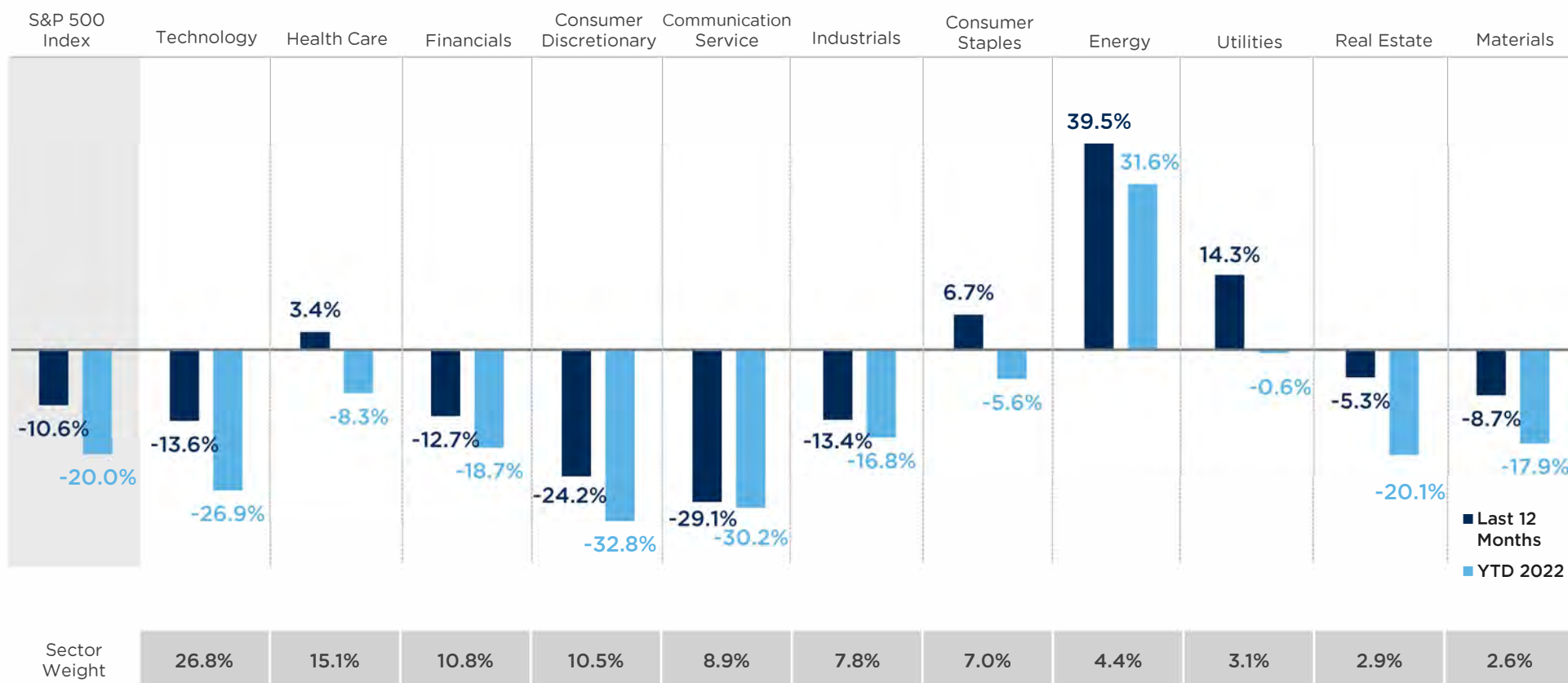
Q2 2022				YTD 2022				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

## DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

Returns by S&P 500 Sector



Source: Bloomberg. All calculations are cumulative, not annualized, total returns and include dividends for the stated period. Past performance is not indicative of future returns.



## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

## INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today's inflation has been driven by constrained supply.

### Estimated Impact to Consumer Price Index (CPI) – May 2022

**41%**

#### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

**24%**

#### COVID-19 Pandemic

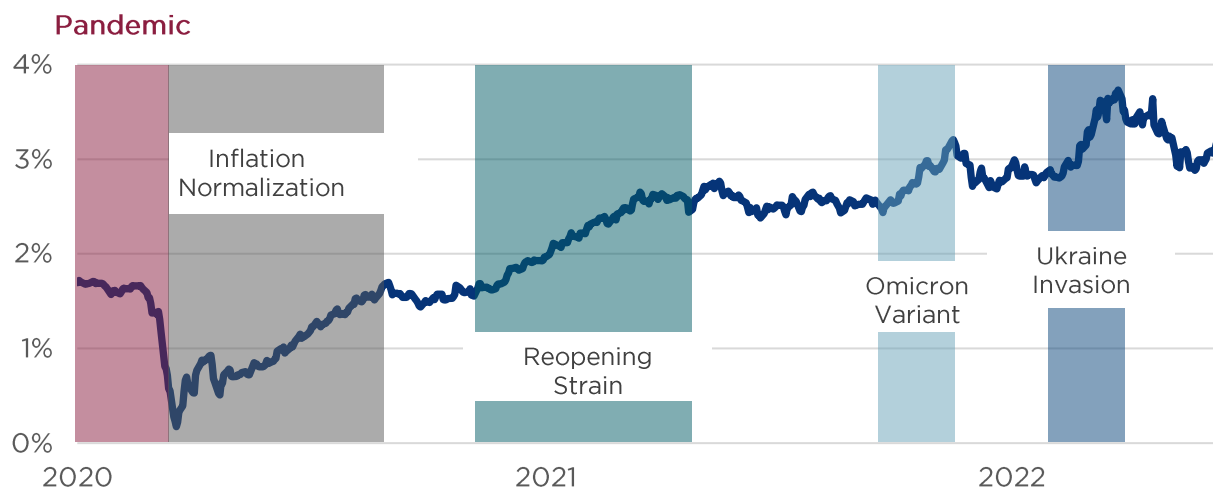
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

**35%**

#### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

### Inflation Waves: Five-Year Inflation Expectations



#### OBSERVATIONS

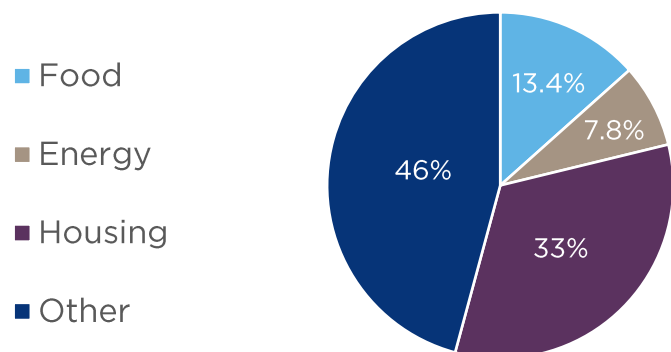
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody's Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

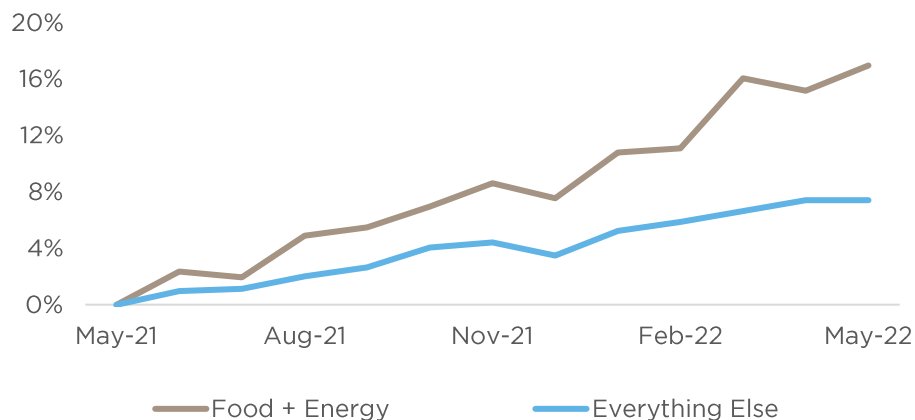
## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

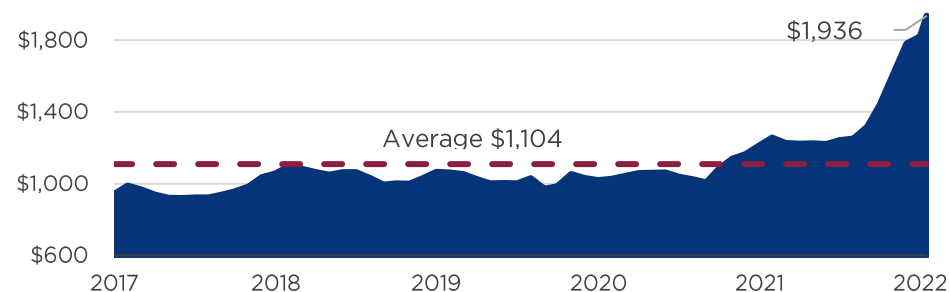
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### FOOD AND ENERGY PRICES HAVE SOARED



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



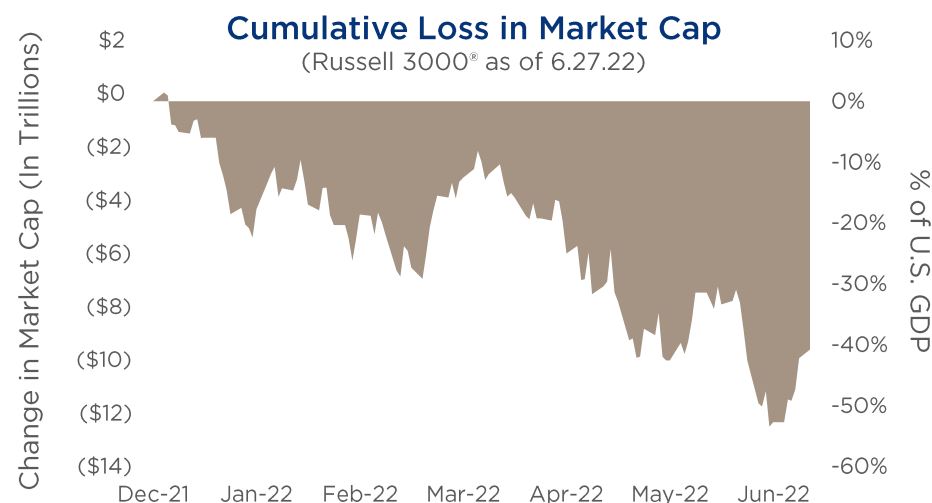
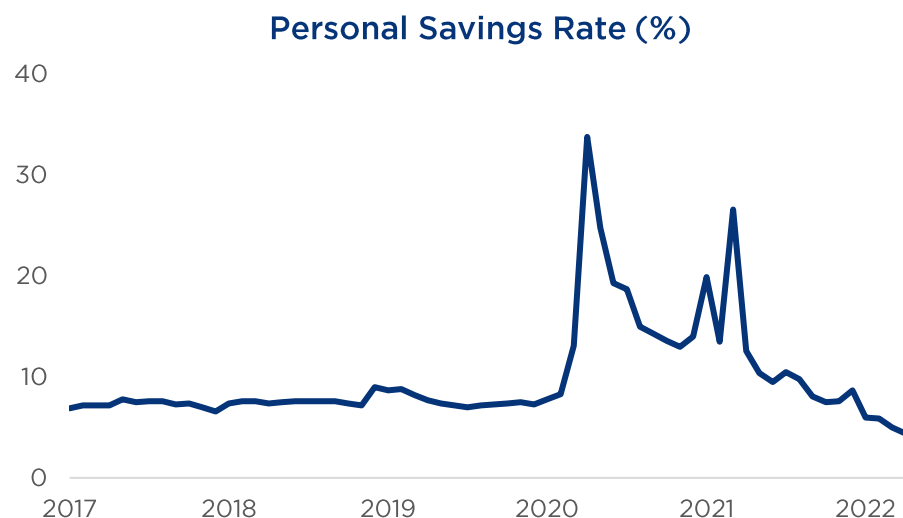
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve's direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

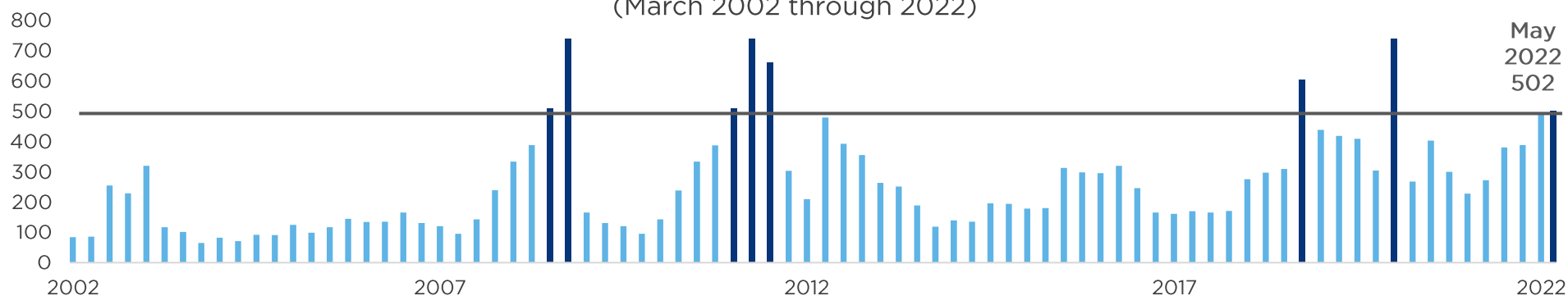
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

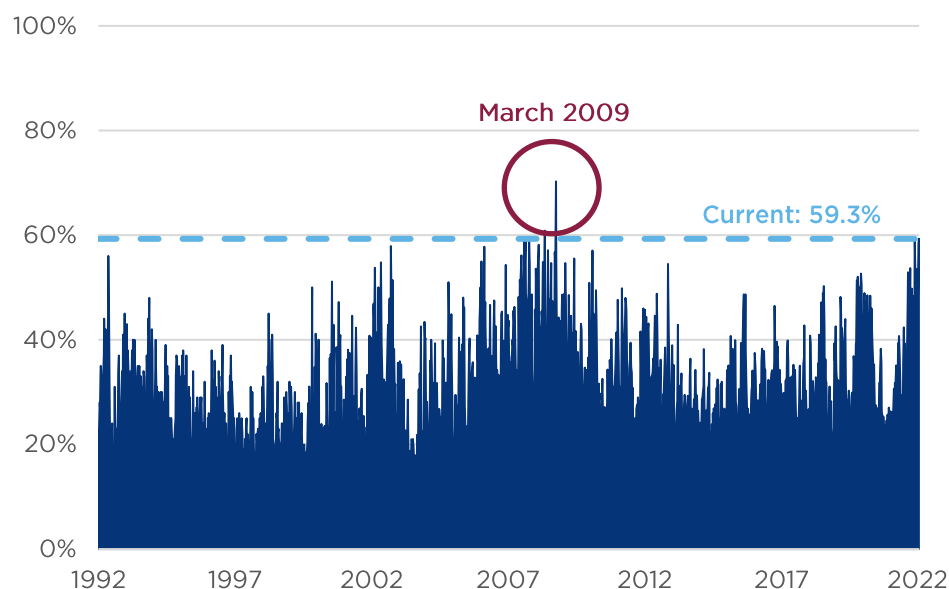
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research

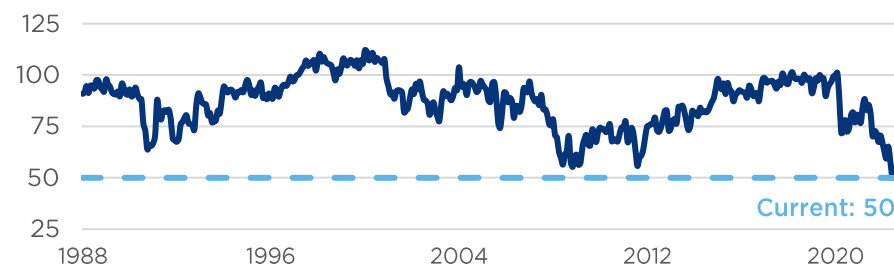
## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.

Percentage of Bearish Investors



Consumer Sentiment



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

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# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDED BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



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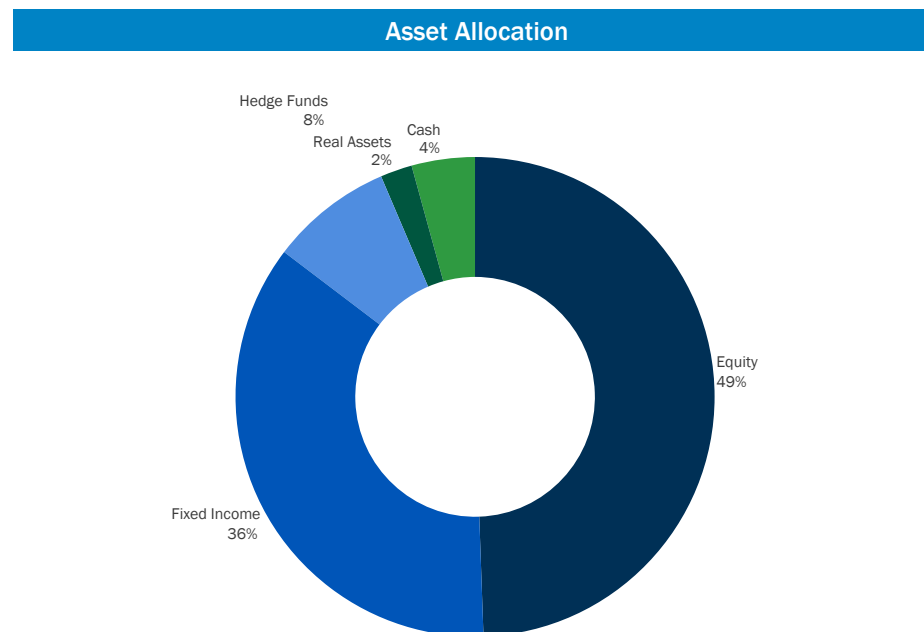
# Pension Plan Portfolio Review

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# Total Portfolio Overview

## Summary of Asset Changes

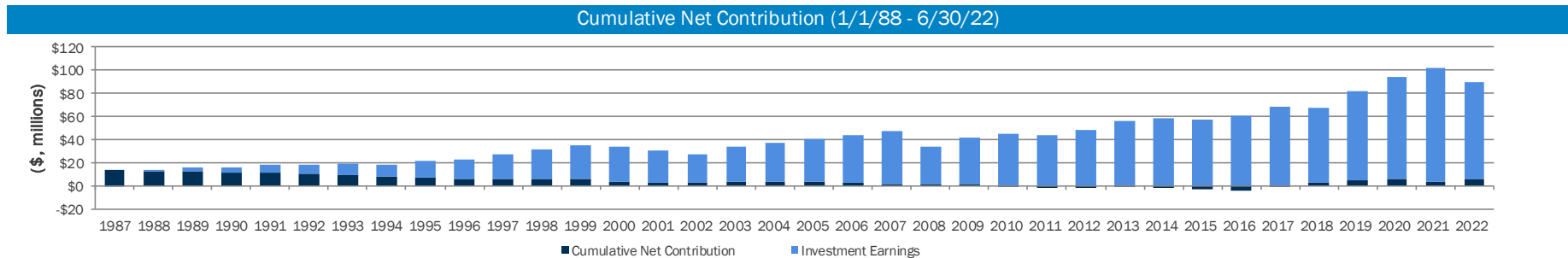
Portfolio Activity (\$, Millions)			
	Quarter	YTD	Since Inception
Total Portfolio			
Beginning Market Value	\$96.8	\$102.4	\$15.6
Net Cash Flow	\$3.2	\$2.4	\$7.1
Investment Earnings	(\$9.9)	(\$14.6)	\$67.4
Ending Market Value	\$90.1	\$90.1	\$90.1



# Bi-State Development Agency Pension Plan for Salaried Employees

## Cumulative Net Contribution

### As of June 30, 2022

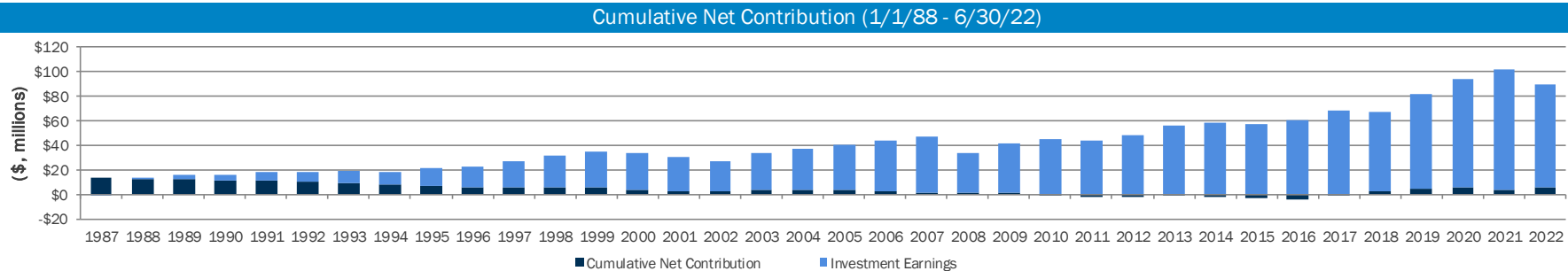


Date	Gross Annual Contributions	Annual Benefit Payout	Administrative Expenses	Investment Manager/Trustee Fees	Cumulative Net Contributions	Market Value
1990	\$324,213	(\$687,710)	(\$29,471)	(\$20,554)	\$11,773,134	\$15,554,108
1991	\$0	(\$720,225)	(\$44,878)	(\$21,047)	\$10,986,984	\$17,755,455
1992	\$0	(\$754,064)	(\$52,007)	(\$20,188)	\$10,160,725	\$17,978,573
1993	\$0	(\$879,720)	(\$65,631)	(\$15,956)	\$9,199,418	\$19,186,820
1994	\$0	(\$1,079,871)	(\$46,503)	(\$11,199)	\$8,061,845	\$17,910,124
1995	\$0	(\$1,057,901)	(\$62,504)	(\$8,195)	\$6,933,245	\$20,891,920
1996	\$0	(\$1,016,598)	(\$52,482)	(\$8,292)	\$5,855,873	\$22,519,224
1997	\$1,120,835	(\$1,057,077)	(\$69,050)	(\$10,228)	\$5,840,352	\$27,017,887
1998	\$1,637,043	(\$1,083,921)	(\$40,981)	(\$10,748)	\$6,341,745	\$31,794,159
1999	\$570,990	(\$1,321,114)	(\$51,384)	(\$11,141)	\$5,529,096	\$35,067,175
2000	\$0	(\$1,416,294)	(\$82,101)	(\$8,621)	\$4,022,080	\$33,536,818
2001	\$0	(\$1,568,522)	(\$84,608)	(\$9,120)	\$2,359,830	\$30,754,383
2002	\$1,954,273	(\$1,702,309)	(\$82,717)	(\$35,000)	\$2,494,077	\$27,540,094
2003	\$2,455,949	(\$1,820,593)	(\$72,799)	(\$43,750)	\$3,012,883	\$33,834,408
2004	\$3,047,580	(\$1,945,517)	(\$77,885)	(\$52,500)	\$3,984,560	\$37,564,406
2005	\$2,262,978	(\$2,148,209)	(\$74,974)	(\$39,651)	\$3,984,704	\$40,394,710
2006	\$1,264,827	(\$2,405,995)	(\$124,105)	(\$56,891)	\$2,657,609	\$44,160,741
2007	\$1,767,645	(\$2,557,973)	(\$49,995)	(\$57,679)	\$1,759,607	\$47,201,766
2008	\$2,506,163	(\$2,605,321)	(\$112,896)	(\$92,235)	\$1,455,318	\$33,434,895
2009	\$2,711,299	(\$3,078,219)	(\$82,034)	(\$34,287)	\$972,078	\$41,361,914
2010	\$2,385,034	(\$3,779,604)	(\$122,342)	(\$53,985)	(\$598,819)	\$43,761,278

# Bi-State Development Agency Pension Plan for Salaried Employees

## Cumulative Net Contribution

### As of June 30, 2022



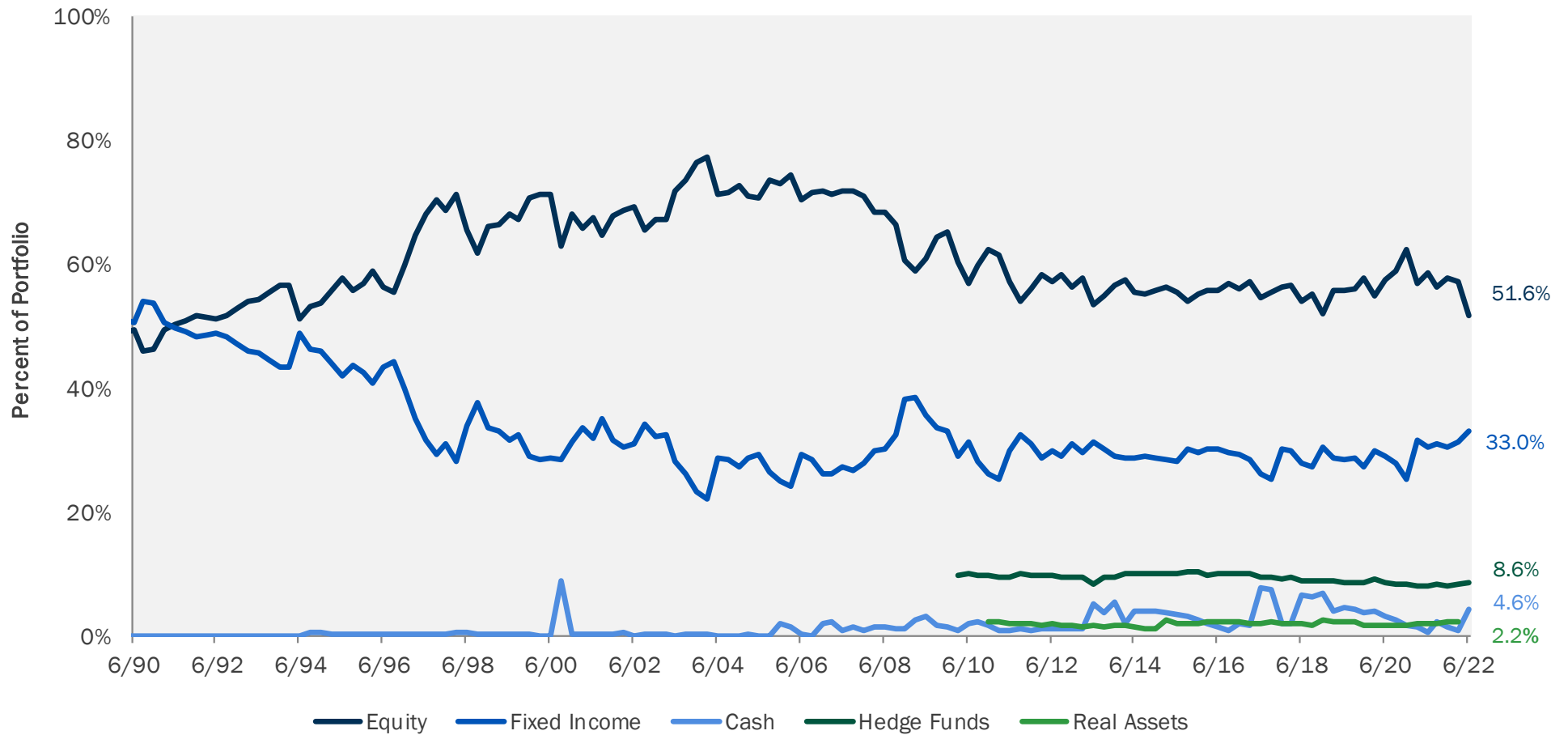
Date	Gross Annual Contributions	Annual Benefit Payout	Administrative Expenses	Investment Manager/Trustee Fees	Cumulative Net Contributions	Market Value
2011	\$2,451,120	(\$3,181,470)	(\$141,850)	(\$60,305)	(\$1,531,324)	\$42,085,042
2012	\$3,370,764	(\$3,534,775)	(\$131,804)	(\$7,500)	(\$1,834,639)	\$46,360,323
2013	\$4,457,696	(\$3,617,356)	(\$83,236)	\$0	(\$1,077,535)	\$54,852,581
2014	\$5,226,227	(\$5,982,312)	(\$289,585)	(\$54,258)	(\$2,177,463)	\$55,771,713
2015	\$3,673,091	(\$4,173,495)	(\$253,673)	(\$49,598)	(\$2,981,138)	\$54,723,406
2016	\$3,249,237	(\$4,325,540)	(\$196,884)	(\$59,581)	(\$4,313,906)	\$55,741,926
2017	\$8,165,275	(\$4,489,373)	(\$56,307)	(\$139,449)	(\$833,760)	\$67,522,728
2018	\$8,130,240	(\$4,769,852)	(\$74,386)	(\$102,671)	\$2,349,571	\$67,722,776
2019	\$7,418,287	(\$5,296,255)	(\$48,496)	(\$110,613)	\$4,312,494	\$81,374,152
2020	\$7,413,167	(\$5,566,178)	(\$96,320)	(\$74,897)	\$5,988,266	\$94,613,341
2021	\$4,307,765	(\$6,803,907)	(\$169,742)	(\$32,649)	\$3,289,733	\$102,351,709
2022 YTD	\$6,145,304	(\$3,654,450)	(\$62,905)	(\$16,659)	\$5,701,025	\$90,141,530
<b>Cumulative Totals</b>	<b>\$88,017,002</b>	<b>(\$90,081,720)</b>	<b>(\$3,086,536)</b>	<b>(\$1,329,446)</b>		

# Bi-State Development Agency Pension Plan for Salaried Employees

## Total Portfolio Historical Asset Allocation

As of June 30, 2022

### Total Portfolio Allocation



# Total Portfolio Overview

Periods Ended June 30, 2022

	Market Value 06/30/2022	% of Total	Total Portfolio Target	Range (%)
Total Portfolio	\$90,141,530	100.0	100.0	
Combined Equity	\$46,553,368	51.6	55.5	
Combined Domestic Equity	\$32,189,333	35.7	38.0	
Vanguard 500 Index	\$8,487,546	9.4	9.5	4.5 - 14.5
Dodge & Cox Stock Fund	\$9,690,575	10.8	10.0	5.0 - 15.0
T. Rowe Price Blue Chip Growth	\$6,648,399	7.4	9.5	4.5 - 14.5
Harbor Small Cap Value Fund	\$3,971,032	4.4	4.5	0.0 - 9.5
William Blair SMID Growth	\$3,391,782	3.8	4.5	0.0 - 9.5
Combined International Equity	\$14,364,035	15.9	17.5	
Brandes International Equity	\$5,956,380	6.6	6.5	1.5 - 11.5
Europacific Growth Fund	\$5,907,337	6.6	8.0	3.0 - 13.0
Templeton Foreign Smaller Cos.	\$2,500,317	2.8	3.0	0.0 - 8.0
Combined Real Assets	\$2,023,601	2.2	2.5	
Principal Diversified Real Asset	\$2,023,601	2.2	2.5	0.0 - 7.5
Combined Hedge Funds	\$7,775,315	8.6	10.0	
Wellington Archipelago	\$4,260,517	4.7	5.0	0.0 - 10.0
Forester Offshore	\$3,514,798	3.9	5.0	0.0 - 10.0
Combined Fixed Income	\$33,789,246	37.5	32.0	
MetWest Low Duration Bond Fund	\$29,766,242	33.0	32.0	27.0 - 37.0
Cash	\$4,023,003	4.5	0.0	0.0 - 5.0

# Fund Segment Market Benchmark Definitions

## Target Allocations (%)

<u>Market Benchmark</u>	<u>Total Fund</u>	<u>Equity Segment</u>	<u>Real Asset Segment</u>	<u>Hedge Fund Segment</u>	<u>Fixed Income Segment</u>
Wilshire 5000 Index	37.5%	68%	0%	0%	0%
MSCI EAFE Index	18%	32%	0%	0%	0%
Bloomberg Commodity Index	2.5%	0%	100%	0%	0%
HFRI Strategic Fund-of-Funds Benchmark	10%	0%	0%	100%	0%
Merrill Lynch 1-3 Year Treasury Index	<u>32%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>
	100%	100%	100%	100%	100%

Note: Prior to 3/31/09, the Total Fund Benchmark was 49% Wilshire 5000, 21% MSCI EAFE and 30% Merrill Lynch 1-3 Year Treasury Indexes

From 4/1/09 through 2/28/10, the Total Fund Benchmark was 46%, Wilshire 5000, 19% MSCI EAFE, and 35% Merrill Lynch 1-3 Year Treasury Indexes

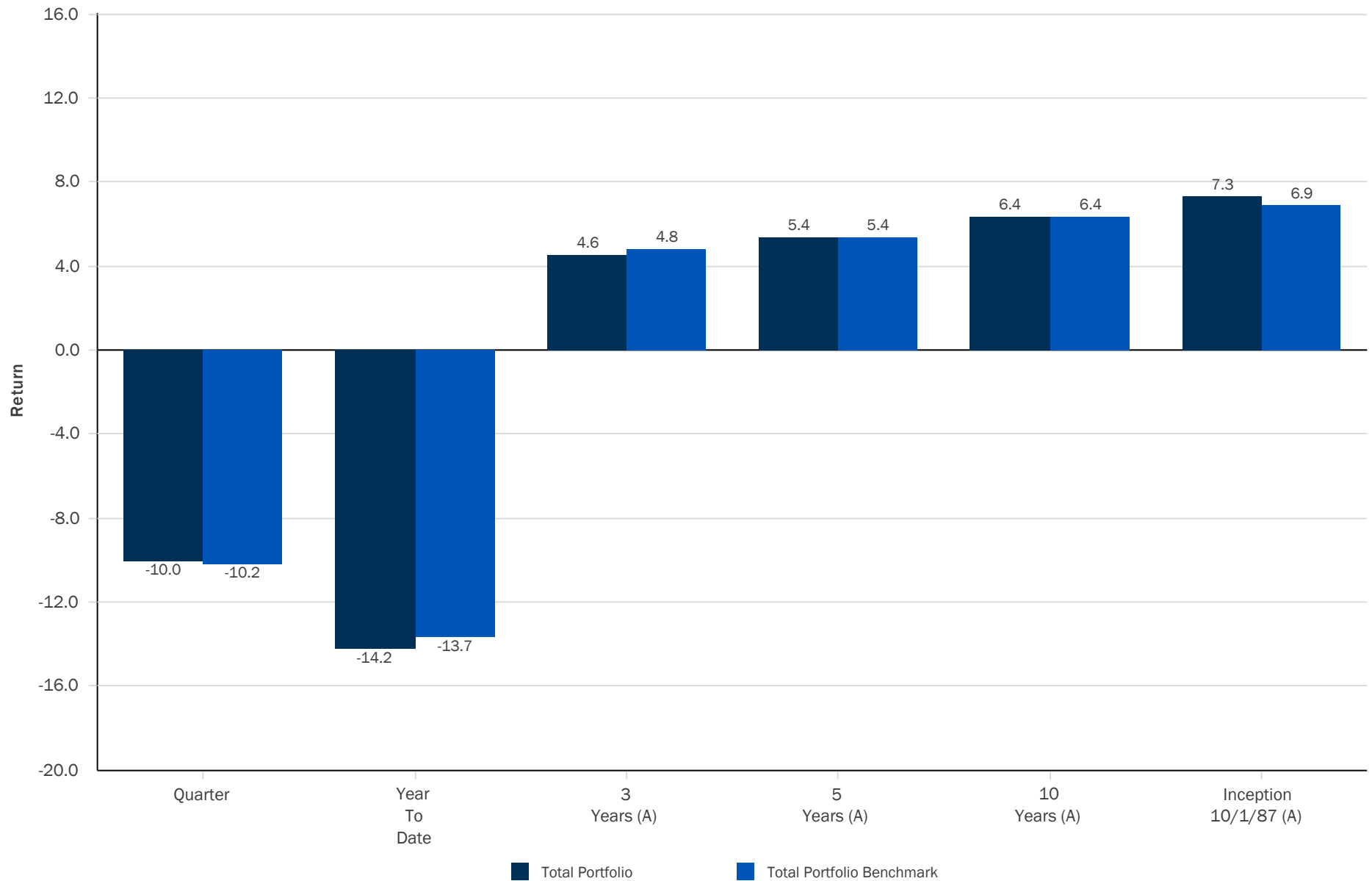
From 2/28/10 through 2/28/11, the Total Fund Benchmark was 42% Wilshire 5000, 16% MSCI EAFE, 10% HFRI Strategic Hedge, and 32% Merrill Lynch 1-3 Year Treasury Indexes

From 2/28/11-present, the Total Fund Benchmark is 37.5% Wilshire 5000, 18% MSCI EAFE, 10% HFRI Strategic Hedge, 32% Merrill Lynch 1-3 Year Treasury, and 2.5% Bloomberg Commodity Indexes



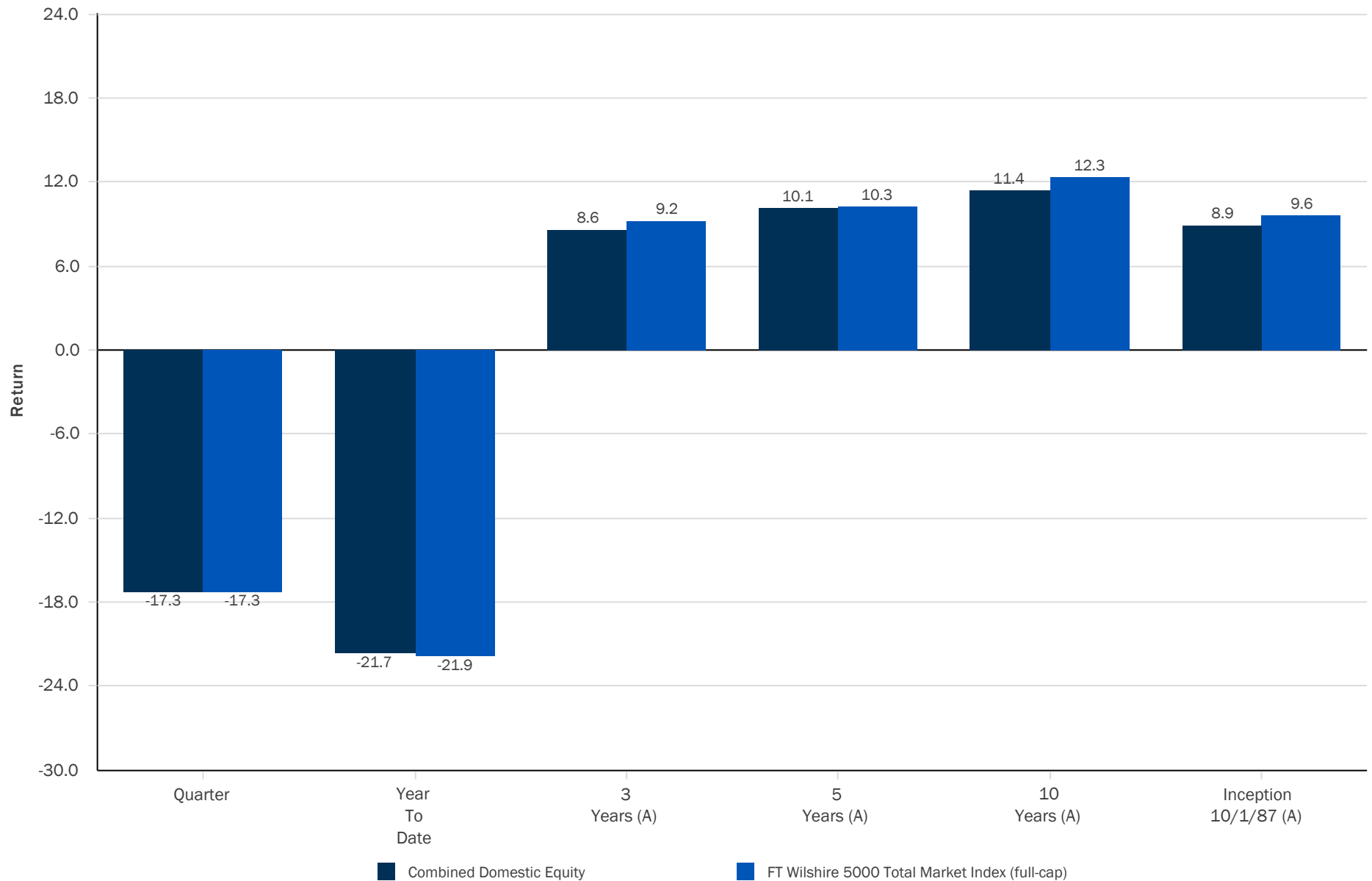
# Total Portfolio Overview

As of June 30, 2022



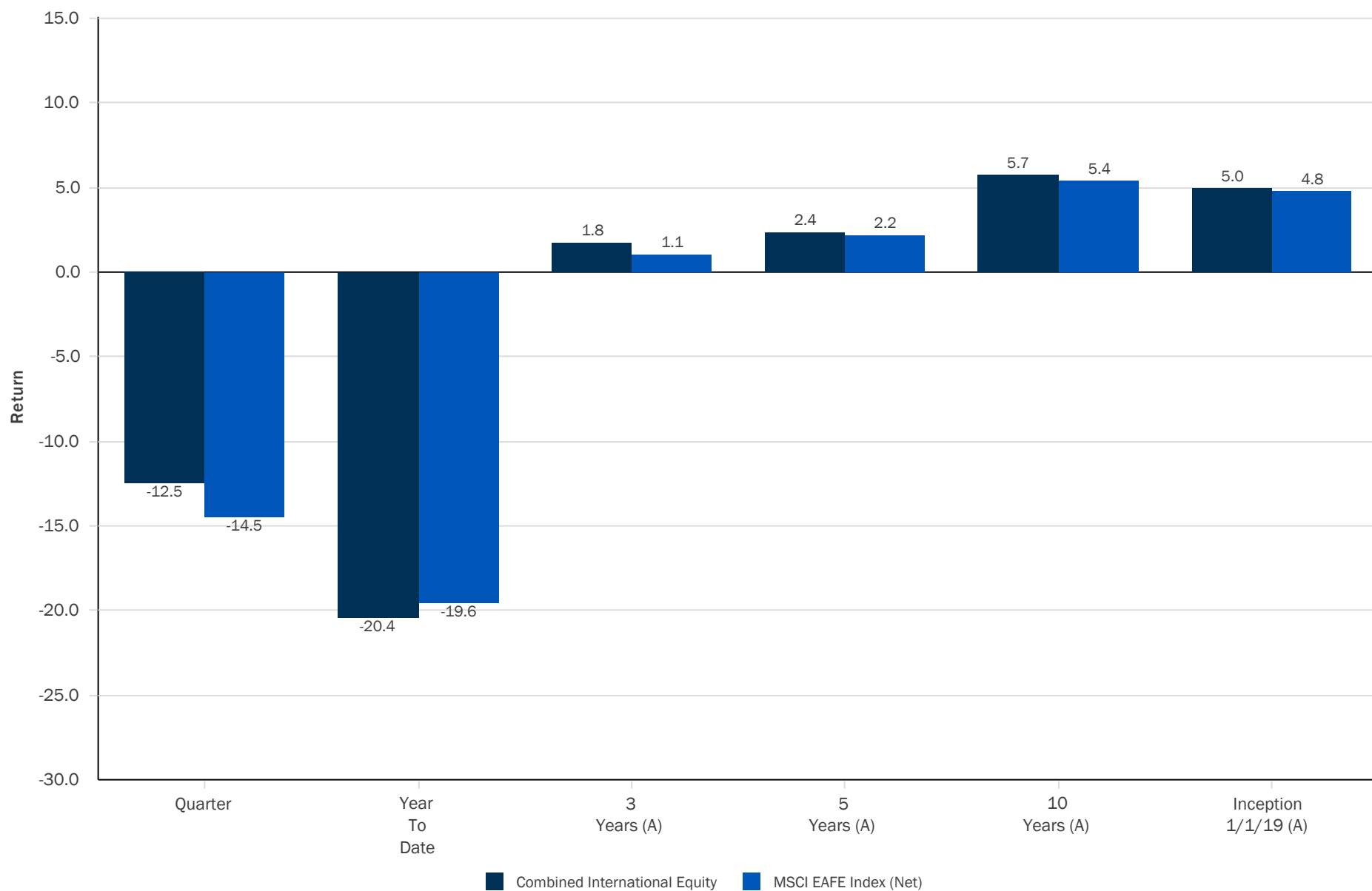
# Domestic Equity Overview

As of June 30, 2022



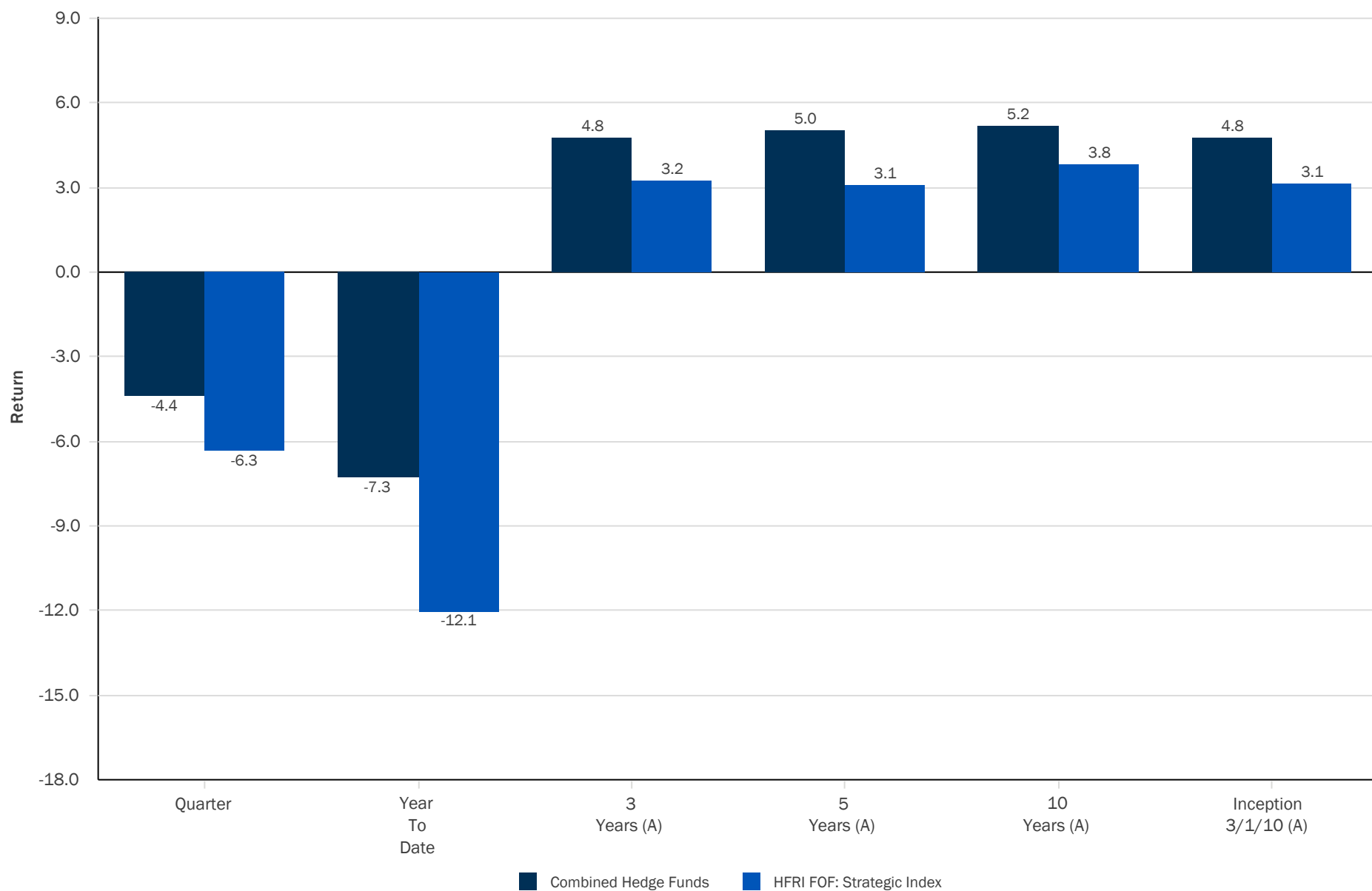
# International Equity Overview

As of June 30, 2022



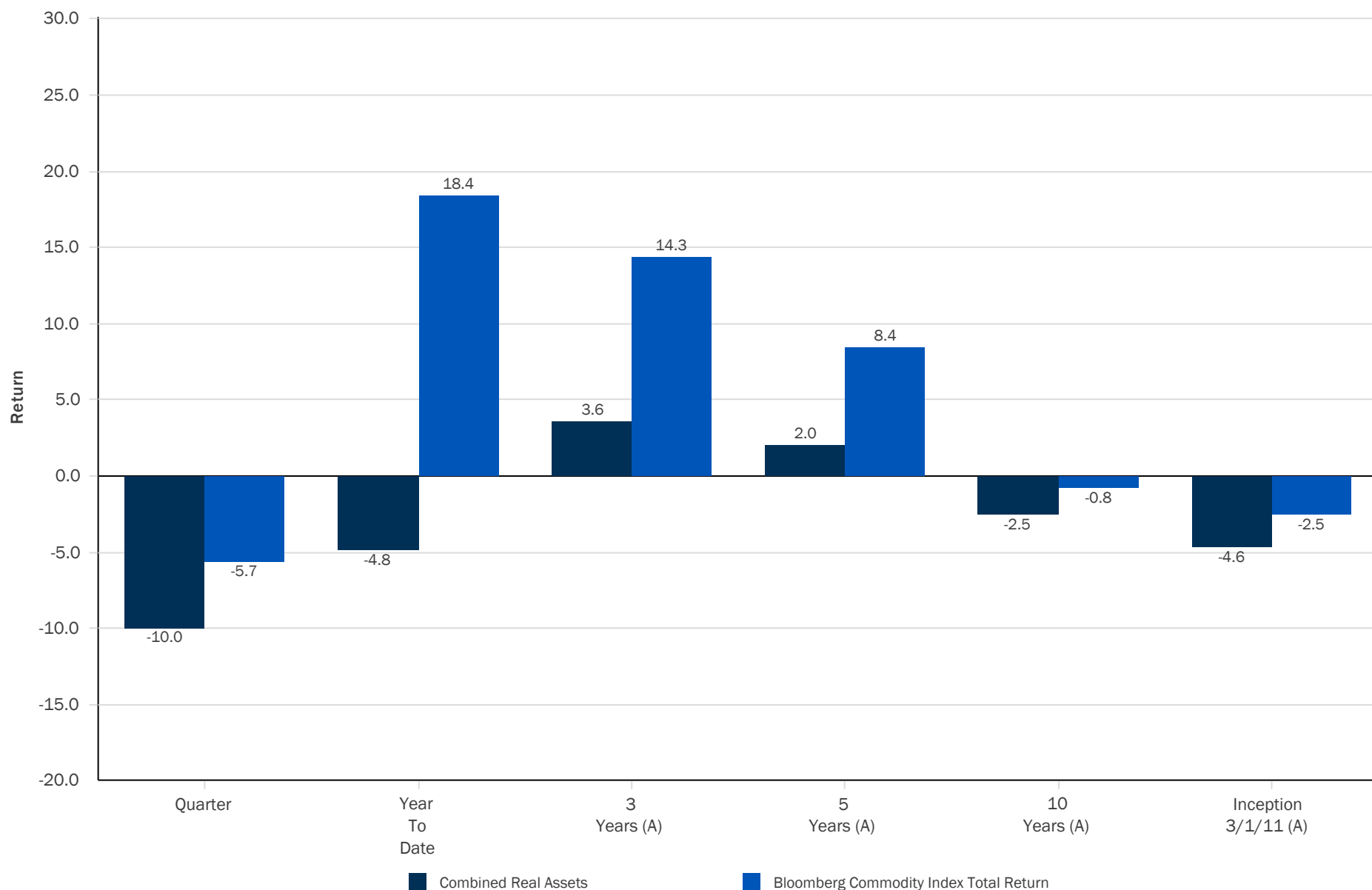
# Hedge Funds Overview

As of June 30, 2022



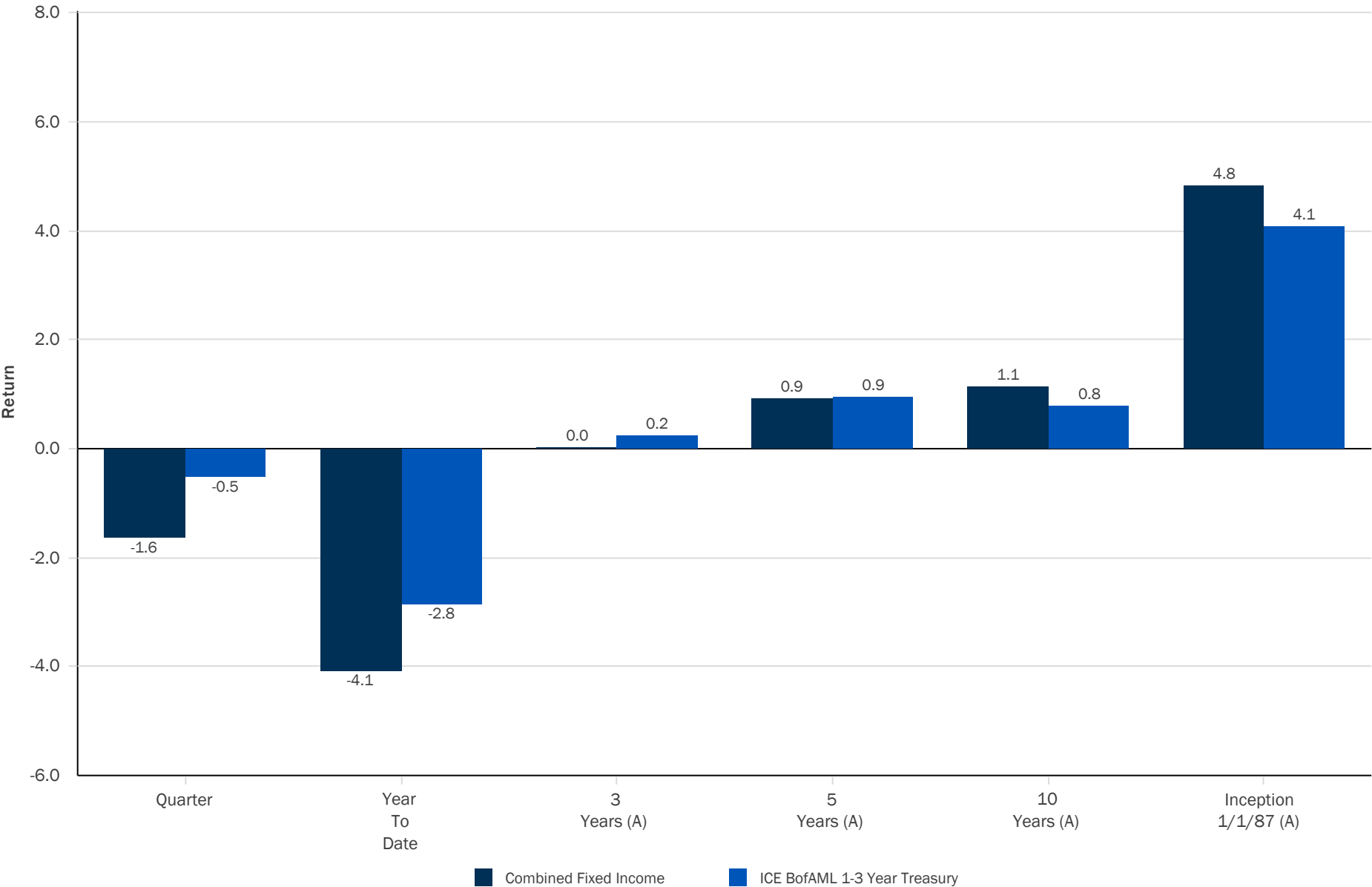
# Real Assets Overview

As of June 30, 2022



# Fixed Income Overview

As of June 30, 2022



# Manager Performance Review

As of June 30, 2022

	Manager Performance					
	Quarter	YTD	Five Years	Ten Years	Since Inception	Inception Date
<b>U.S. Equity</b>						
Vanguard 500 Index	-16.1	-20.0	11.3	12.9	11.3	04/01/2017
S&P 500	-16.1	-20.0	11.3	13.0	11.4	
Dodge & Cox Stock Fund	-12.4	-11.5	9.9	13.1	9.1	11/01/2000
Russell 1000 Value Index	-12.2	-12.9	7.2	10.5	6.8	
T. Rowe Price Blue Chip Growth	-25.0	-34.3	9.7	13.3	10.9	04/01/2017
Russell 1000 Growth Index	-20.9	-28.1	14.3	14.8	14.6	
Harbor Small Cap Value Fund	-13.5	-15.0	6.4	10.8	6.1	03/01/2019
Russell 2000 Value Index	-15.3	-17.3	4.9	9.1	5.0	
William Blair SMID Growth	-21.0	-28.5	7.9	12.1	10.0	02/01/2008
Russell 2000 Growth Index	-19.3	-29.5	4.8	9.3	8.0	
<b>Non-U.S. Equity</b>						
Brandes International Equity	-9.8	-13.1	1.1	4.9	4.4	06/01/2009
MSCI EAFE Index (Net)	-14.5	-19.6	2.2	5.4	5.4	
Europacific Growth Fund	-14.7	-25.2	2.7	5.9	6.4	12/01/2001
MSCI EAFE Index (Net)	-14.5	-19.6	2.2	5.4	5.1	
Templeton Foreign Smaller Cos.	-13.0	-24.1	0.5	5.2	4.1	03/01/2011
MSCI EAFE Small Cap (Net)	-17.7	-24.7	1.7	7.2	4.9	
<b>Real Assets</b>						
Principal Diversified Real Asset	-10.0	-4.8	5.4	3.7	14.1	11/01/2020
Bloomberg Commodity Index Total Return	-5.7	18.4	8.4	-0.8	34.4	

# Manager Performance Review

As of June 30, 2022

	Manager Performance					
	Quarter	YTD	Five Years	Ten Years	Since Inception	Inception Date
<b>Hedge Funds</b>						
Wellington Archipelago[CE]	-2.8	-2.0	6.0	6.8	6.3	03/01/2010
HFRI FOF: Strategic Index	-6.3	-12.1	3.1	3.8	3.1	
Forester Offshore[CE]	-6.3	-12.9	3.9	4.8	4.0	08/01/2013
HFRI FOF: Strategic Index	-6.3	-12.1	3.1	3.8	3.2	
<b>Fixed Income</b>						
MetWest Low Duration Bond Fund	-1.8	-4.3	1.1	1.6	1.1	01/01/2015
ICE BofAML 1-3 Year Treasury	-0.5	-2.8	0.9	0.8	0.9	



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# Manager Performance Review

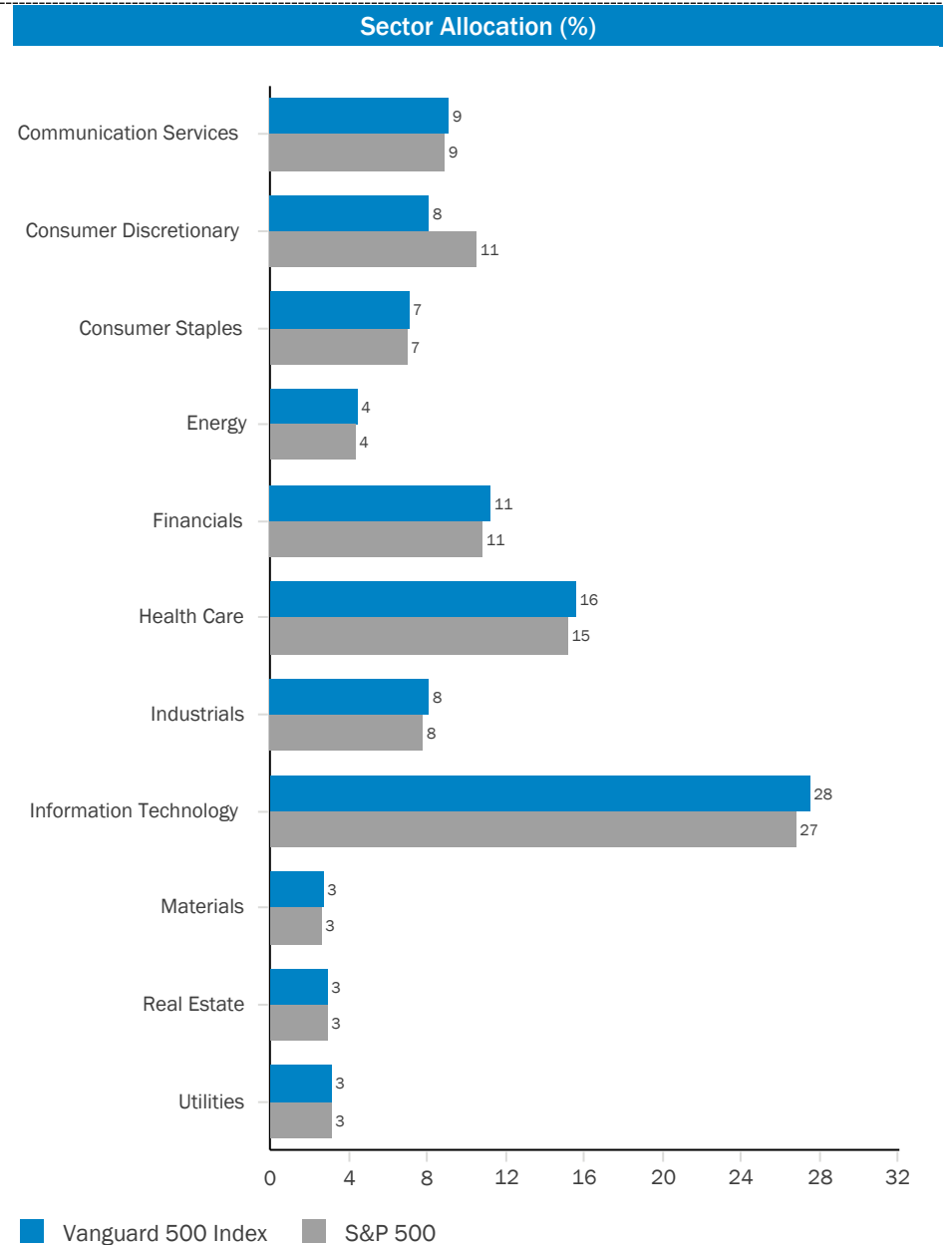
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# Vanguard 500 Index

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	462.6	477.9
P/E Ratio	18.2	18.6
P/B Ratio	3.9	3.9
Yield (%)	1.8	1.7

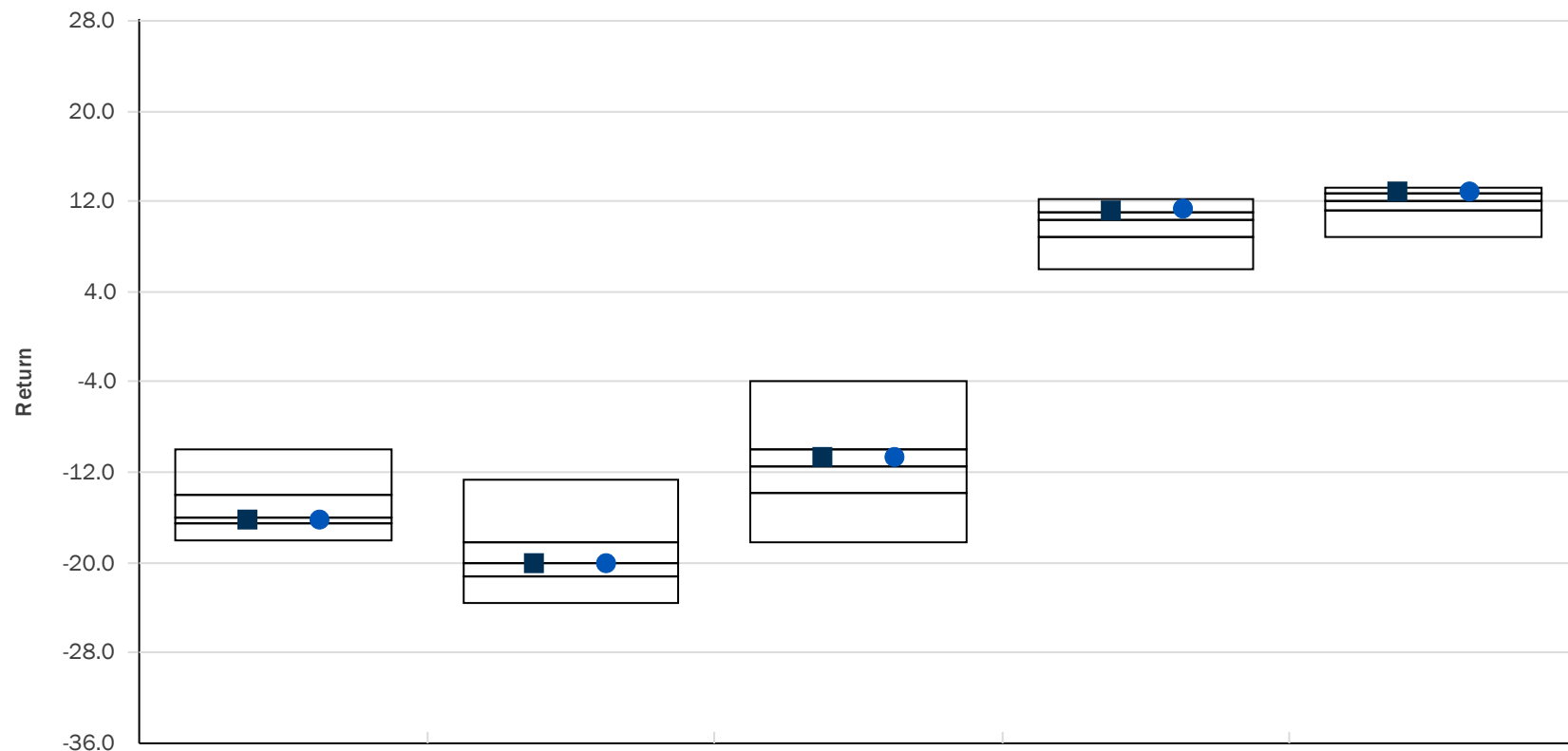
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Apple Inc	Information Technology	6.8	-21.6
Microsoft Corp	Information Technology	6.2	-16.5
Alphabet Inc Class A	Communication Services	2.1	-21.6
Alphabet Inc	Communication Services	2.0	-21.7
Tesla Inc	Consumer Discretionary	1.8	-37.5
Berkshire Hathaway Inc	Financials	1.6	-22.6
Unitedhealth Group Inc	Health Care	1.6	1.1
Johnson & Johnson	Health Care	1.5	0.8
NVIDIA Corporation	Information Technology	1.2	-44.4
Meta Platforms Inc	Communication Services	1.2	-27.5
% of Portfolio		26.0	



# Vanguard 500 Index

As of 6/30/22

Peer Group: Large Blend



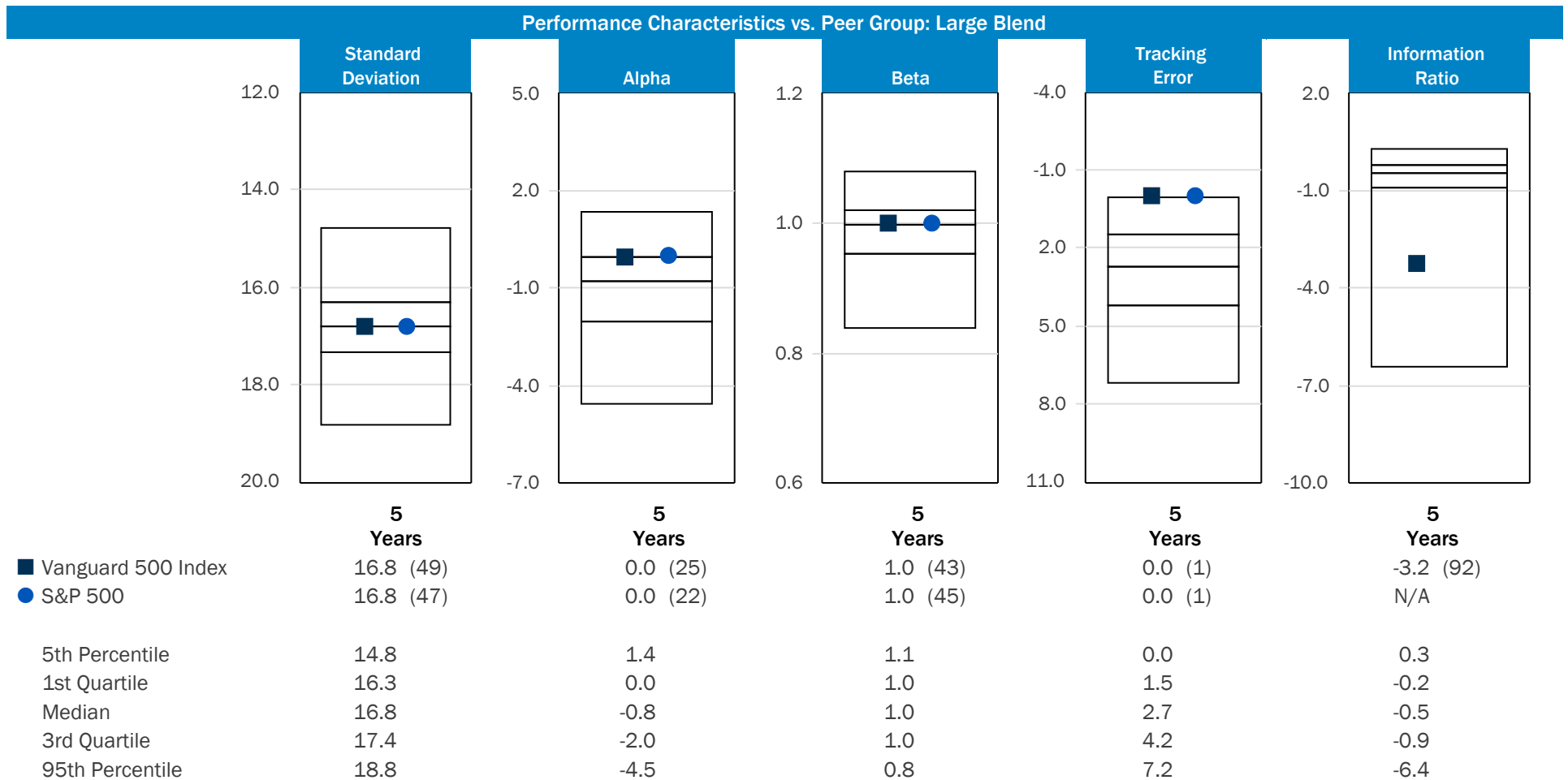
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Vanguard 500 Index	-16.1 (58)	-20.0 (48)	-10.7 (34)	11.3 (18)	12.9 (13)
● S&P 500	-16.1 (56)	-20.0 (46)	-10.6 (31)	11.3 (15)	13.0 (11)
5th Percentile	-10.0	-12.6	-3.9	12.1	13.3
1st Quartile	-13.9	-18.3	-9.9	11.1	12.7
Median	-15.9	-20.0	-11.5	10.3	12.1
3rd Quartile	-16.5	-21.2	-13.8	8.9	11.2
95th Percentile	-18.0	-23.6	-18.2	6.0	8.9
Population	2,147	2,126	2,082	1,812	1,494

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Vanguard 500 Index

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Vanguard 500 Index	16.0	32.3	13.6	1.4	11.9	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	12.9
S&P 500	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0



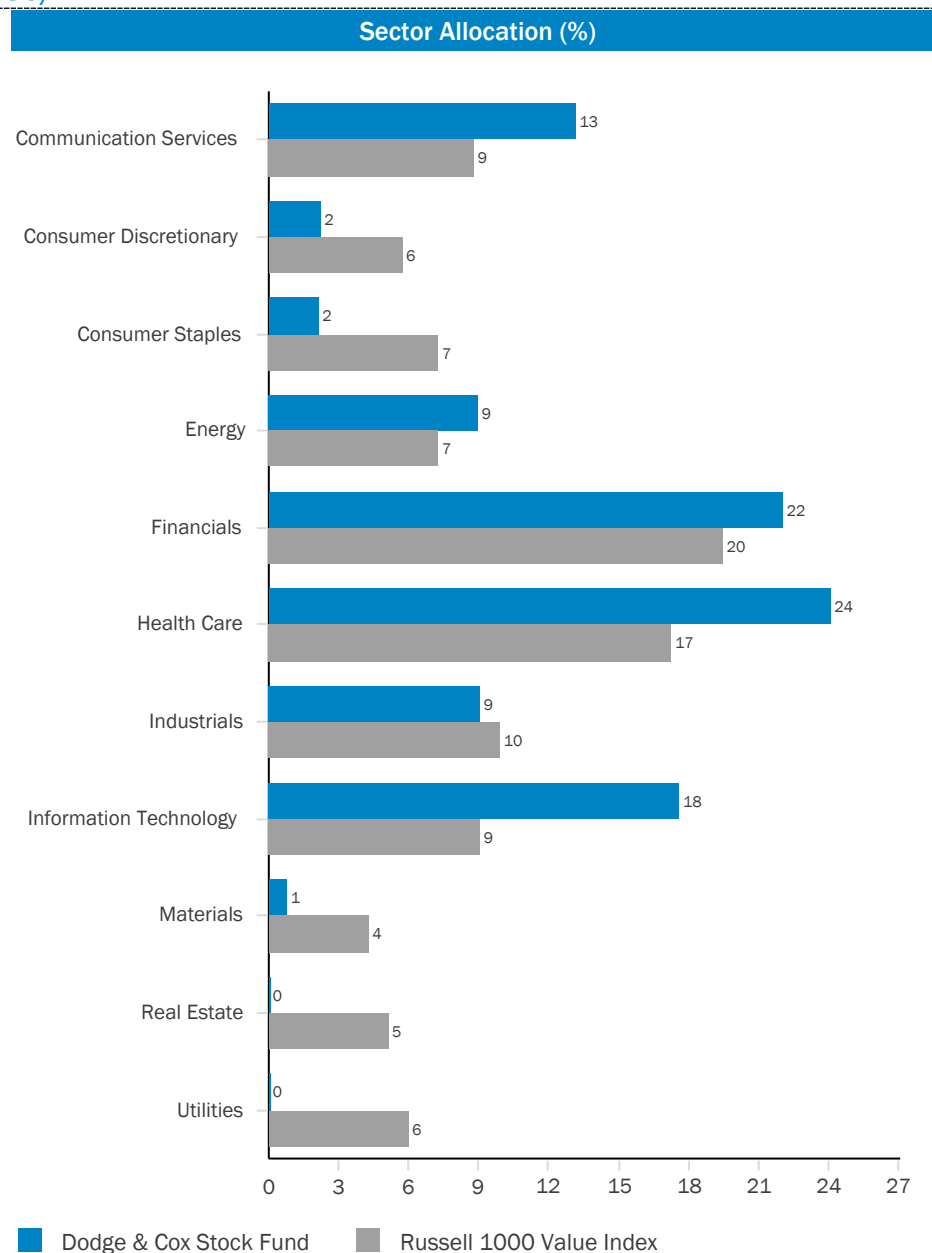
Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized.  
This presentation is accompanied by additional disclosures which can be found on the last pages.  
All information herein is confidential and proprietary.

# Dodge & Cox Stock Fund

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	175.9	143.6
P/E Ratio	12.4	14.1
P/B Ratio	2.6	2.4
Yield (%)	2.1	2.3

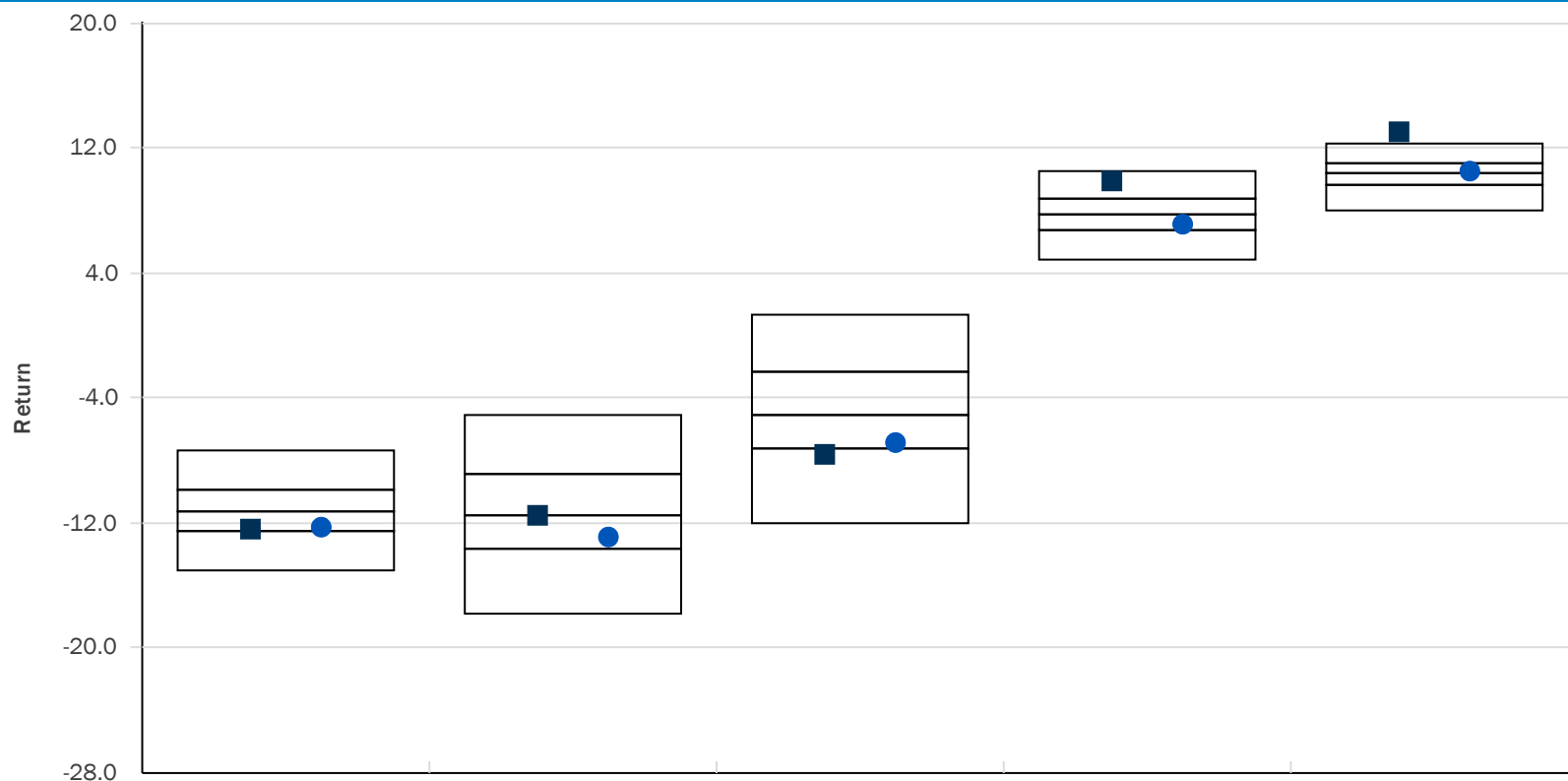
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Occidental Petroleum Corp	Energy	4.3	4.0
Sanofi	Health Care	3.9	1.0
Wells Fargo & Co	Financials	3.8	-18.7
Schwab (Charles) Corp	Financials	3.7	-24.8
Cigna Corp	Health Care	3.5	10.4
Alphabet Inc	Communication Services	3.3	-21.7
GSK plc	Health Care	3.1	0.7
Metlife Inc.	Financials	3.0	-10.0
FedEx Corp.	Industrials	2.9	-1.6
Raytheon Technologies Corp	Industrials	2.9	-2.4
% of Portfolio		34.4	



# Dodge & Cox Stock Fund

As of 6/30/22

Peer Group: Large Value



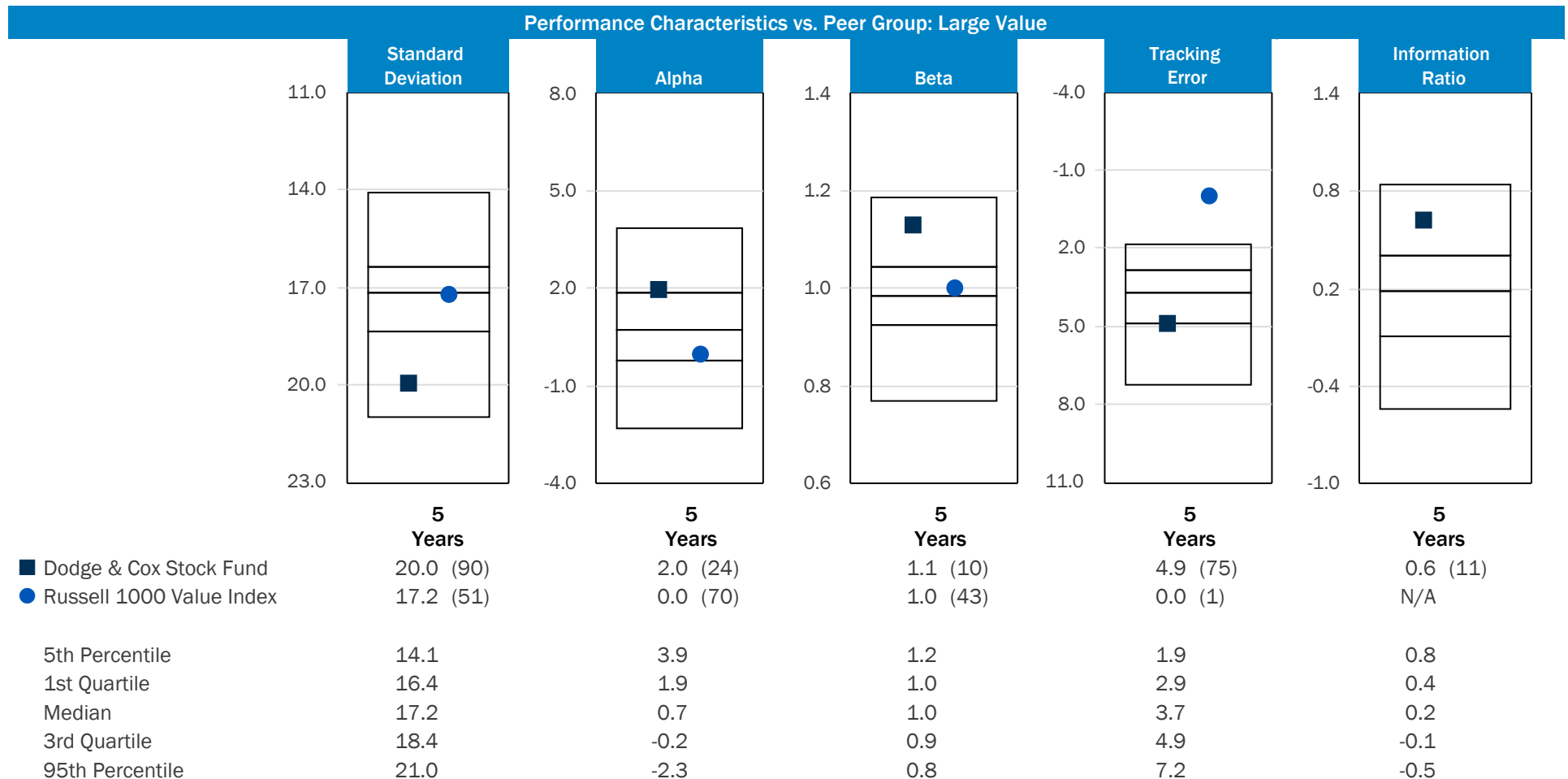
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Dodge & Cox Stock Fund	-12.4 (74)	-11.5 (51)	-7.6 (79)	9.9 (10)	13.1 (2)
● Russell 1000 Value Index	-12.2 (69)	-12.9 (65)	-6.8 (70)	7.2 (68)	10.5 (46)
5th Percentile	-7.3	-5.0	1.3	10.5	12.3
1st Quartile	-9.9	-8.9	-2.3	8.8	11.1
Median	-11.2	-11.5	-5.1	7.8	10.4
3rd Quartile	-12.5	-13.7	-7.2	6.8	9.7
95th Percentile	-15.0	-17.7	-12.0	4.9	8.0
Population	1,804	1,792	1,764	1,639	1,446

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Dodge & Cox Stock Fund

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox Stock Fund	22.0	40.5	10.4	-4.5	21.3	18.3	-7.1	24.8	7.2	31.7	-11.5	11.3	9.9	13.1
Russell 1000 Value Index	17.5	32.5	13.5	-3.8	17.3	13.7	-8.3	26.5	2.8	25.2	-12.9	6.9	7.2	10.5

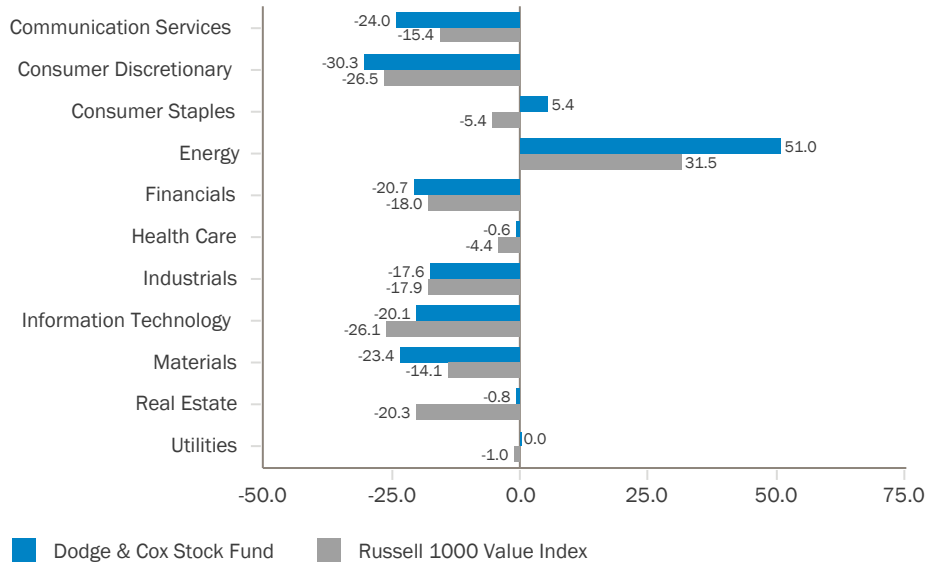


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# Dodge & Cox Stock Fund

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Cigna Corp	2.4	10.4	0.3
Occidental Petroleum Corp	3.4	4.0	0.1
Gilead Sciences Inc	1.2	5.3	0.1
Bristol-Myers Squibb Co	0.5	6.2	0.1
T-Mobile US Inc	1.0	4.8	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Schwab (Charles) Corp	3.7	-24.8	-1.1
Alphabet Inc	3.2	-21.7	-0.8
Wells Fargo & Co	3.1	-18.7	-0.8
Capital One Financial Corp.	2.7	-20.2	-0.6
Johnson Controls International Plc	2.0	-26.4	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	13.4	7.1	-24.0	-15.4	-1.3	-0.2	-1.5
Consumer Discretionary	2.5	5.2	-30.3	-26.5	-0.1	0.4	0.3
Consumer Staples	1.8	7.6	5.4	-5.4	0.2	-0.4	-0.2
Energy	8.5	6.8	51.0	31.5	1.2	0.7	1.9
Financials	24.3	20.7	-20.7	-18.0	-0.6	-0.2	-0.8
Health Care	21.2	18.0	-0.6	-4.4	0.7	0.3	1.0
Industrials	8.6	10.9	-17.6	-17.9	0.0	0.1	0.2
Information Technology	18.7	9.5	-20.1	-26.1	1.3	-1.4	-0.1
Materials	0.9	3.9	-23.4	-14.1	-0.1	0.0	0.0
Real Estate	0.0	4.9	-0.8	-20.3	0.0	0.4	0.4
Utilities	0.0	5.3	0.0	-1.0	0.0	-0.6	-0.6
Total	100.0	100.0	-11.7	-12.3	1.3	-0.7	0.6

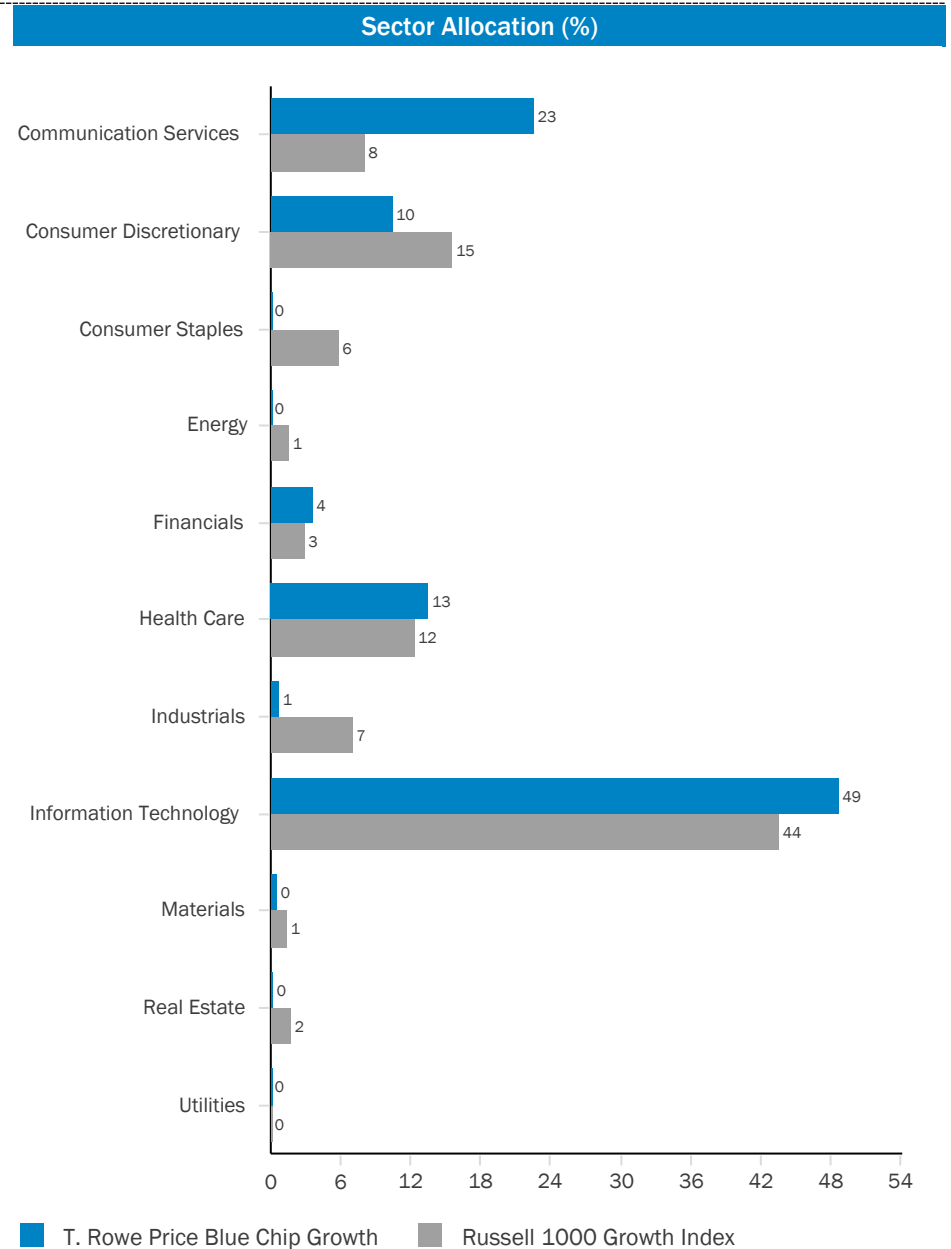


# T. Rowe Price Blue Chip Growth

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	815.2	721.8
P/E Ratio	24.5	25.4
P/B Ratio	6.7	8.9
Yield (%)	0.6	1.0

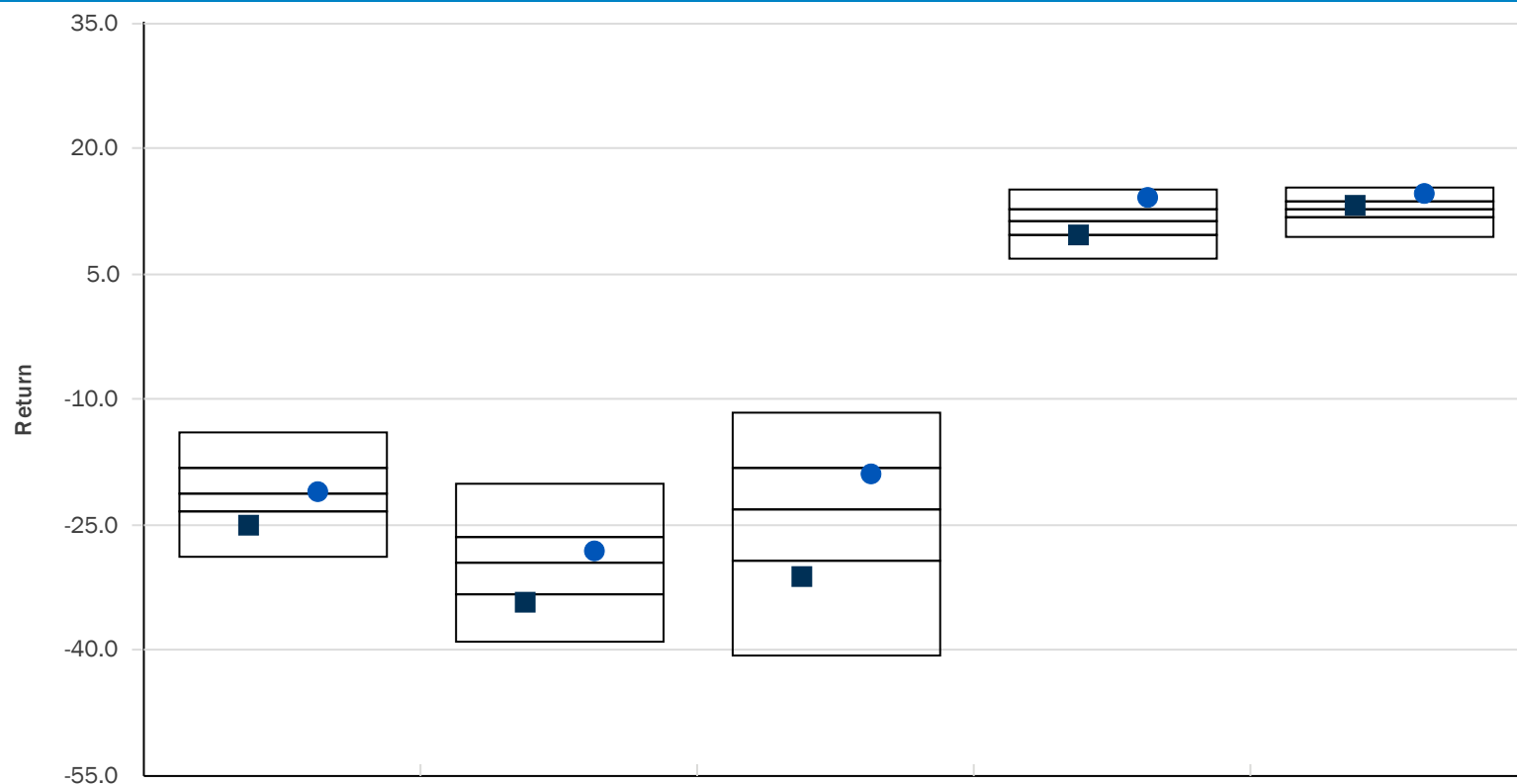
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Microsoft Corp	Information Technology	14.4	-16.5
Alphabet Inc	Communication Services	11.9	-21.7
Apple Inc	Information Technology	10.2	-21.6
Meta Platforms Inc	Communication Services	5.4	-27.5
Visa Inc	Information Technology	3.6	-11.0
Tesla Inc	Consumer Discretionary	3.4	-37.5
Unitedhealth Group Inc	Health Care	3.3	1.1
ServiceNow Inc	Information Technology	2.9	-14.6
NVIDIA Corporation	Information Technology	2.8	-44.4
Mastercard Inc	Information Technology	2.7	-11.6
% of Portfolio		60.6	



# T. Rowe Price Blue Chip Growth

As of 6/30/22

Peer Group: Large Growth



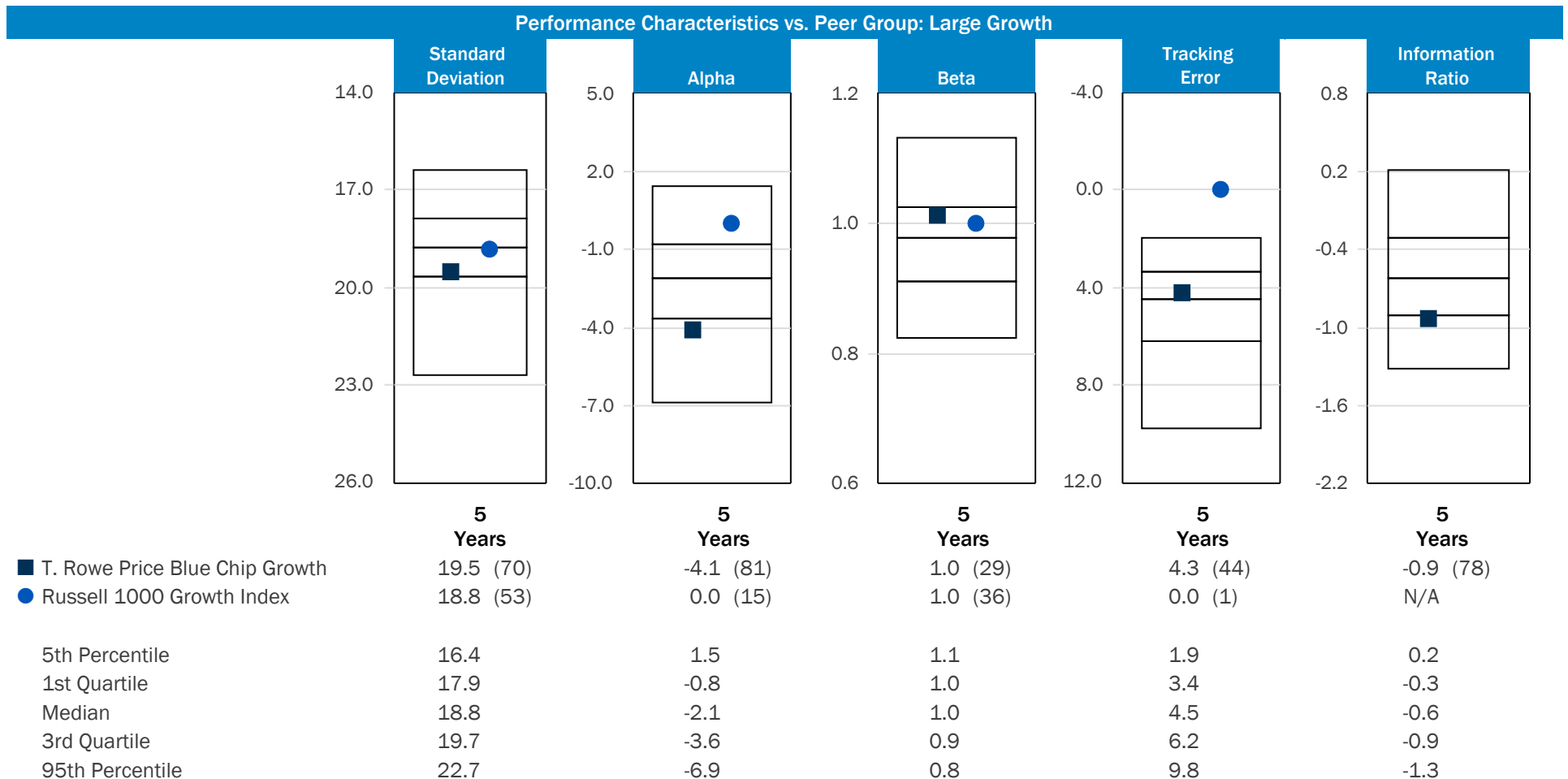
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ T. Rowe Price Blue Chip Growth	-25.0 (86)	-34.3 (83)	-31.2 (82)	9.7 (75)	13.3 (36)
● Russell 1000 Growth Index	-20.9 (48)	-28.1 (37)	-18.8 (28)	14.3 (11)	14.8 (9)
5th Percentile	-13.8	-20.1	-11.4	15.3	15.4
1st Quartile	-18.2	-26.4	-18.2	12.7	13.7
Median	-21.2	-29.5	-23.1	11.3	12.8
3rd Quartile	-23.4	-33.2	-29.3	9.6	11.7
95th Percentile	-28.9	-38.9	-40.7	6.9	9.6
Population	1,954	1,943	1,915	1,690	1,510

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# T. Rowe Price Blue Chip Growth

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
T. Rowe Price Blue Chip Growth	18.4	41.6	9.3	11.1	1.1	36.7	2.1	30.1	34.9	17.8	-34.3	4.0	9.7	13.3
Russell 1000 Growth Index	15.3	33.5	13.1	5.7	7.1	30.2	-1.5	36.4	38.5	27.6	-28.1	12.6	14.3	14.8

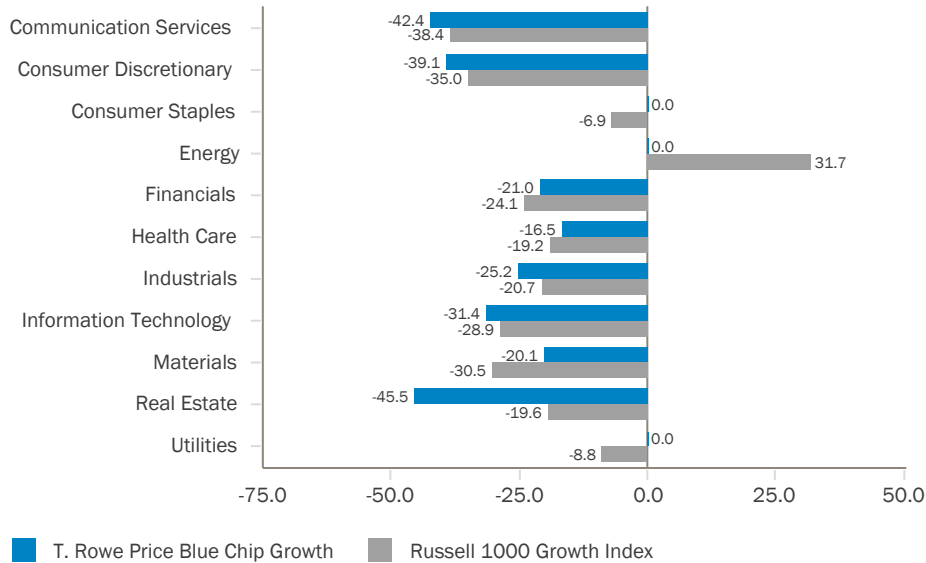


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# T. Rowe Price Blue Chip Growth

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Eli Lilly and Co	0.4	13.6	0.2
Dollar General Corporation	0.6	10.5	0.1
Humana Inc.	0.4	7.7	0.0
Unitedhealth Group Inc	2.0	1.1	0.0
T-Mobile US Inc	0.2	4.8	0.0

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

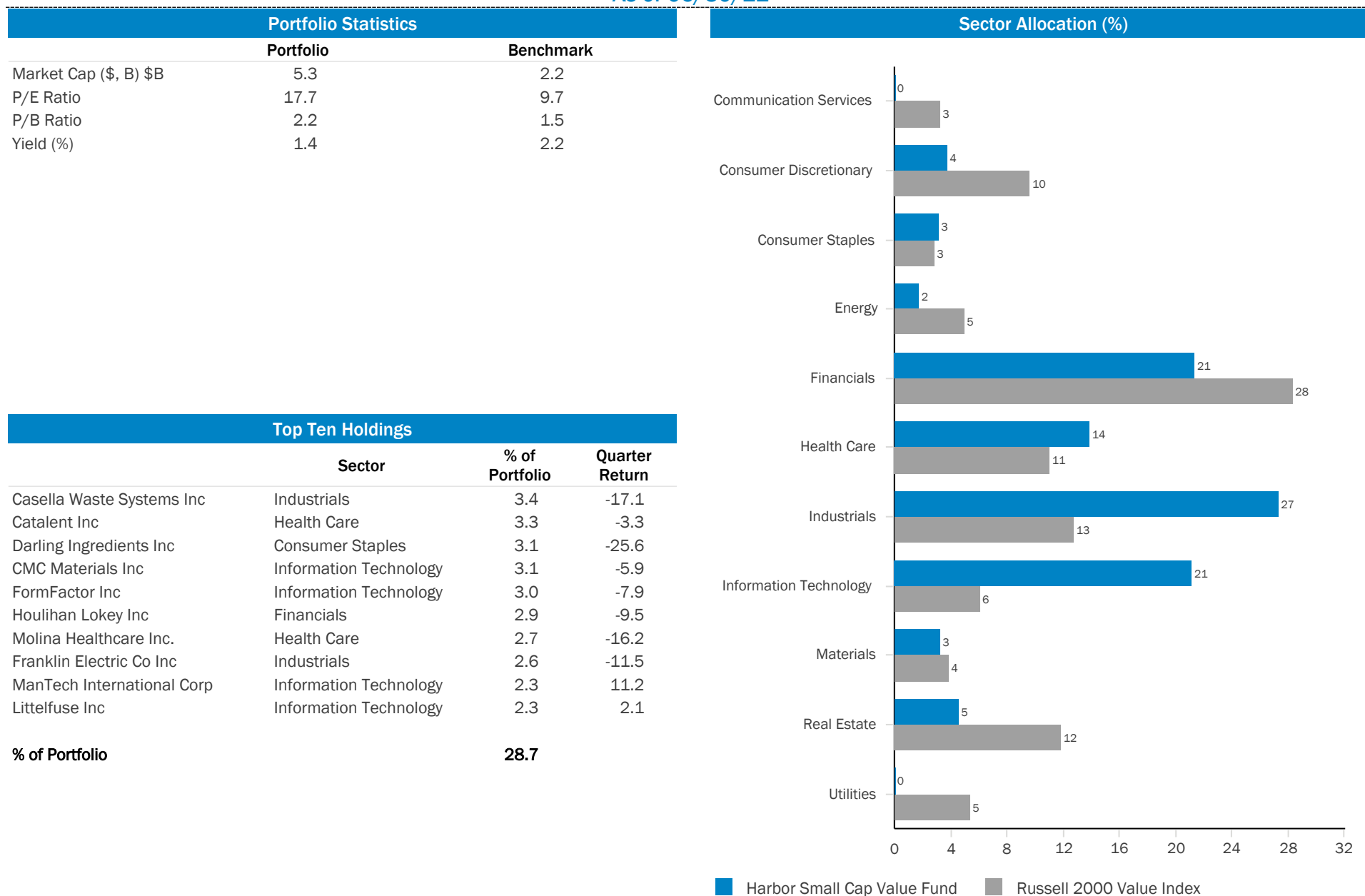
	Relative Weights	Quarter Return	Return Contribution
Amazon.com Inc	4.4	-34.8	-3.8
Alphabet Inc	7.2	-21.7	-2.2
Microsoft Corp	0.9	-16.5	-1.9
Apple Inc	-3.7	-21.6	-1.9
NVIDIA Corporation	0.5	-44.4	-1.5

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	21.9	10.6	-42.4	-38.4	-1.0	-1.1	-2.2
Consumer Discretionary	19.3	18.0	-39.1	-35.0	-0.9	-0.1	-1.0
Consumer Staples	0.0	4.4	0.0	-6.9	0.0	-0.8	-0.8
Energy	0.0	0.4	0.0	31.7	0.0	-0.2	-0.2
Financials	2.9	2.5	-21.0	-24.1	0.1	0.0	0.1
Health Care	10.5	8.9	-16.5	-19.2	0.2	0.2	0.4
Industrials	1.1	6.1	-25.2	-20.7	-0.1	-0.3	-0.4
Information Technology	43.9	46.2	-31.4	-28.9	-1.1	0.0	-1.1
Materials	0.4	1.0	-20.1	-30.5	0.0	0.0	0.0
Real Estate	0.1	1.8	-45.5	-19.6	0.0	-0.1	-0.2
Utilities	0.0	0.0	0.0	-8.8	0.0	0.0	0.0
Total	100.0	100.0	-33.8	-28.5	-2.7	-2.6	-5.3

# Harbor Small Cap Value Fund

As of 06/30/22

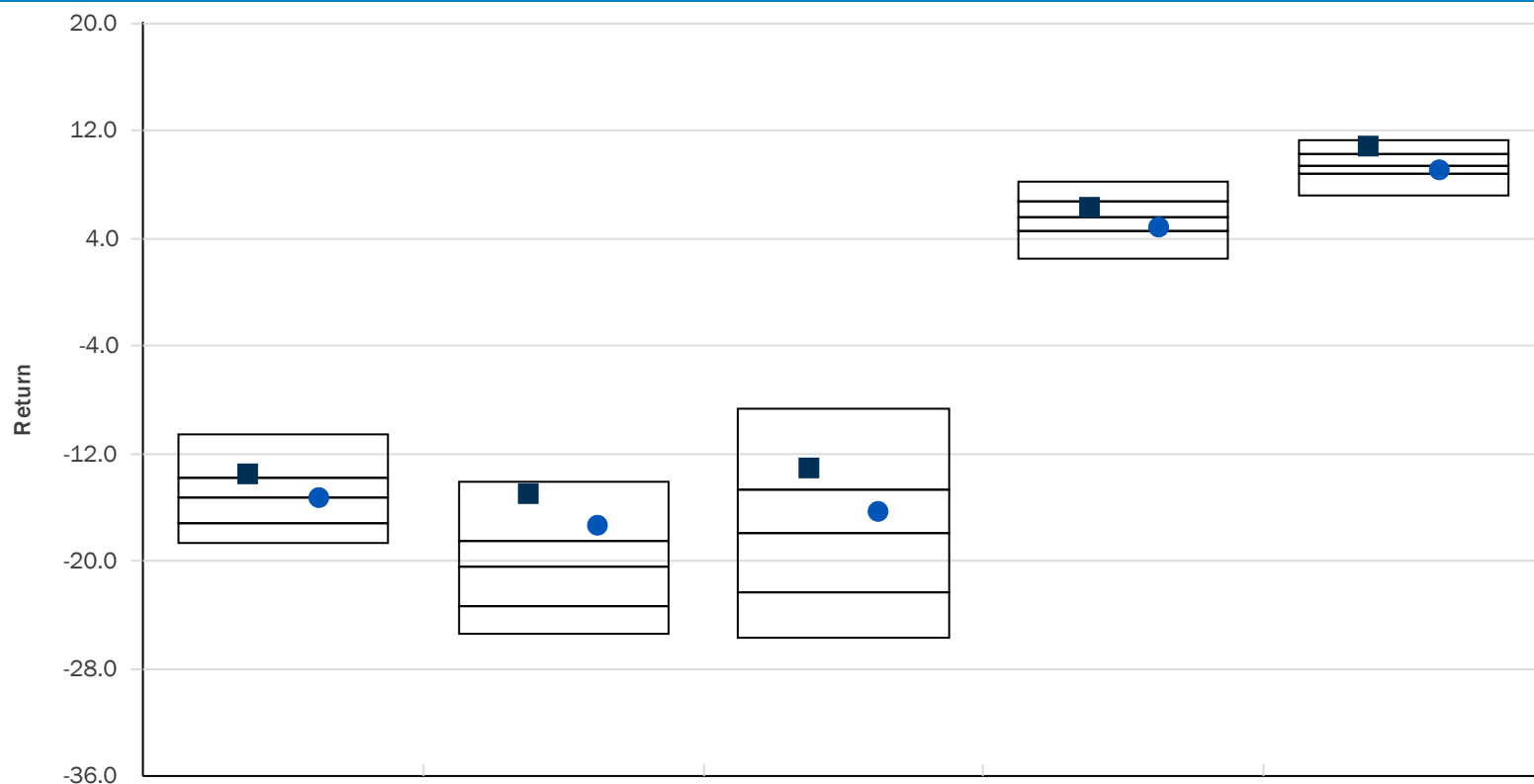


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# Harbor Small Cap Value Fund

As of 6/30/22

Peer Group: Small Blend



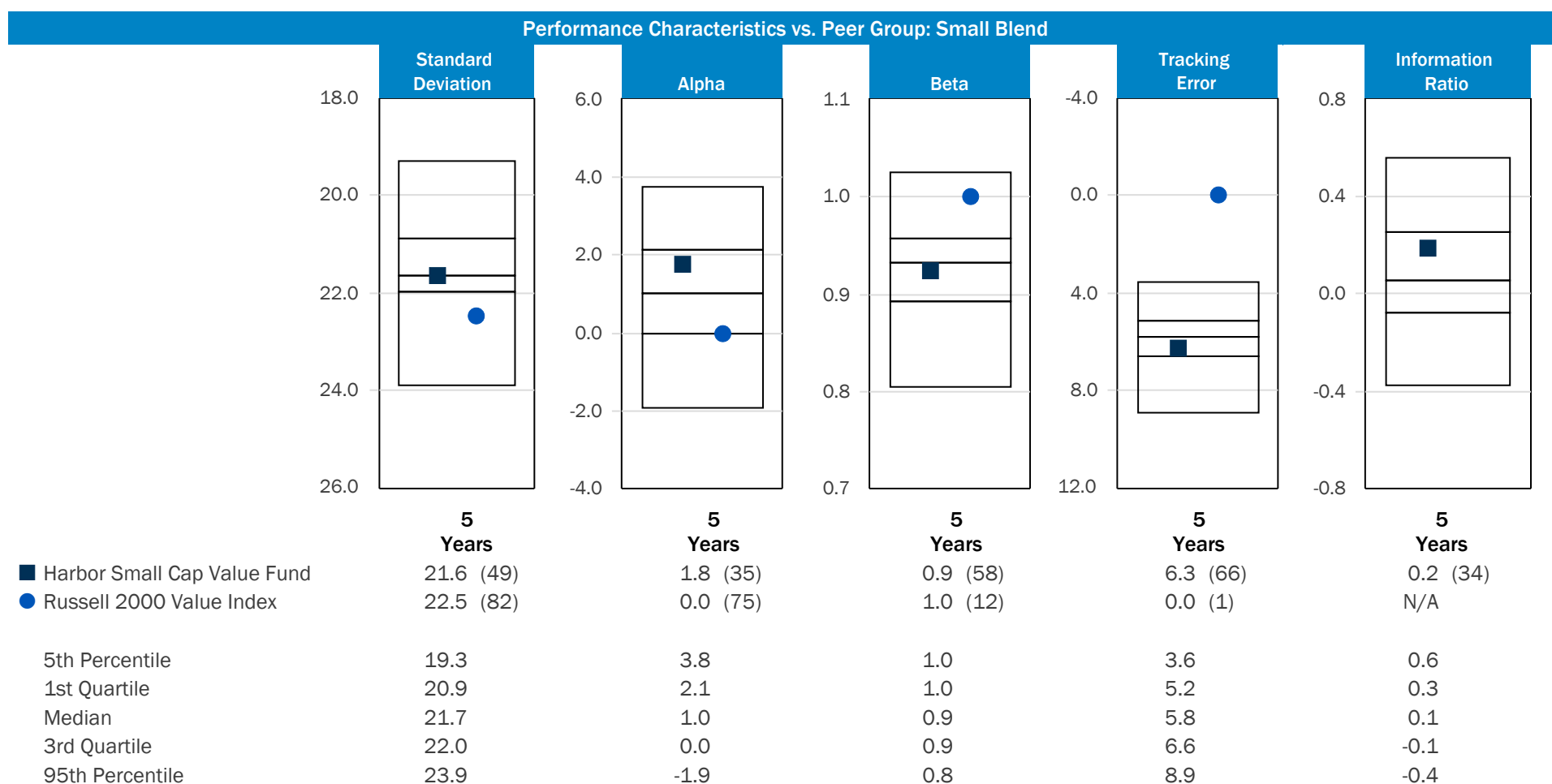
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Harbor Small Cap Value Fund	-13.5 (21)	-15.0 (9)	-13.0 (19)	6.4 (34)	10.8 (13)
● Russell 2000 Value Index	-15.3 (50)	-17.3 (17)	-16.3 (35)	4.9 (69)	9.1 (66)
5th Percentile	-10.6	-14.1	-8.7	8.3	11.3
1st Quartile	-13.8	-18.5	-14.7	6.7	10.3
Median	-15.3	-20.5	-17.9	5.5	9.4
3rd Quartile	-17.1	-23.3	-22.3	4.6	8.8
95th Percentile	-18.7	-25.5	-25.7	2.6	7.2
Population	971	971	960	892	715

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Harbor Small Cap Value Fund

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Harbor Small Cap Value Fund	14.2	35.6	7.9	-3.7	23.5	21.6	-16.0	29.0	13.1	14.7	-15.0	5.9	6.4	10.8
Russell 2000 Value Index	18.1	34.5	4.2	-7.5	31.7	7.8	-12.9	22.4	4.6	28.3	-17.3	6.2	4.9	9.1

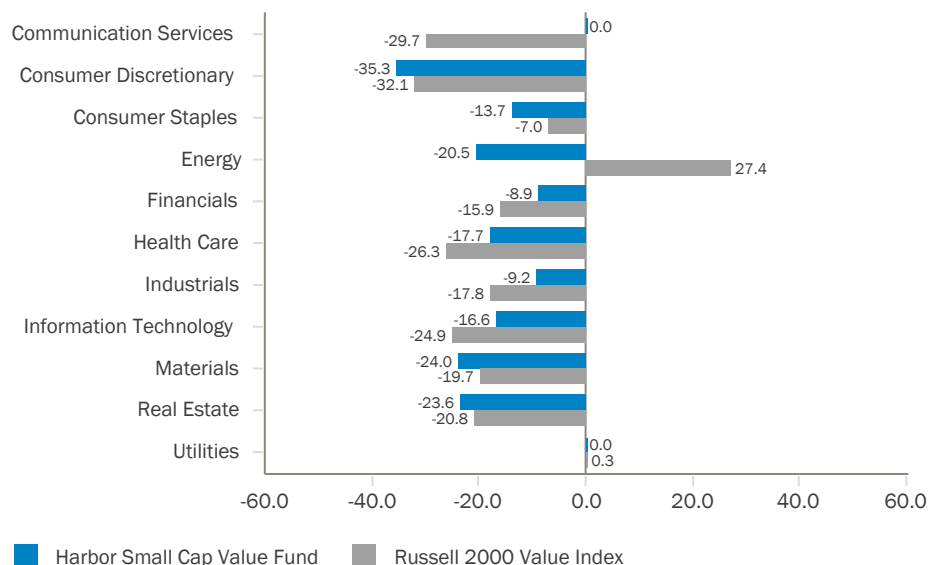


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# Harbor Small Cap Value Fund

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Meridian Bioscience Inc	1.1	17.2	0.2
ManTech International Corp	1.6	11.2	0.2
Reinsurance Group of America Inc.	1.7	7.8	0.1
Parsons Corp	1.6	4.4	0.1
United Fire Group Inc	0.6	10.7	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Sabre Corp	2.0	-49.0	-1.0
CONMED Corp	2.7	-35.4	-1.0
Darling Ingredients Inc	3.6	-25.6	-0.9
Casella Waste Systems Inc	3.6	-17.1	-0.6
Scotts Miracle-Gro Co (The)	1.7	-35.3	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	0.0	3.4	0.0	-29.7	0.0	0.5	0.5
Consumer Discretionary	4.3	7.4	-35.3	-32.1	-0.2	0.5	0.3
Consumer Staples	3.4	3.1	-13.7	-7.0	-0.3	0.1	-0.2
Energy	2.0	8.9	-20.5	27.4	-0.8	-2.1	-2.9
Financials	21.2	26.2	-8.9	-15.9	1.4	0.0	1.4
Health Care	13.7	9.0	-17.7	-26.3	1.2	-0.4	0.8
Industrials	25.6	15.1	-9.2	-17.8	2.2	-0.1	2.0
Information Technology	21.3	5.4	-16.6	-24.9	1.9	-1.4	0.5
Materials	3.6	4.5	-24.0	-19.7	-0.2	0.0	-0.1
Real Estate	5.0	11.6	-23.6	-20.8	-0.1	0.3	0.2
Utilities	0.0	5.3	0.0	0.3	0.0	-0.9	-0.9
Total	100.0	100.0	-14.9	-16.4	5.1	-3.6	1.5

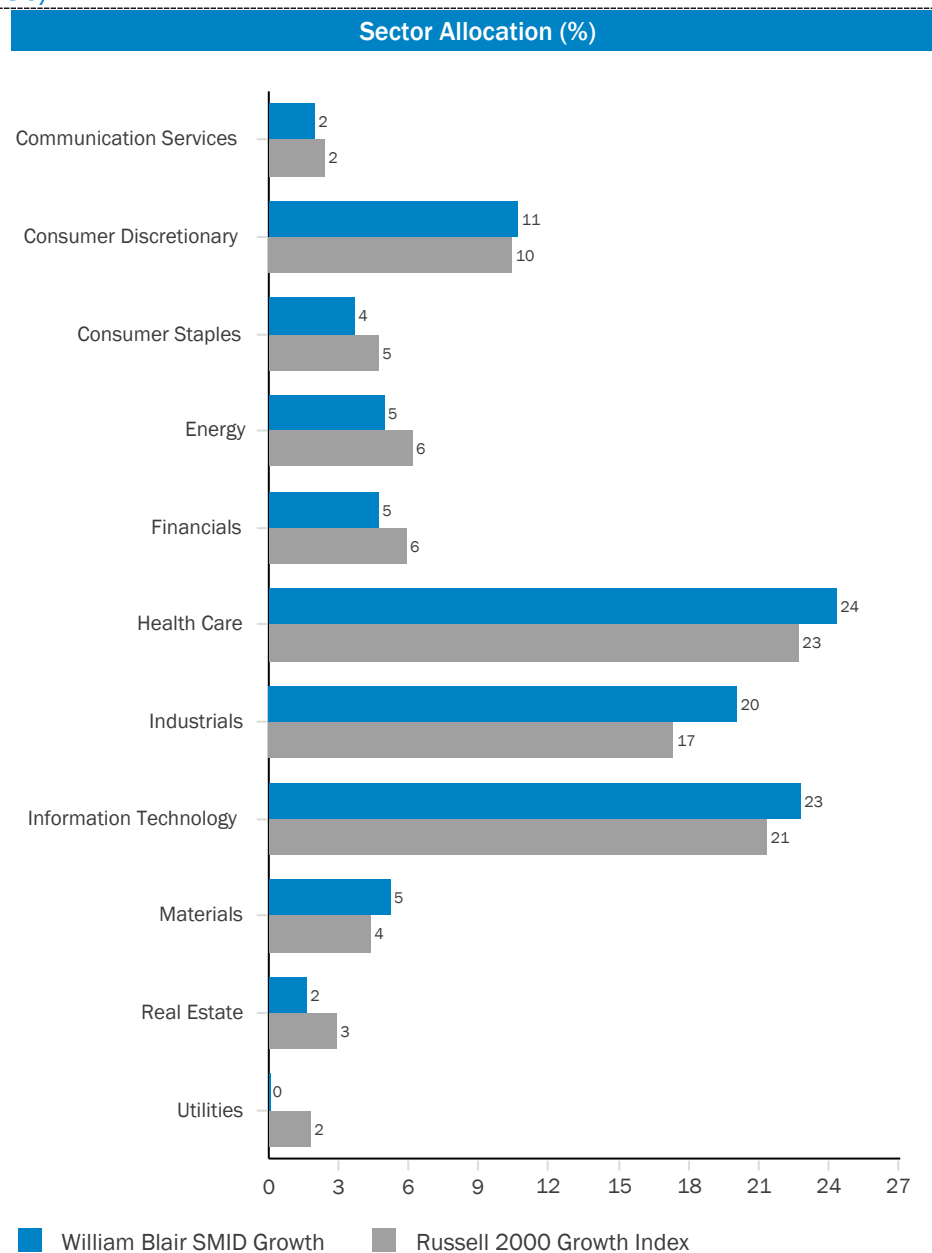


# William Blair SMID Growth

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	7.2	2.8
P/E Ratio	23.3	16.8
P/B Ratio	3.9	3.6
Yield (%)	0.5	0.8

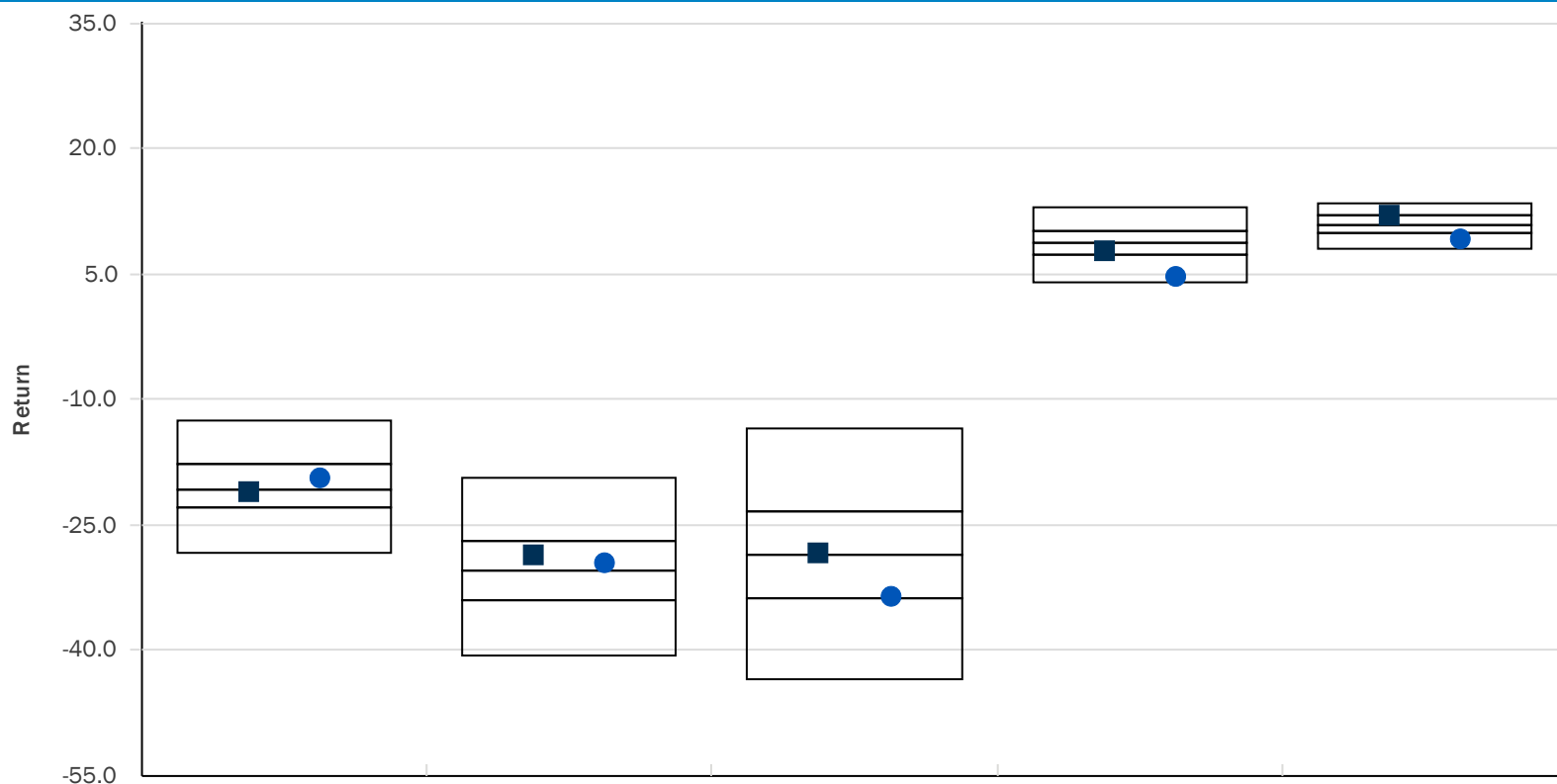
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
BWX Technologies Inc	Industrials	2.9	2.7
Builders FirstSource Inc	Industrials	2.9	-16.8
Dynatrace Inc	Information Technology	2.7	-16.3
Crown Holdings Inc	Materials	2.6	-26.2
Mercury Systems Inc	Information Technology	2.4	-0.2
SolarEdge Technologies Inc	Information Technology	2.4	-15.1
PERFORMANCE FOOD GROUP COMPANY	Consumer Staples	2.3	-9.7
Wyndham Hotels & Resorts Inc	Consumer Discretionary	2.3	-22.0
Euronet Worldwide Inc	Information Technology	2.2	-22.7
Acadia Healthcare Co Inc	Health Care	2.2	3.2
% of Portfolio		24.9	



# William Blair SMID Growth

As of 6/30/22

Peer Group: Mid-Cap Growth



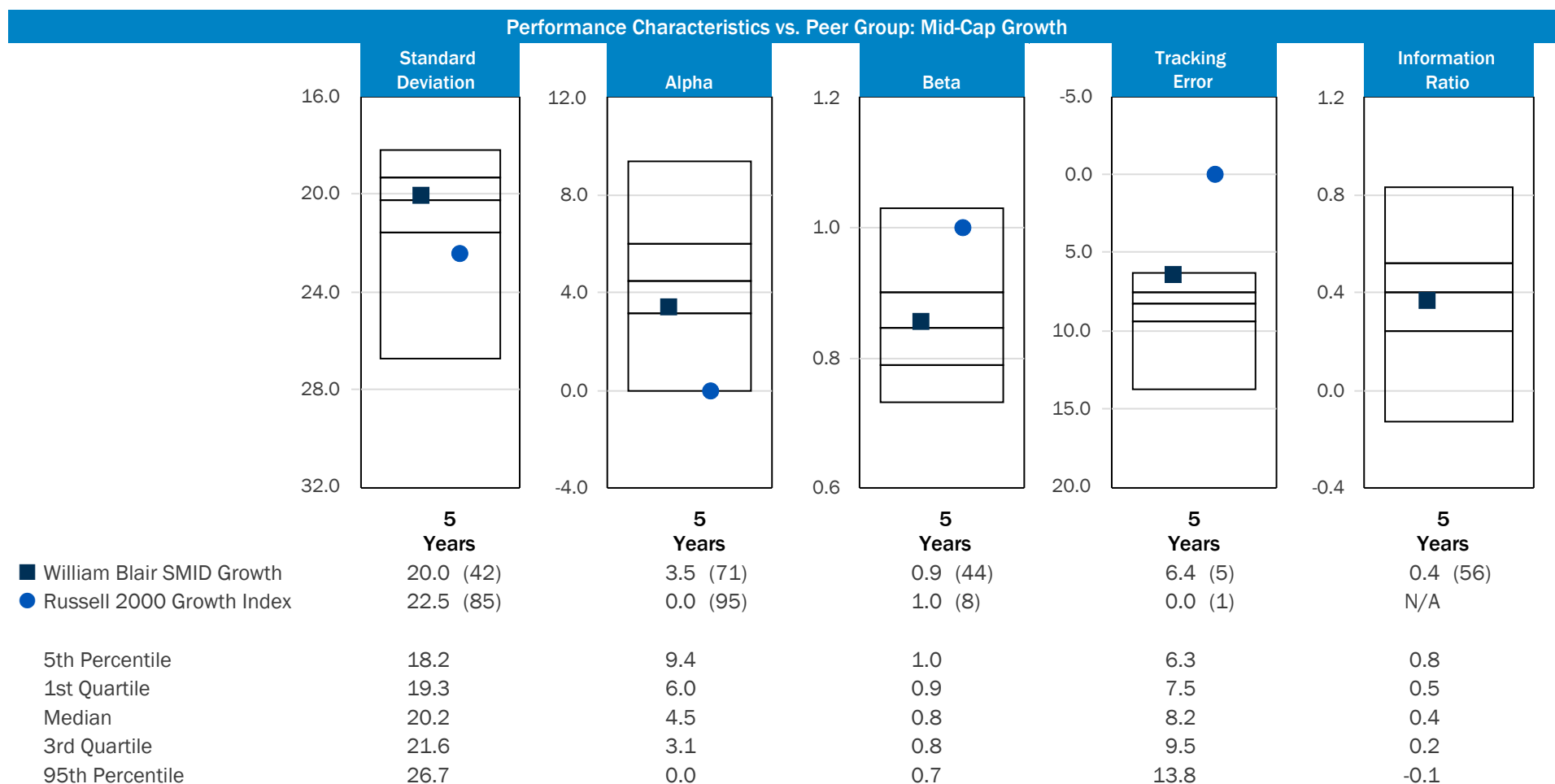
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ William Blair SMID Growth	-21.0 (58)	-28.5 (36)	-28.3 (48)	7.9 (69)	12.1 (24)
● Russell 2000 Growth Index	-19.3 (39)	-29.5 (41)	-33.4 (74)	4.8 (94)	9.3 (85)
5th Percentile	-12.6	-19.4	-13.5	13.1	13.5
1st Quartile	-17.8	-26.9	-23.4	10.3	12.0
Median	-20.7	-30.5	-28.6	8.7	10.8
3rd Quartile	-22.9	-34.1	-33.8	7.3	9.8
95th Percentile	-28.2	-40.5	-43.5	4.1	8.1
Population	932	932	919	789	700

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# William Blair SMID Growth

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
William Blair SMID Growth	12.4	41.9	8.6	4.7	6.7	28.9	-2.1	30.8	32.4	8.6	-28.5	2.6	7.9	12.1
Russell 2000 Growth Index	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6	2.8	-29.5	1.4	4.8	9.3

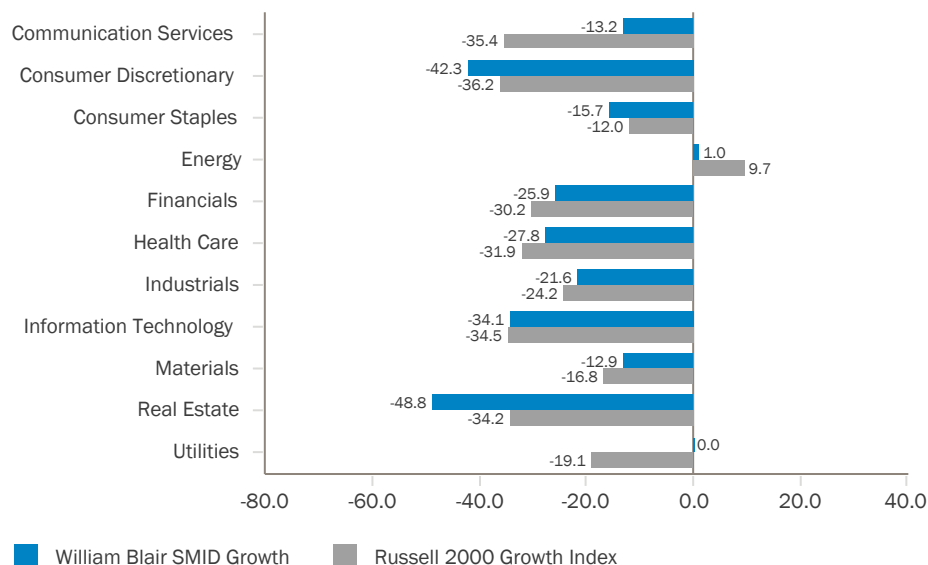


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# William Blair SMID Growth

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Halozyne Therapeutics Inc	1.0	10.3	0.1
Ritchie Bros Auctioneers Inc	1.1	10.7	0.1
Celsius Holdings Inc	0.4	18.3	0.1
BWX Technologies Inc	2.3	2.7	0.1
Acadia Healthcare Co Inc	1.7	3.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
VIRTU FINANCIAL INC	2.3	-36.5	-0.8
Revolve Group Inc	1.5	-51.7	-0.8
Crown Holdings Inc	2.8	-26.2	-0.7
Cameco Corp	2.2	-27.8	-0.6
Penumbra Inc	1.4	-43.9	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	2.3	2.7	-13.2	-35.4	0.6	0.1	0.7
Consumer Discretionary	12.8	14.4	-42.3	-36.2	-0.8	0.2	-0.7
Consumer Staples	3.2	4.2	-15.7	-12.0	0.0	-0.2	-0.2
Energy	4.5	3.2	1.0	9.7	-0.3	0.5	0.2
Financials	5.4	5.5	-25.9	-30.2	0.3	0.0	0.2
Health Care	22.9	24.4	-27.8	-31.9	0.7	0.2	0.9
Industrials	17.8	15.8	-21.6	-24.2	0.5	0.1	0.6
Information Technology	24.5	22.8	-34.1	-34.5	0.1	-0.1	0.0
Materials	5.1	3.4	-12.9	-16.8	0.1	0.2	0.3
Real Estate	1.5	3.3	-48.8	-34.2	-0.2	0.1	-0.2
Utilities	0.0	0.4	0.0	-19.1	0.0	0.0	0.0
Total	100.0	100.0	-27.9	-29.8	0.9	1.0	2.0

# Brandes International Equity

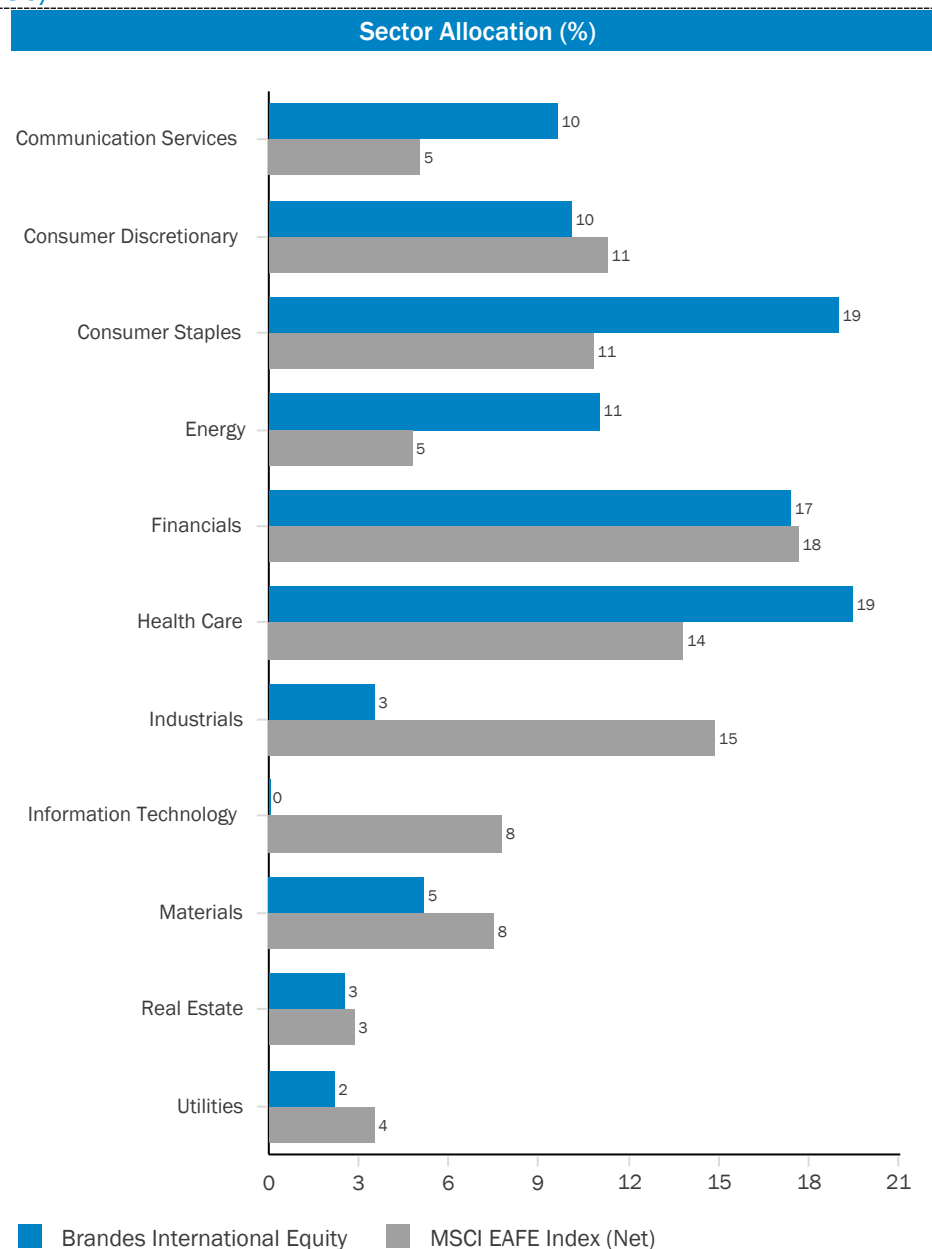
As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	54.3	69.5
P/E Ratio	8.7	12.5
P/B Ratio	1.6	2.4
Yield (%)	4.8	3.6

Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Takeda Pharmaceutical Co Ltd	Health Care	4.2	-2.4
GSK plc	Health Care	3.7	-3.4
Alibaba Group Holding Ltd	Consumer Discretionary	3.0	-0.4
Grifols S A	Health Care	2.9	-2.6
Novartis AG	Health Care	2.8	-4.3
Sanofi	Health Care	2.8	1.9
Carrefour SA	Consumer Staples	2.6	-16.9
Danone SA	Consumer Staples	2.5	3.7
Fibra Uno Administracion de Mexico	Financials	2.5	-10.7
UBS Group AG	Financials	2.5	-14.7

% of Portfolio 29.5

Regional Allocation (%)		
	Manager	Index
United States	0.0	0.2
Europe	63.6	64.5
Asia Pacific	16.1	34.4
<b>Developed Markets</b>	<b>79.7</b>	<b>99.1</b>
Americas	10.7	0.0
Europe	2.4	0.0
Asia Pacific	7.2	0.0
<b>Emerging Markets</b>	<b>20.3</b>	<b>0.0</b>
Other	0.0	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>



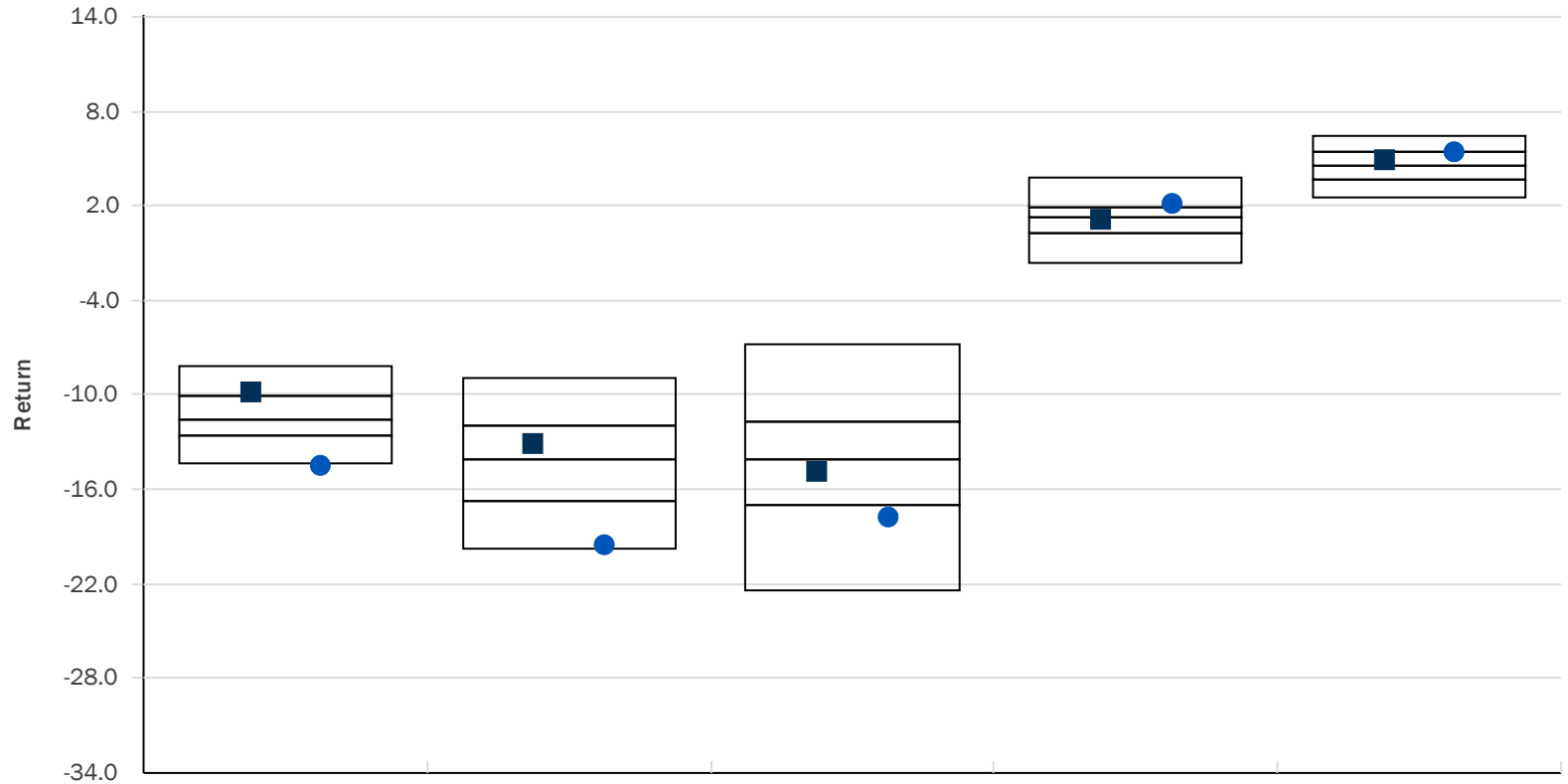
■ Brandes International Equity ■ MSCI EAFE Index (Net)

This presentation is accompanied by additional disclosures which can be found on the last pages.  
All information herein is confidential and proprietary.

# Brandes International Equity

As of 6/30/22

Peer Group: Foreign Large Value



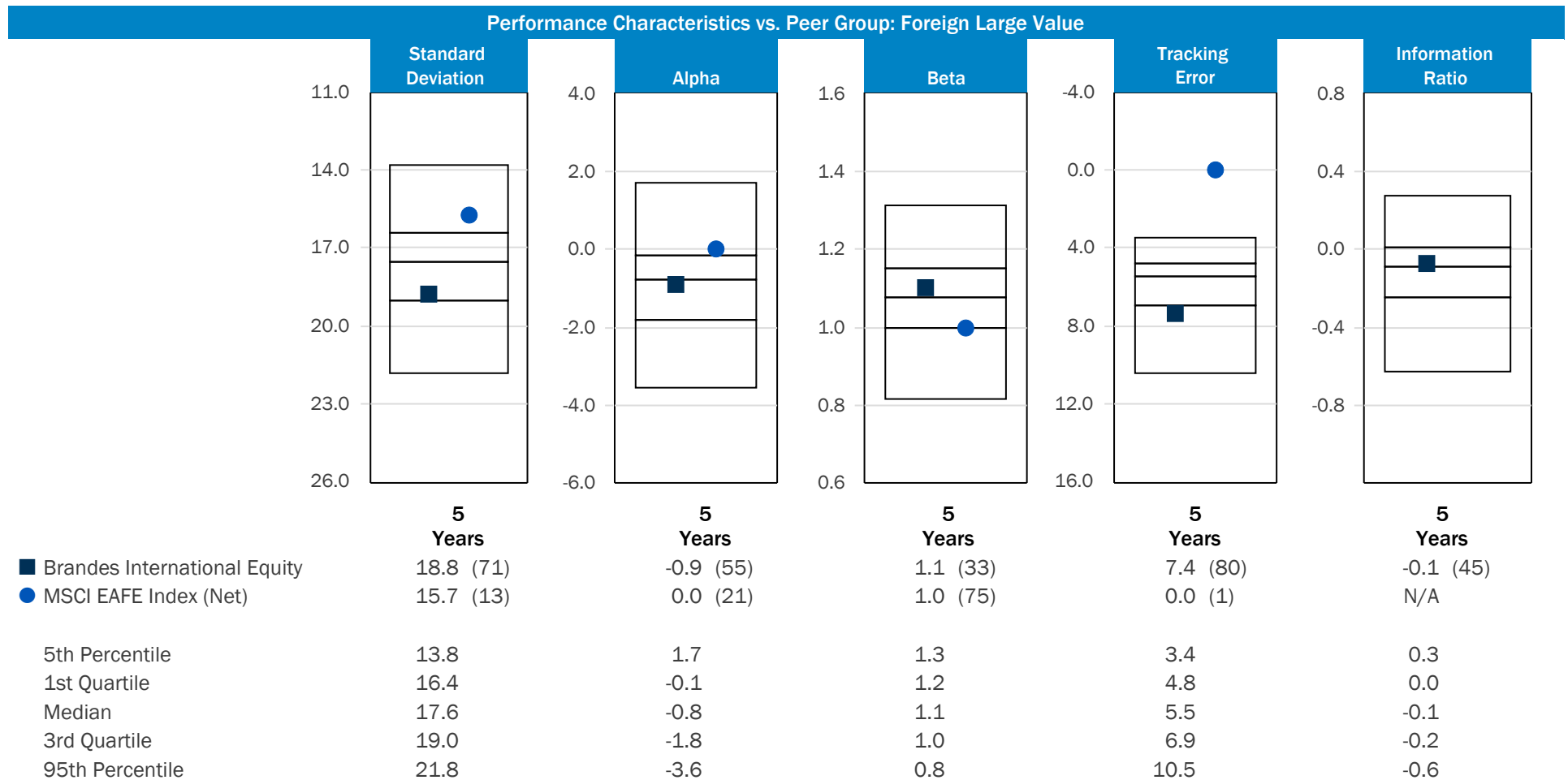
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Brandes International Equity	-9.8 (19)	-13.1 (40)	-14.9 (59)	1.1 (56)	4.9 (38)
● MSCI EAFE Index (Net)	-14.5 (96)	-19.6 (94)	-17.8 (82)	2.2 (18)	5.4 (25)
5th Percentile	-8.2	-8.9	-6.7	3.7	6.4
1st Quartile	-10.0	-11.9	-11.7	1.9	5.4
Median	-11.6	-14.1	-14.1	1.3	4.5
3rd Quartile	-12.6	-16.7	-17.0	0.2	3.7
95th Percentile	-14.4	-19.7	-22.4	-1.6	2.5
Population	513	513	505	432	347

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Brandes International Equity

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Brandes International Equity	11.2	26.5	-5.0	-1.4	8.1	15.1	-9.5	14.5	-1.8	12.9	-13.1	1.3	1.1	4.9
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

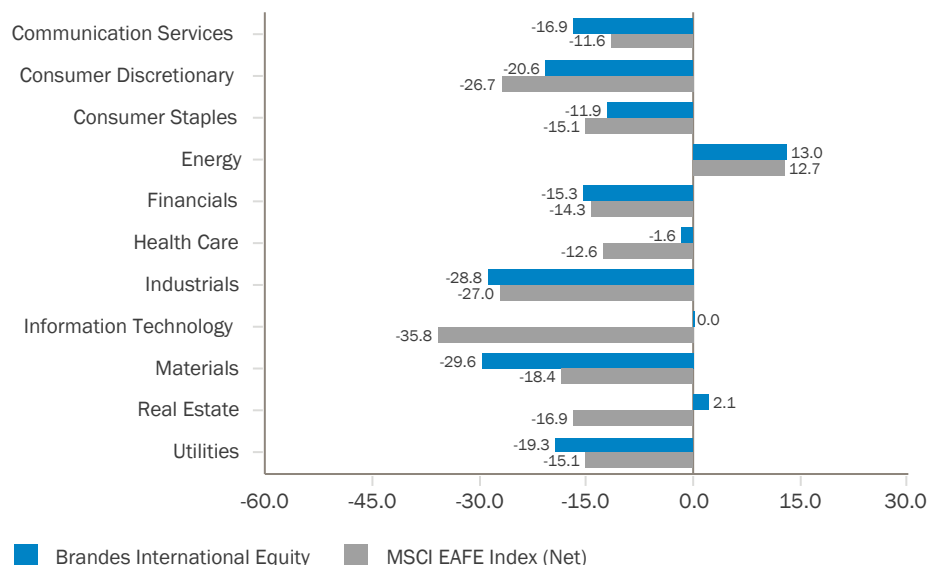


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# Brandes International Equity

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Surgutneftegas PJSC	1.5	43.0	0.6
Ste Bic S.A.	1.1	11.8	0.1
Repsol SA	0.9	10.9	0.1
Imperial Brands PLC	1.2	6.6	0.1
Danone SA	2.0	3.7	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Credit Suisse Group	2.1	-27.3	-0.6
Embraer SA	1.8	-30.4	-0.5
Carrefour SA	2.8	-16.9	-0.5
Publicis Groupe SA	2.1	-20.5	-0.5
WPP PLC	1.9	-22.4	-0.4

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	10.2	4.8	-16.9	-11.6	-0.5	0.4	-0.1
Consumer Discretionary	10.0	11.9	-20.6	-26.7	0.7	0.2	0.9
Consumer Staples	18.4	10.4	-11.9	-15.1	0.5	0.4	0.9
Energy	10.6	4.1	13.0	12.7	0.0	1.9	1.9
Financials	18.1	17.6	-15.3	-14.3	-0.2	0.0	-0.1
Health Care	18.3	12.9	-1.6	-12.6	1.8	0.4	2.2
Industrials	3.9	15.4	-28.8	-27.0	-0.1	1.0	0.9
Information Technology	0.0	8.6	0.0	-35.8	0.0	1.6	1.6
Materials	5.9	8.0	-29.6	-18.4	-0.8	0.0	-0.7
Real Estate	2.5	2.9	2.1	-16.9	0.4	0.0	0.4
Utilities	2.1	3.5	-19.3	-15.1	-0.1	-0.1	-0.1
Total	100.0	100.0	-11.5	-19.2	1.8	5.9	7.7



# Europacific Growth Fund

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	107.6	69.5
P/E Ratio	16.0	12.5
P/B Ratio	3.4	2.4
Yield (%)	2.4	3.6

## Top Ten Holdings

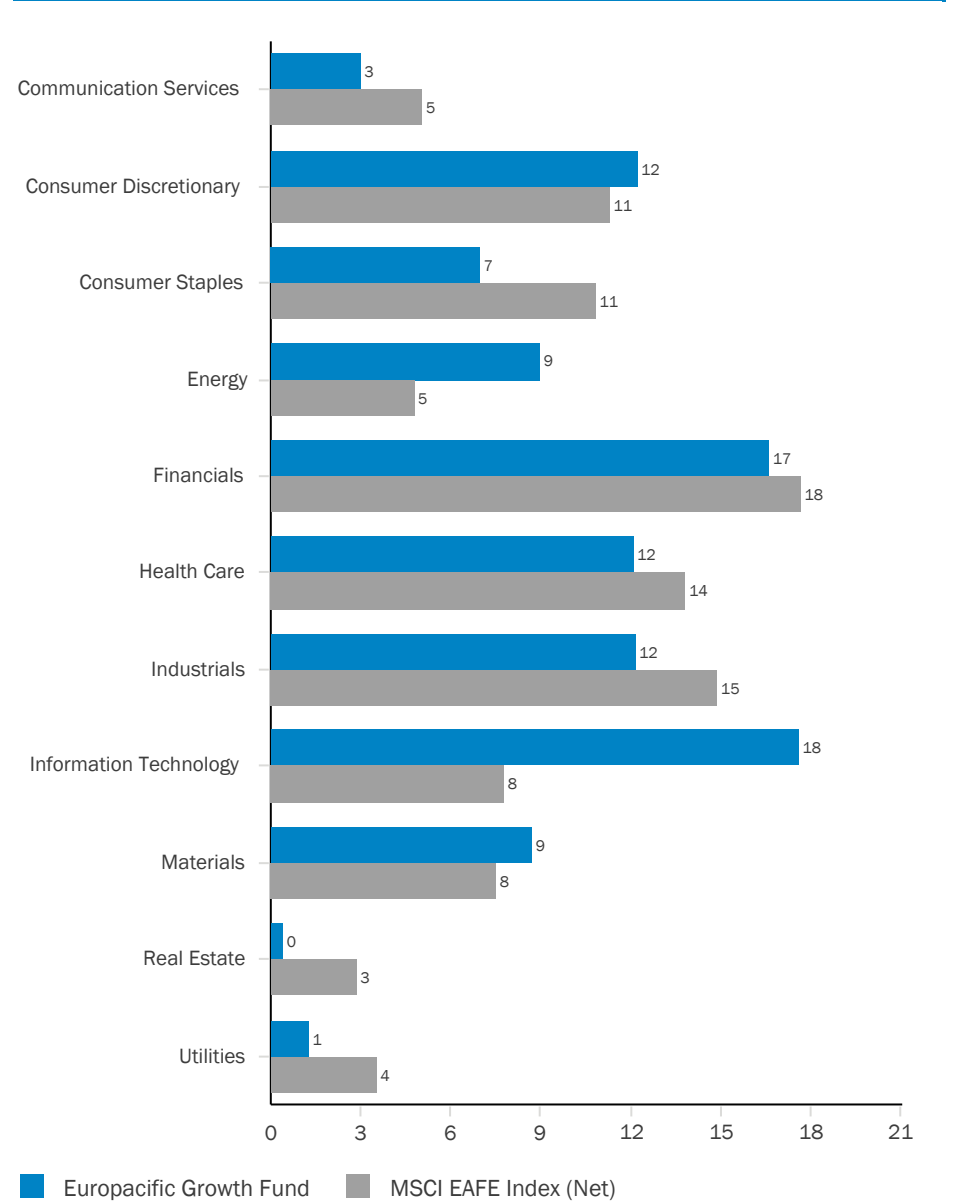
	Sector	% of Portfolio	Quarter Return
Reliance Indus	Energy	4.1	-5.3
ASML Holding NV	Information Technology	3.3	-29.2
Taiwan Semiconductor Manufacturing	Information Technology	2.8	-22.8
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.6	-15.4
AIA Group Ltd	Financials	2.2	4.4
Canadian Natural Resources Ltd	Energy	2.0	-12.5
Airbus SE	Industrials	2.0	-20.0
Daiichi Sankyo Co	Health Care	1.9	14.6
WuXi Biologics (Cayman) Inc	Health Care	1.4	10.2
H D F C Bank Ltd	Financials	1.4	-10.9

% of Portfolio 23.7

## Regional Allocation (%)

	Manager	Index
Canada	6.1	0.0
United States	1.5	0.2
Europe	47.0	64.5
Asia Pacific	15.9	34.4
<b>Developed Markets</b>	<b>70.5</b>	<b>99.1</b>
Americas	4.7	0.0
Europe	0.2	0.0
Asia Pacific	22.5	0.0
<b>Emerging Markets</b>	<b>27.4</b>	<b>0.0</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)

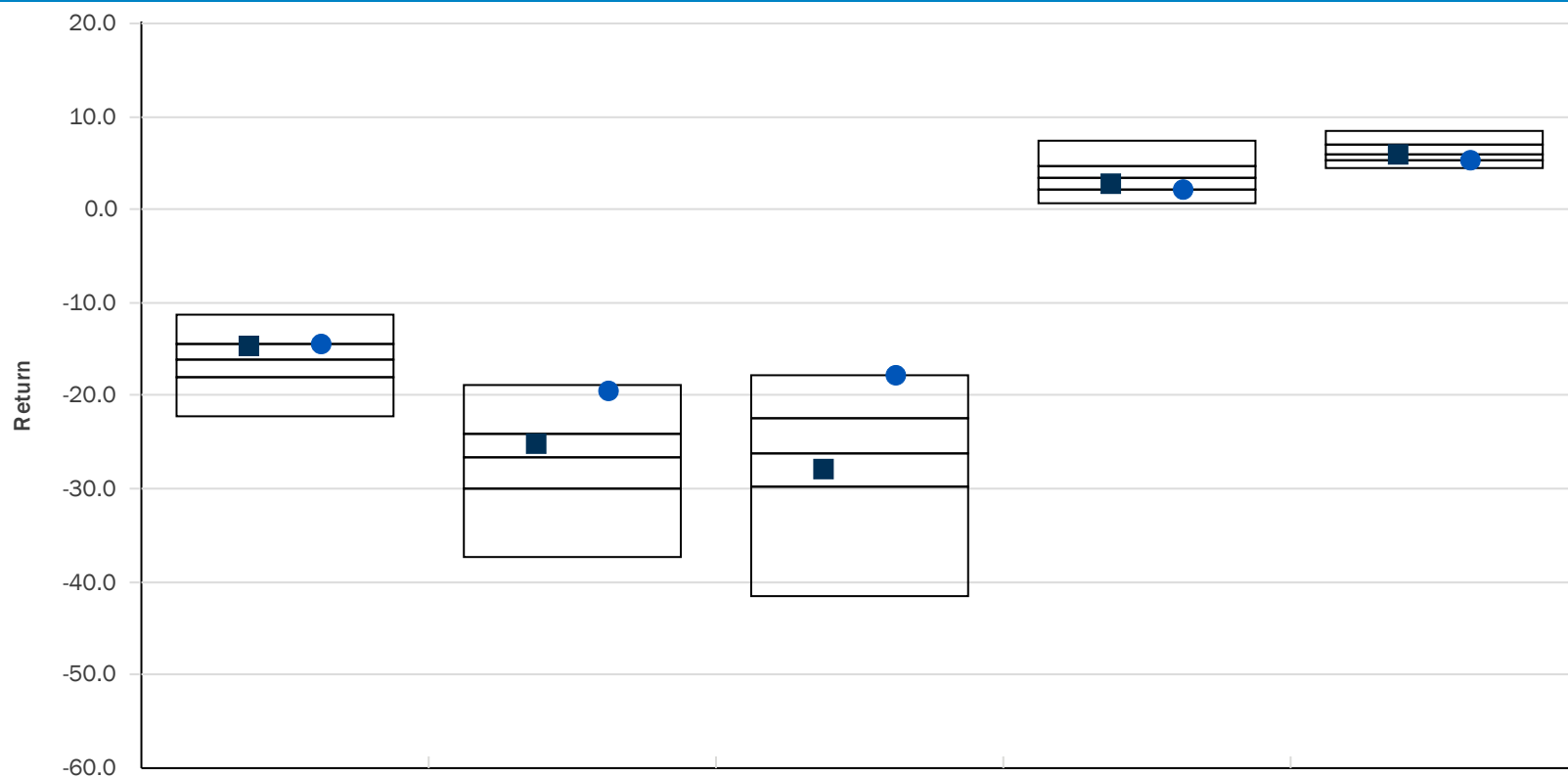


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# Europacific Growth Fund

As of 6/30/22

## Peer Group: Foreign Large Growth



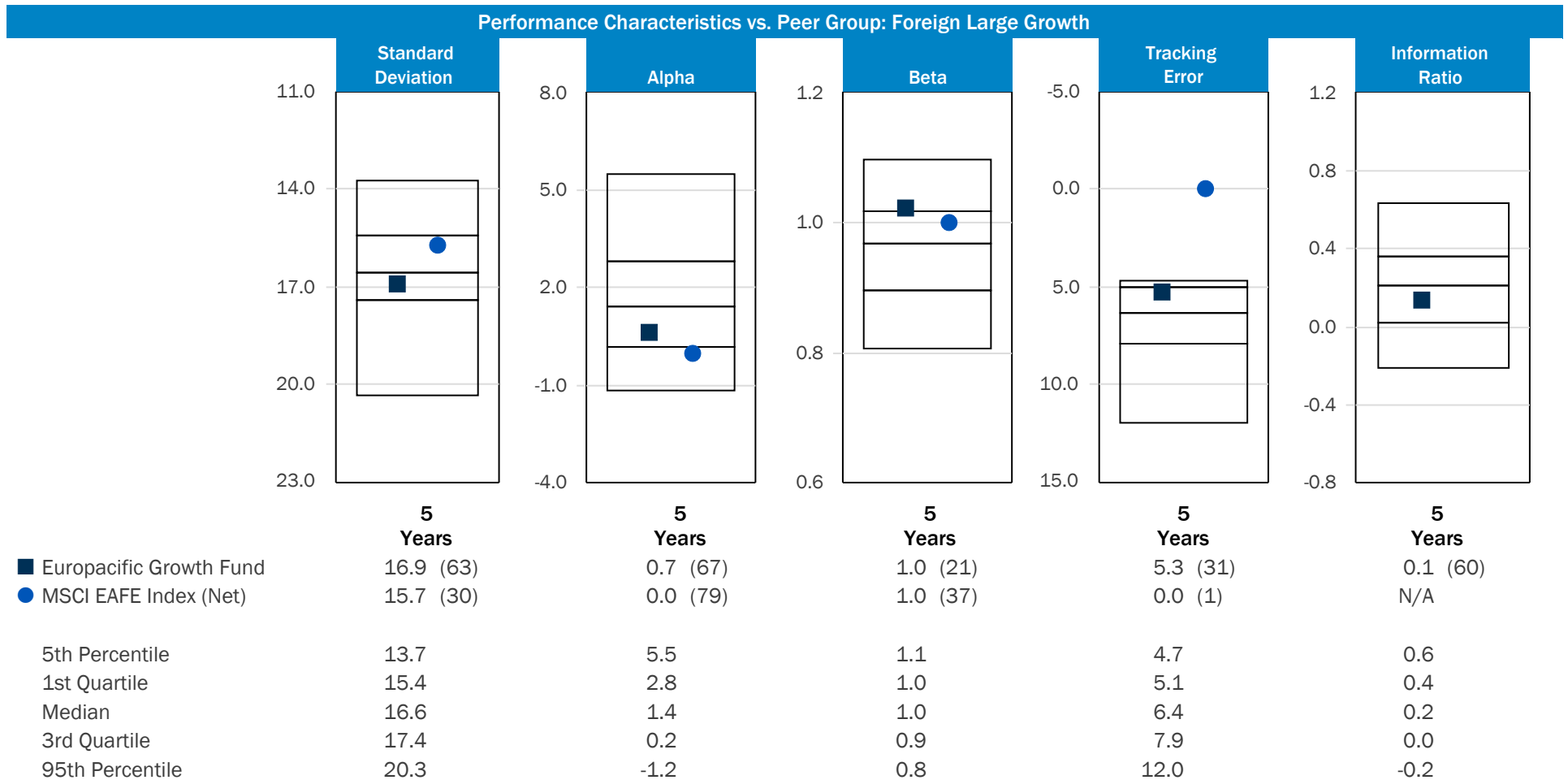
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Europacific Growth Fund	-14.7 (33)	-25.2 (36)	-27.9 (65)	2.7 (65)	5.9 (51)
● MSCI EAFE Index (Net)	-14.5 (28)	-19.6 (9)	-17.8 (6)	2.2 (74)	5.4 (73)
5th Percentile	-11.2	-18.9	-17.8	7.3	8.5
1st Quartile	-14.4	-24.0	-22.4	4.7	7.0
Median	-16.1	-26.7	-26.2	3.4	5.9
3rd Quartile	-17.9	-30.1	-29.8	2.1	5.3
95th Percentile	-22.2	-37.4	-41.5	0.8	4.4
Population	686	683	676	575	469

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Europacific Growth Fund

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Europacific Growth Fund	19.2	20.2	-2.6	-0.8	0.7	30.7	-15.2	26.9	24.8	2.5	-25.2	1.1	2.7	5.9
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

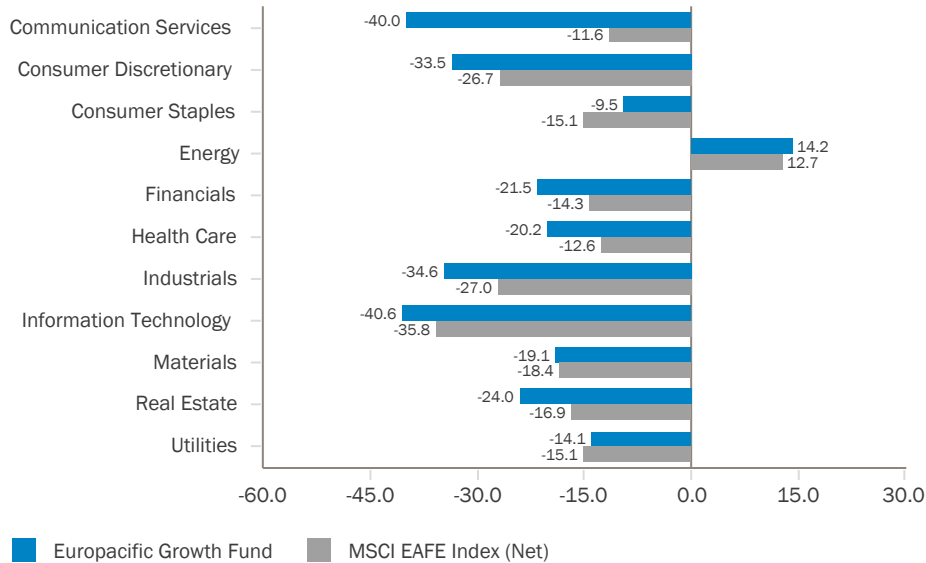


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# Europacific Growth Fund

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Daiichi Sankyo Co	1.2	14.6	0.2
Swedish Match AB	0.4	35.6	0.2
Gazprom PJSC	0.0	1,003.3	0.2
Kweichow Moutai Co Ltd	1.0	13.9	0.1
WuXi Biologics (Cayman) Inc	1.1	10.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
ASML Holding NV	2.1	-29.2	-1.1
Taiwan Semiconductor Manufacturing	3.0	-22.8	-0.7
MercadoLibre Inc	1.4	-46.5	-0.7
First Quantum Minerals Ltd	1.2	-45.4	-0.5
Sika AG, Baar	1.3	-30.5	-0.5

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.8	4.8	-40.0	-11.6	-1.3	-0.1	-1.3
Consumer Discretionary	12.9	11.9	-33.5	-26.7	-1.0	-0.1	-1.1
Consumer Staples	5.8	10.4	-9.5	-15.1	0.3	-0.2	0.2
Energy	7.8	4.1	14.2	12.7	0.1	0.9	1.0
Financials	15.9	17.6	-21.5	-14.3	-1.1	-0.1	-1.2
Health Care	11.1	12.9	-20.2	-12.6	-0.8	-0.1	-0.9
Industrials	12.3	15.4	-34.6	-27.0	-1.0	0.3	-0.8
Information Technology	20.0	8.6	-40.6	-35.8	-1.2	-2.0	-3.2
Materials	8.7	8.0	-19.1	-18.4	-0.1	-0.1	-0.2
Real Estate	0.5	2.9	-24.0	-16.9	0.0	-0.1	-0.1
Utilities	1.3	3.5	-14.1	-15.1	0.0	-0.1	-0.1
Total	100.0	100.0	-26.8	-19.2	-6.0	-1.6	-7.6

# Templeton Foreign Smaller Cos.

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	1.9	2.4
P/E Ratio	12.7	10.9
P/B Ratio	2.1	2.1
Yield (%)	3.2	3.4

## Top Ten Holdings

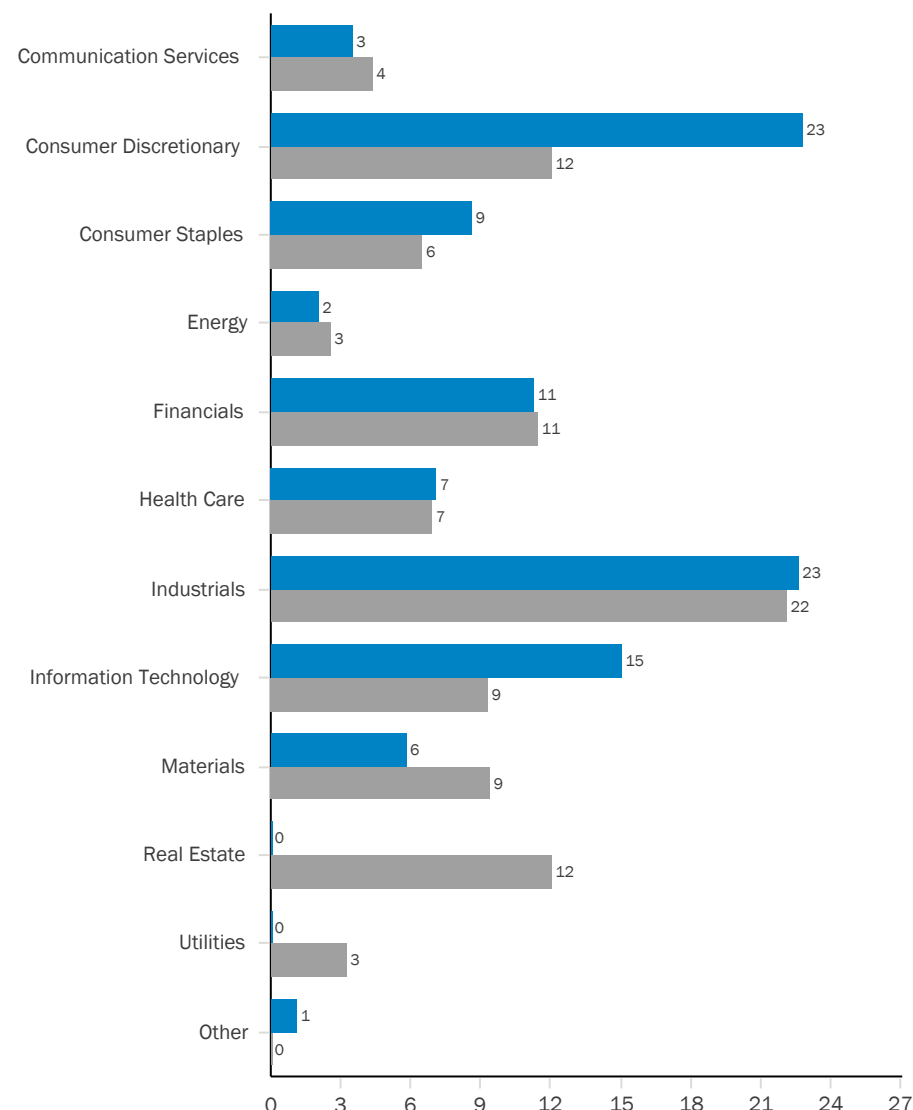
	Sector	% of Portfolio	Quarter Return
Man Group Limited	Financials	2.2	1.3
Xtep International Holdings Ltd	Consumer Discretionary	2.1	20.9
Sanlorenzo Spa	Consumer Discretionary	2.0	-16.2
Tsumura & Co	Health Care	1.7	-14.9
Huhtamaki OY	Materials	1.7	14.1
Canadian Western Bank	Financials	1.7	-29.7
Asics Corp	Consumer Discretionary	1.6	-7.0
Barco NV, Kortrijk	Information Technology	1.6	-3.3
King Yuan Electronics Co Ltd	Information Technology	1.6	-10.1
Technogym SPA	Consumer Discretionary	1.6	-16.7

% of Portfolio 17.8

## Regional Allocation (%)

	Manager	Index
Canada	4.6	0.0
United States	1.1	0.3
Europe	46.6	50.2
Asia Pacific	22.2	45.5
<b>Developed Markets</b>	<b>74.5</b>	<b>95.9</b>
Americas	2.5	0.0
Europe	0.9	0.2
Asia Pacific	18.7	0.4
<b>Emerging Markets</b>	<b>22.0</b>	<b>0.5</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	3.5	3.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)



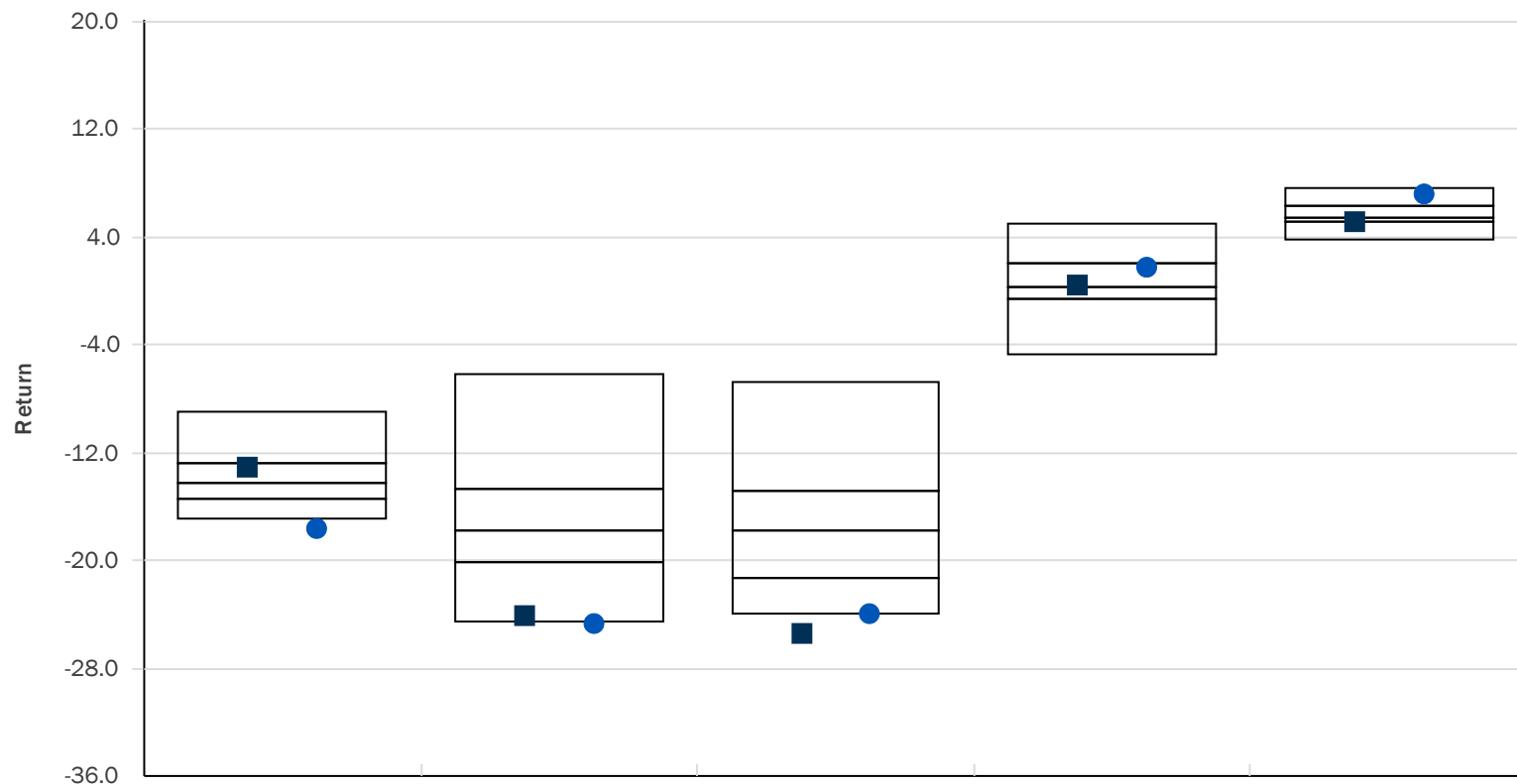
■ Templeton Foreign Smaller Cos. ■ MSCI EAFE Small Cap (Net)

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# Templeton Foreign Smaller Cos.

As of 6/30/22

Peer Group: Foreign Small/Mid Value



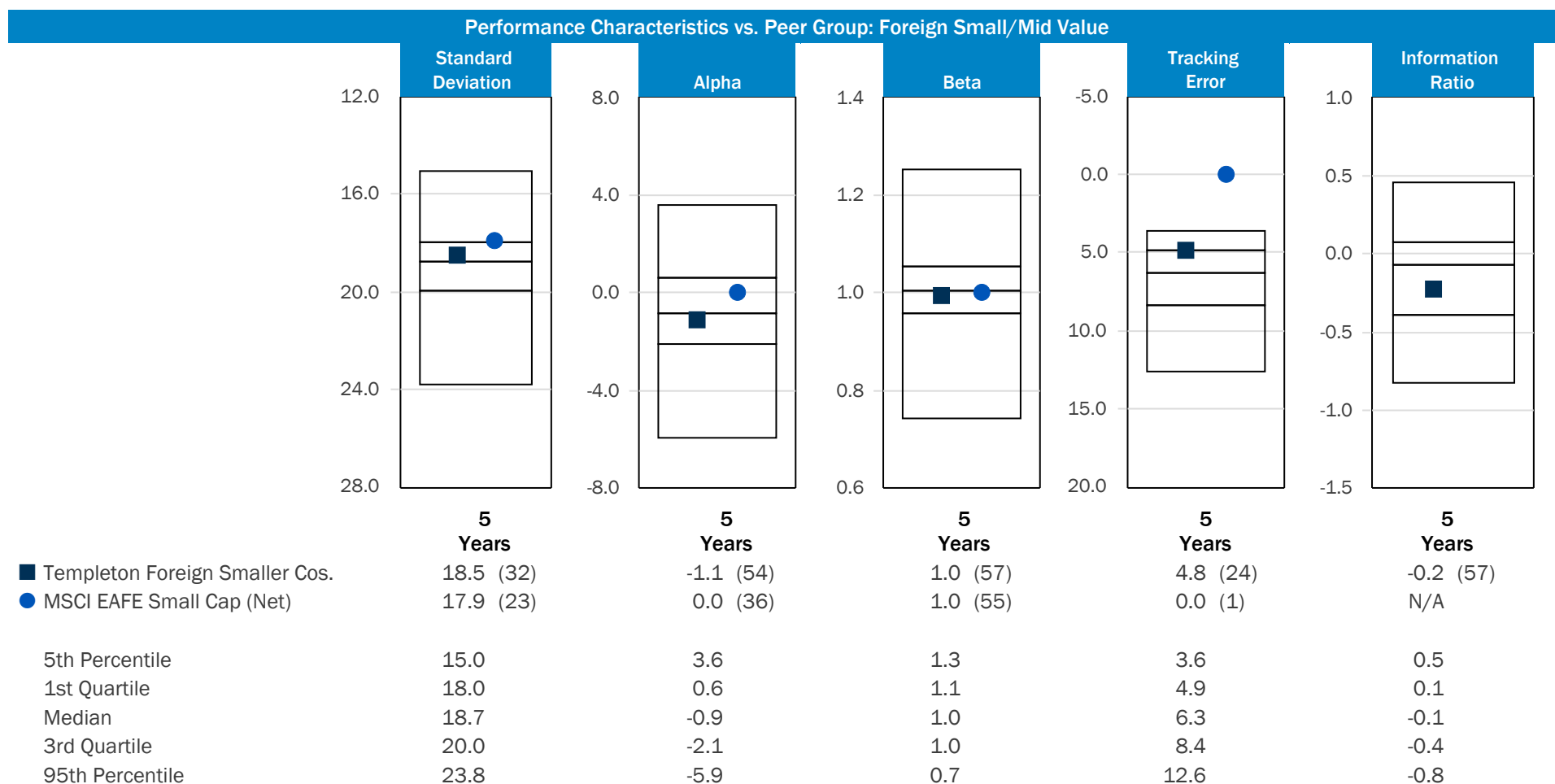
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Templeton Foreign Smaller Cos.	-13.0 (30)	-24.1 (94)	-25.5 (100)	0.5 (49)	5.2 (71)
● MSCI EAFE Small Cap (Net)	-17.7 (100)	-24.7 (99)	-24.0 (96)	1.7 (34)	7.2 (13)
5th Percentile	-9.0	-6.1	-6.8	5.1	7.6
1st Quartile	-12.8	-14.7	-14.8	2.1	6.3
Median	-14.2	-17.7	-17.8	0.4	5.5
3rd Quartile	-15.5	-20.2	-21.3	-0.6	5.2
95th Percentile	-16.9	-24.5	-23.9	-4.7	3.8
Population	85	84	83	71	33

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Templeton Foreign Smaller Cos.

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Templeton Foreign Smaller Cos.	21.6	22.2	-3.3	1.9	-0.9	34.2	-18.5	22.9	9.0	10.7	-24.1	-0.6	0.5	5.2
MSCI EAFE Small Cap (Net)	20.0	29.3	-4.9	9.6	2.2	33.0	-17.9	25.0	12.3	10.1	-24.7	1.1	1.7	7.2

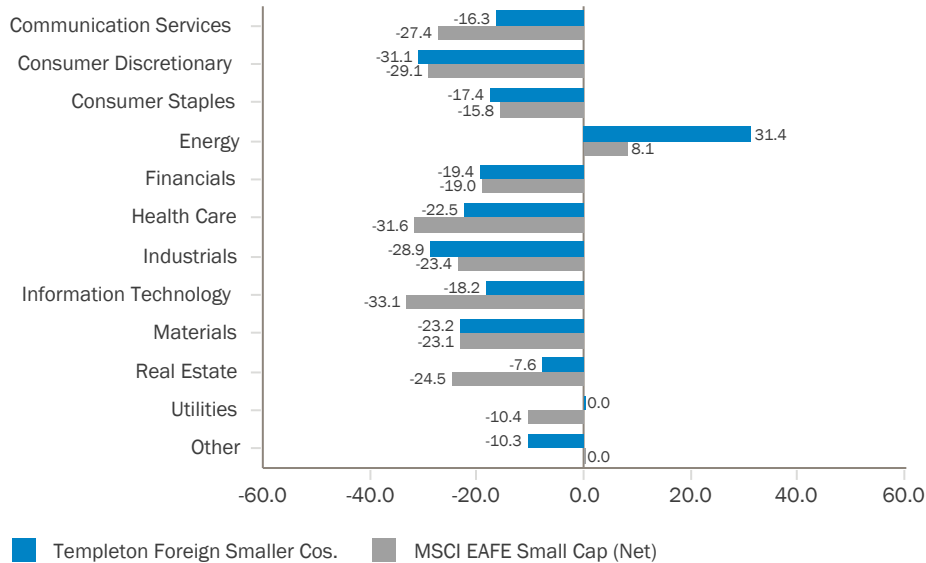


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# Templeton Foreign Smaller Cos.

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Xtep International Holdings Ltd	1.5	20.9	0.3
Huhtamaki OY	1.2	14.1	0.2
Primax Electronics Ltd	0.8	20.5	0.2
VTech Holdings Ltd	1.2	8.0	0.1
Qol Holdings Co Ltd	0.9	8.1	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Watches of Switzerland Group PLC	1.6	-37.7	-0.6
Canadian Western Bank	1.9	-29.7	-0.6
RADA Electronic Industries Ltd	1.5	-33.7	-0.5
Thule Group AB	1.2	-37.7	-0.5
Interpump Group SPA, Sant'Illario (RE)	1.6	-24.6	-0.4

## Attribution Detail (1/1/2022 to 6/30/2022)

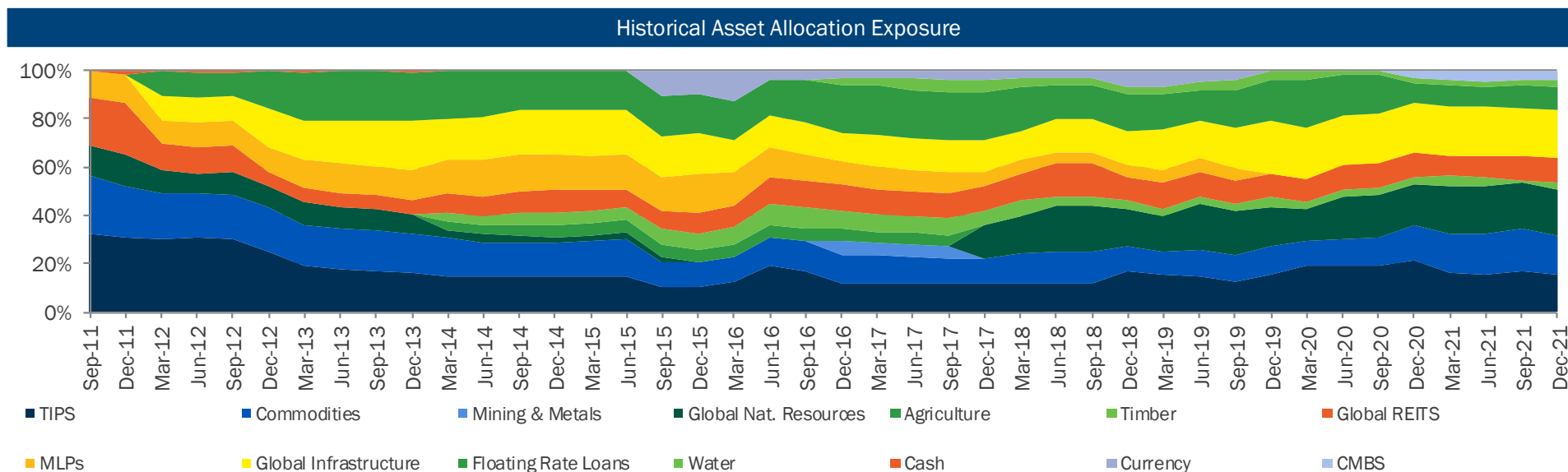
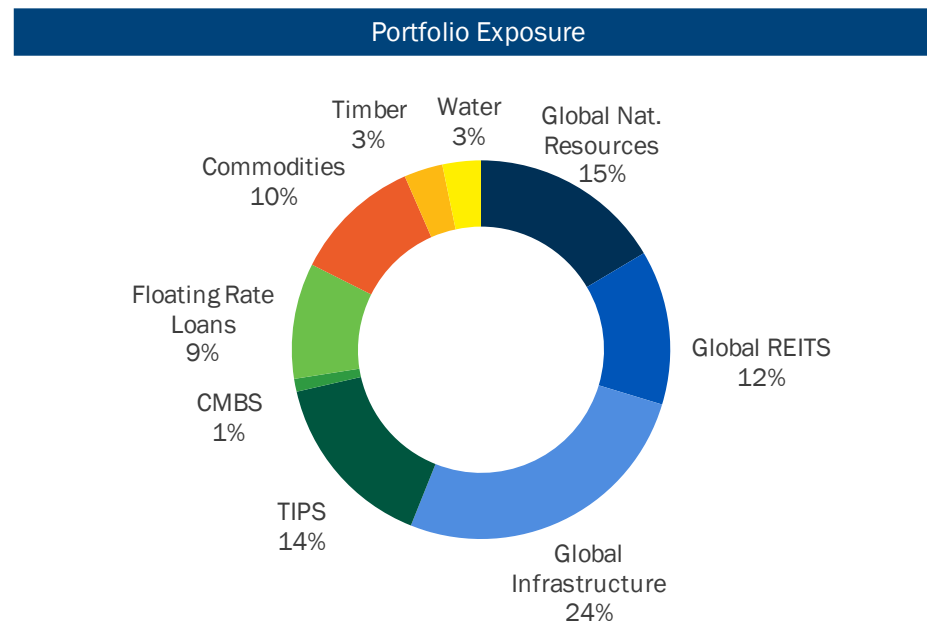
	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.3	4.5	-16.3	-27.4	0.4	0.0	0.4
Consumer Discretionary	25.0	12.0	-31.1	-29.1	-0.6	-0.7	-1.3
Consumer Staples	8.1	5.7	-17.4	-15.8	-0.1	0.2	0.1
Energy	1.7	2.1	31.4	8.1	0.2	-0.1	0.1
Financials	11.3	11.1	-19.4	-19.0	0.0	0.0	0.0
Health Care	6.4	6.1	-22.5	-31.6	0.6	0.0	0.6
Industrials	24.2	23.2	-28.9	-23.4	-1.4	0.0	-1.4
Information Technology	14.0	10.0	-18.2	-33.1	2.1	-0.3	1.8
Materials	5.6	9.6	-23.2	-23.1	0.0	0.0	-0.1
Real Estate	0.1	12.4	-7.6	-24.5	0.0	0.0	0.0
Utilities	0.0	3.2	0.0	-10.4	0.0	-0.4	-0.4
Other	0.2	0.0	-10.3	0.0	0.0	0.0	0.0
Total	100.0	100.0	-24.3	-24.2	1.1	-1.2	-0.1



# Fund Overview: Principal Diversified Real Assets

As of 3/31/2022

Investment Manager/Strategy		
Strategy	Investment Manager	% of Portfolio
Commodities	Credit Suisse	10%
TIPS	Blackrock	14%
Global Infrastructure	ClearBridge	12%
Global Infrastructure	Delaware	12%
Global Natural Resources	Newton	9%
Global Natural Resources	Principal	6%
Global REITs	Principal	12%
Floating Rate Debt	Nuveen	9%
CMBS	Principal	1%
Global Timber	Pictet	3%
Global Water	Principal	3%
Climate Change	Impax	5%

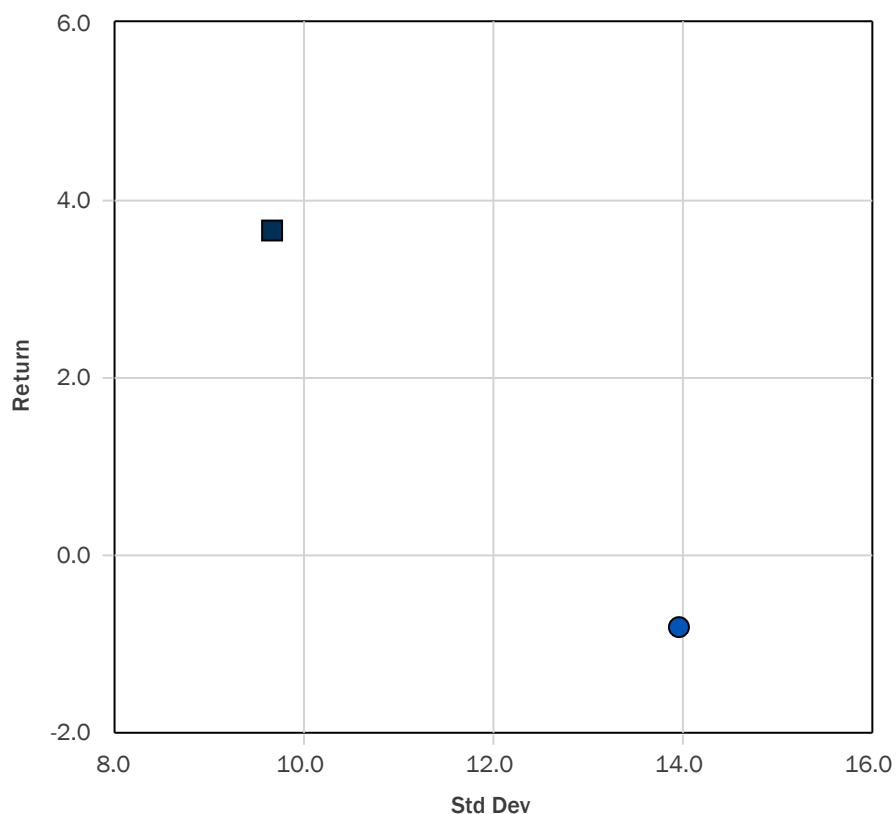


# Principal Diversified Real Asset

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Principal Diversified Real Asset	7.6	5.4	2.5	-12.4	5.9	10.2	-7.8	15.1	3.9	17.4	-4.8	6.6	5.4	3.7
Bloomberg Commodity Index Total Return	-1.1	-9.5	-17.0	-24.7	11.8	1.7	-11.2	7.7	-3.1	27.1	18.4	14.3	8.4	-0.8

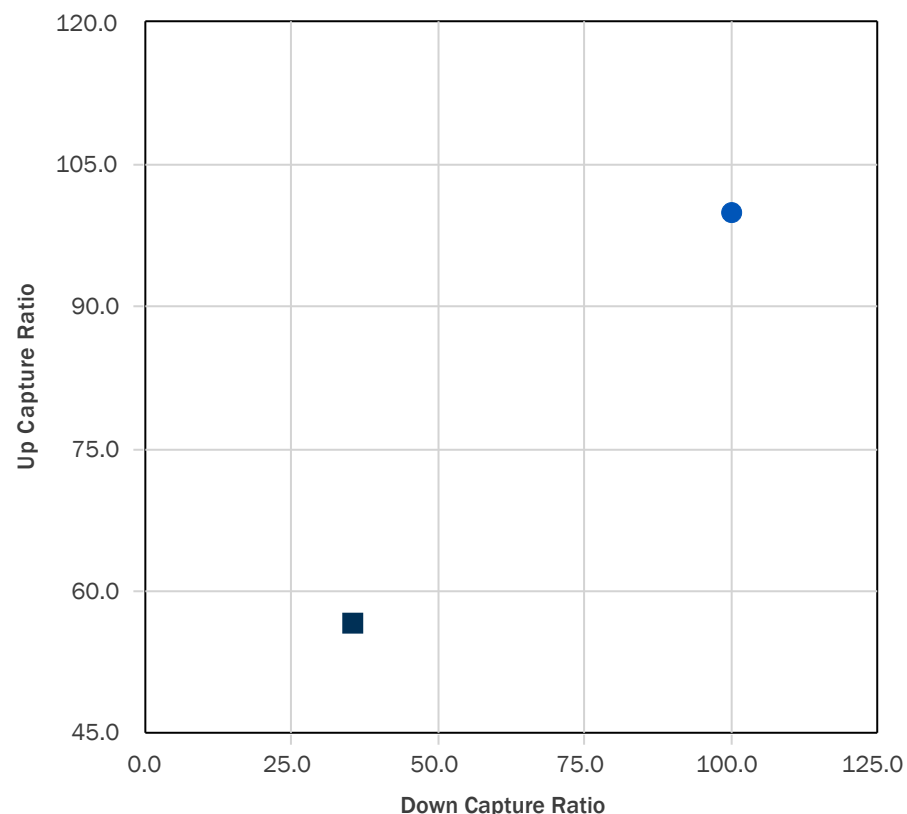
Risk vs. Return - 10 Years



Principal Diversified Real Asset

Bloomberg Commodity Index Total Return

Market Capture - 10 Years



Principal Diversified Real Asset

Bloomberg Commodity Index Total Return

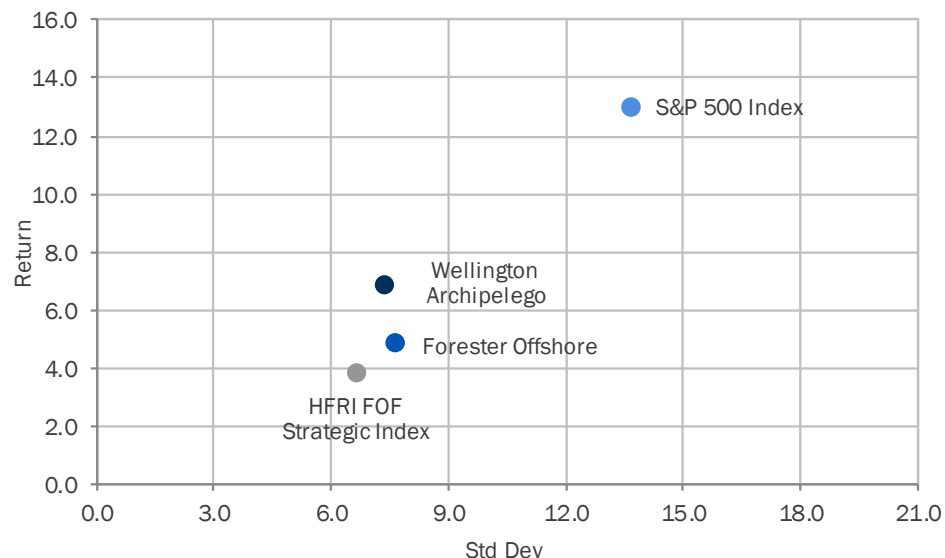
# Hedge Fund Managers

As of 6/30/2022

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3Yrs (A)	5Yrs (A)	10Yrs (A)
Wellington Archipelego	9.8	19.6	3.3	5.3	-3.0	13.0	-2.0	16.3	7.3	8.2	-2.0	5.9	6.0	6.8
Forester Offshore	9.5	15.5	5.7	0.3	-1.5	9.7	-6.8	14.5	19.4	4.7	-12.9	3.5	3.9	4.8
S&P 500 Index	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0
HFRI Strategic Index	5.8	10.5	3.1	-0.5	-0.1	11.2	-6.7	10.5	14.2	6.3	-12.1	3.1	3.0	3.8

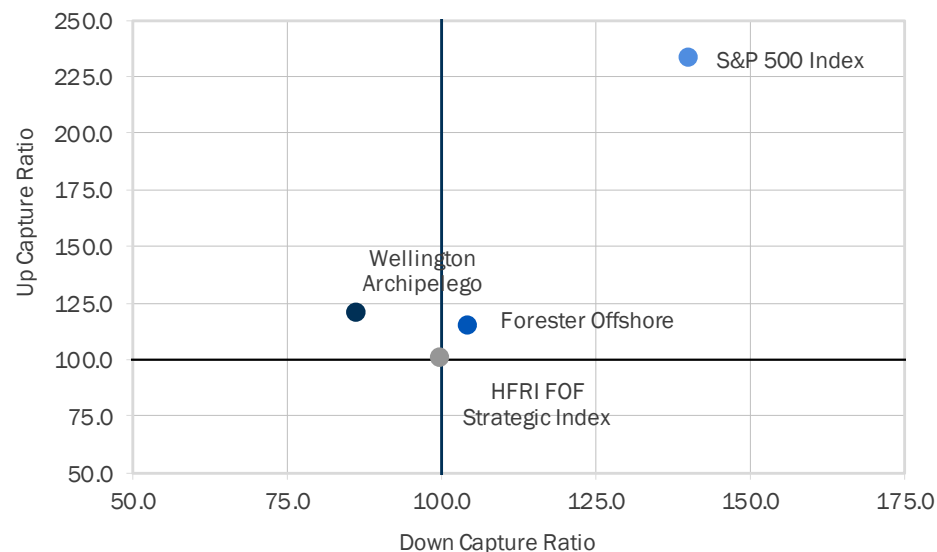
## 10 Year Risk vs. Return

Time Period: 7/1/2012 to 6/30/2022



## 10 Year Market Capture

Time Period: 7/1/2012 to 6/30/2022



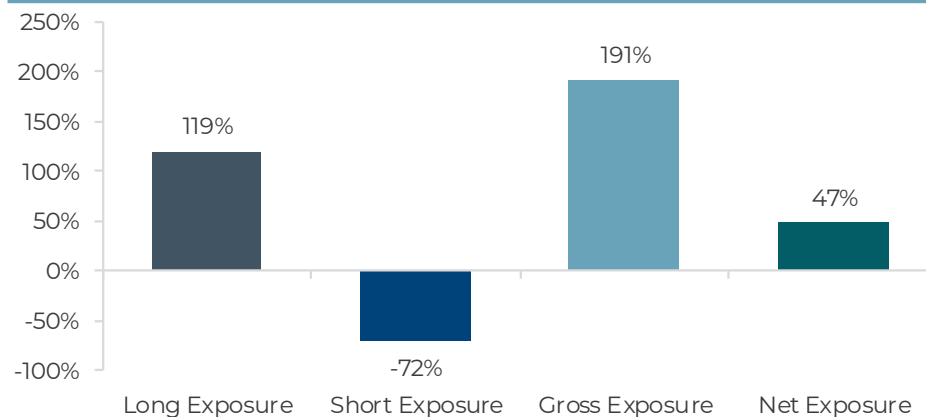
# Hedge Fund of Funds Overview: Wellington Archipelago

As of 3/31/2022

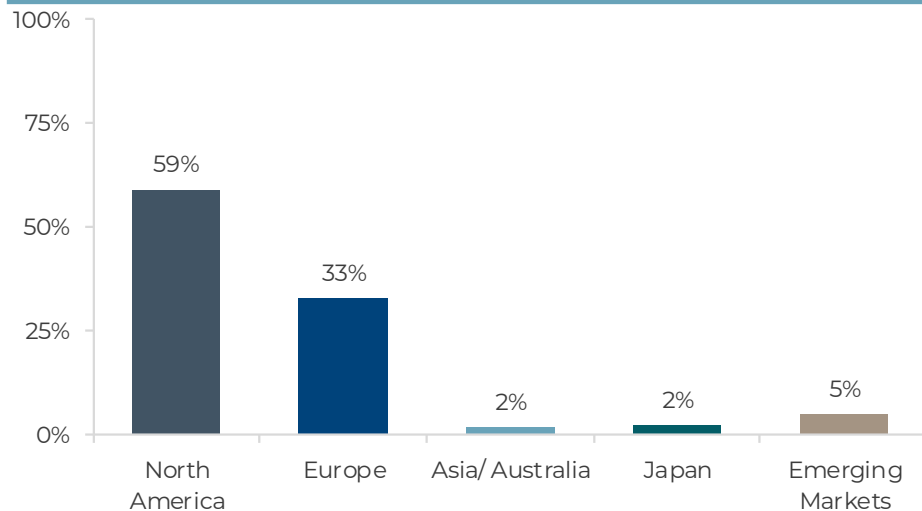
## Organizational Overview

Strategy Type	Equity Long/Short Hedge Fund-of-Funds
Location of Headquarters	Boston, MA
Year Founded	1928
Firm Assets Under Management (\$, B)	\$1,426.0
Fund Assets Under Management (\$, B)	\$1.4

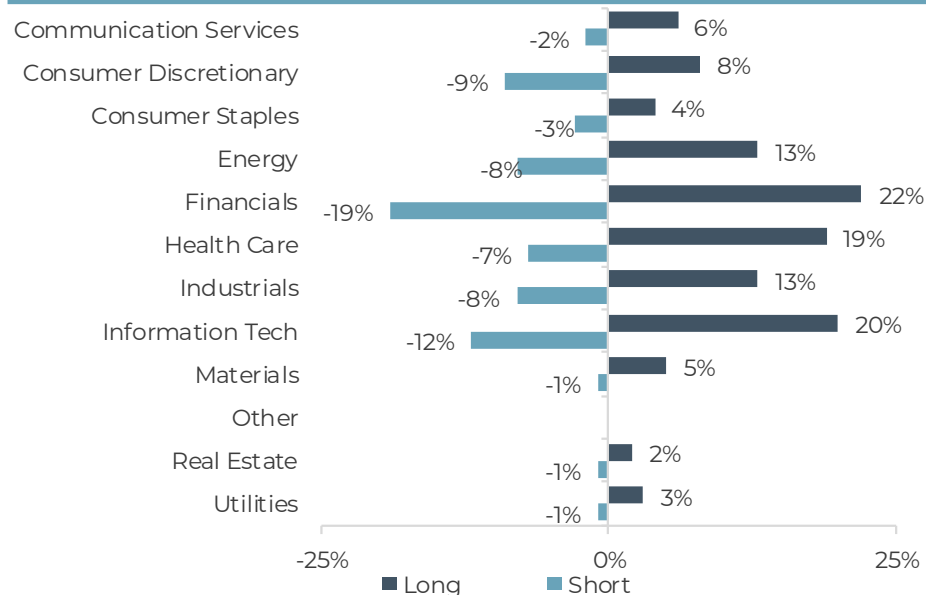
## Fund Exposure



## Geographic Exposure (% of Gross Exposure)



## Sector Exposure



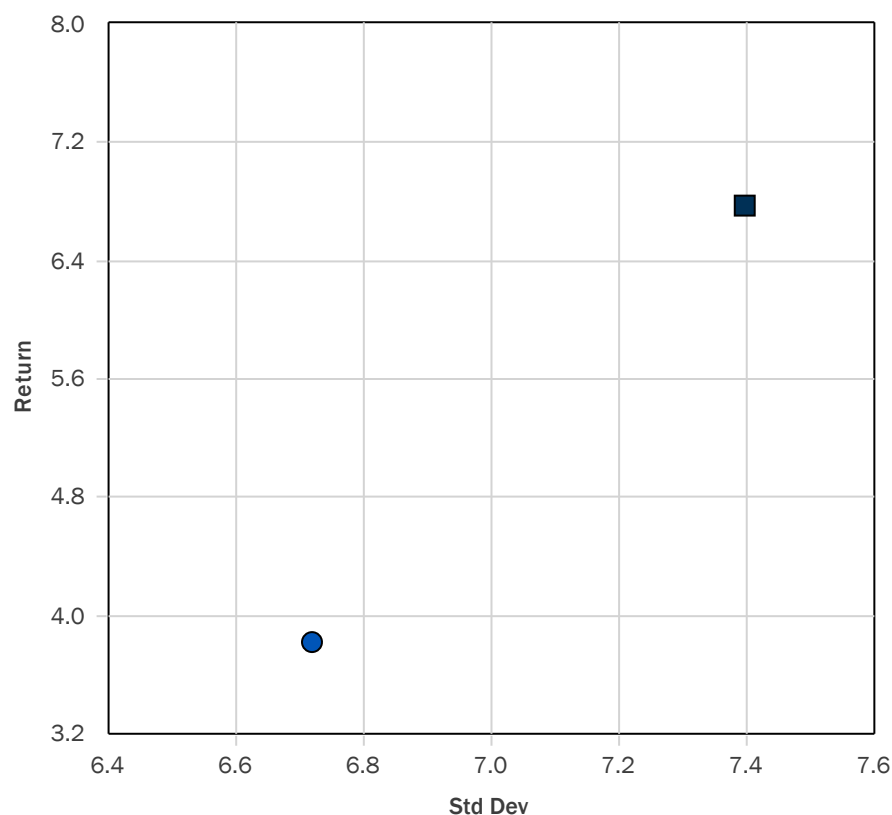
Note: All data provided by the investment manager.

# Wellington Archipelago[CE]

As of 06/30/22

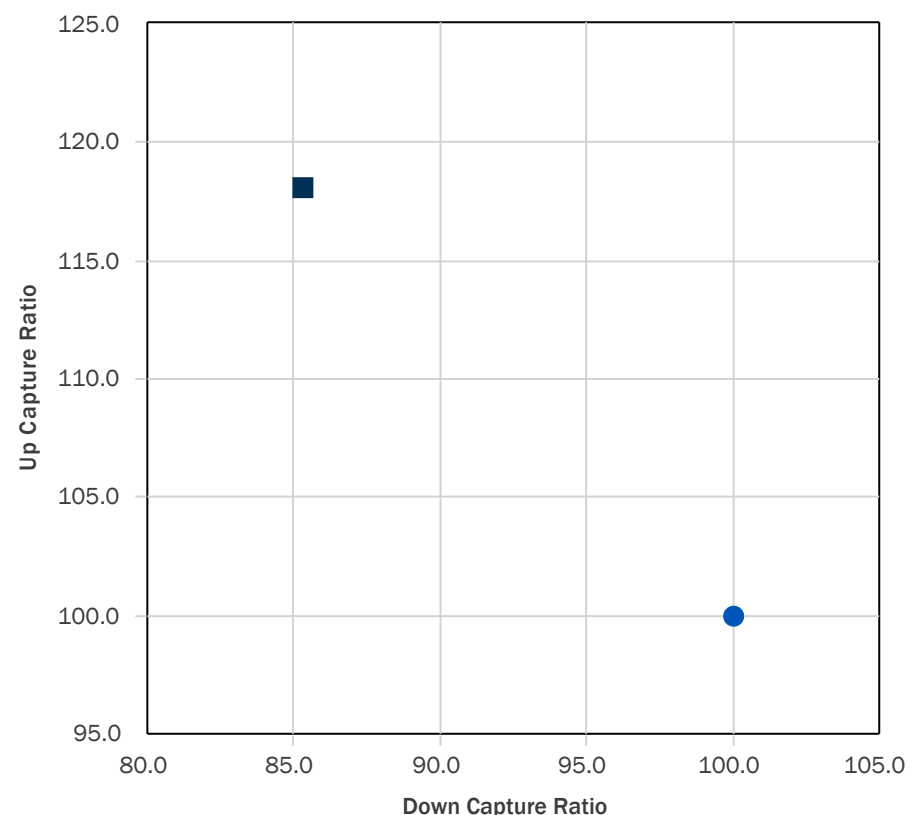
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Wellington Archipelago[CE]	9.8	19.6	3.3	5.3	-3.0	13.0	-2.0	16.3	7.3	8.2	-2.0	5.9	6.0	6.8
HFRI FOF: Strategic Index	5.8	10.5	3.1	-0.5	-0.1	11.2	-6.7	10.5	14.6	6.3	-12.1	3.2	3.1	3.8

Risk vs. Return - 10 Years



Wellington Archipelago[CE] HFRI FOF: Strategic Index

Market Capture - 10 Years



Wellington Archipelago[CE] HFRI FOF: Strategic Index

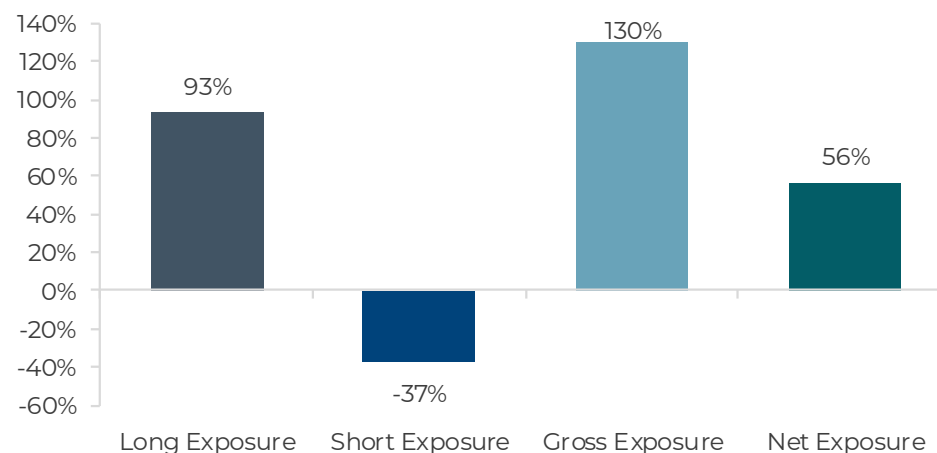
# Hedge Fund of Funds Overview: Forester Partners

As of 3/31/2022

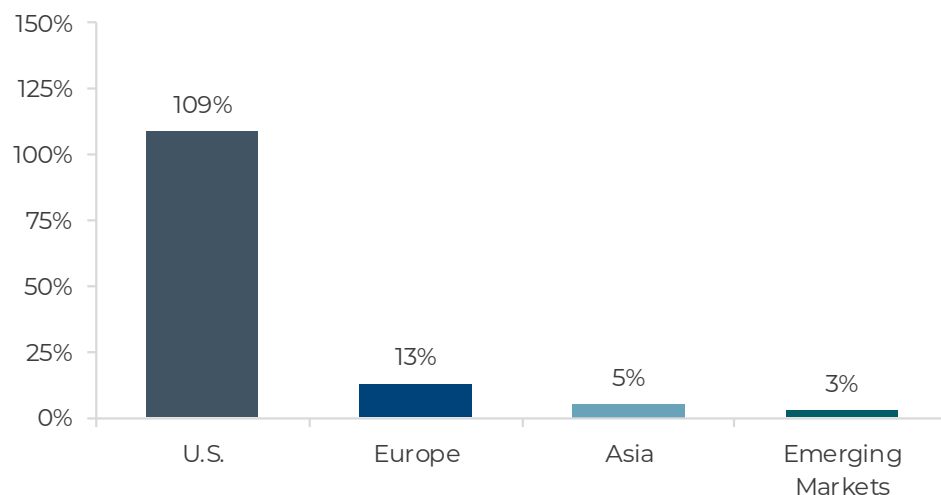
## Organizational Overview

Strategy Type	Equity Long/Short Hedge Fund-of-Funds
Location of Headquarters	Greenwich, CT
Year Founded	2000
Firm Assets Under Management (\$, B)	\$1.4
Fund Assets Under Management (\$, B)	\$0.2

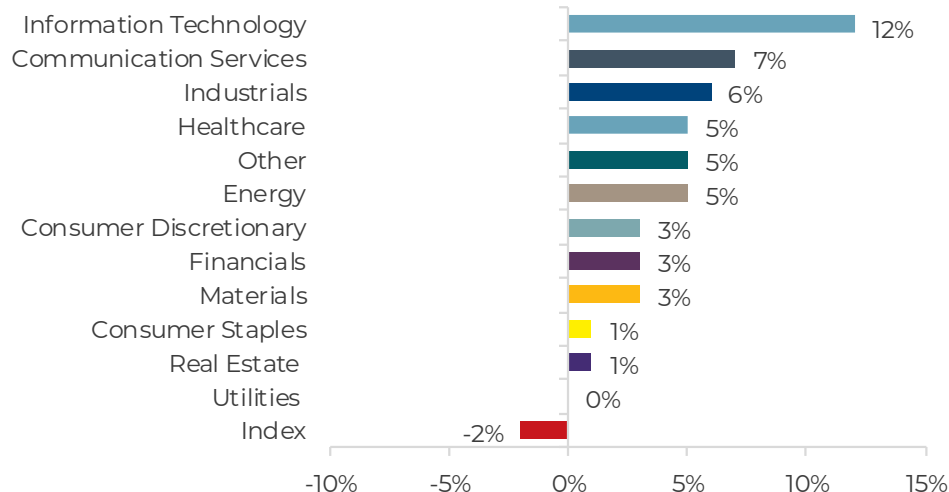
## Fund Exposure



## Gross Geographic Exposure



## Net Strategy Exposure



Source: Data Provided by Investment Manager



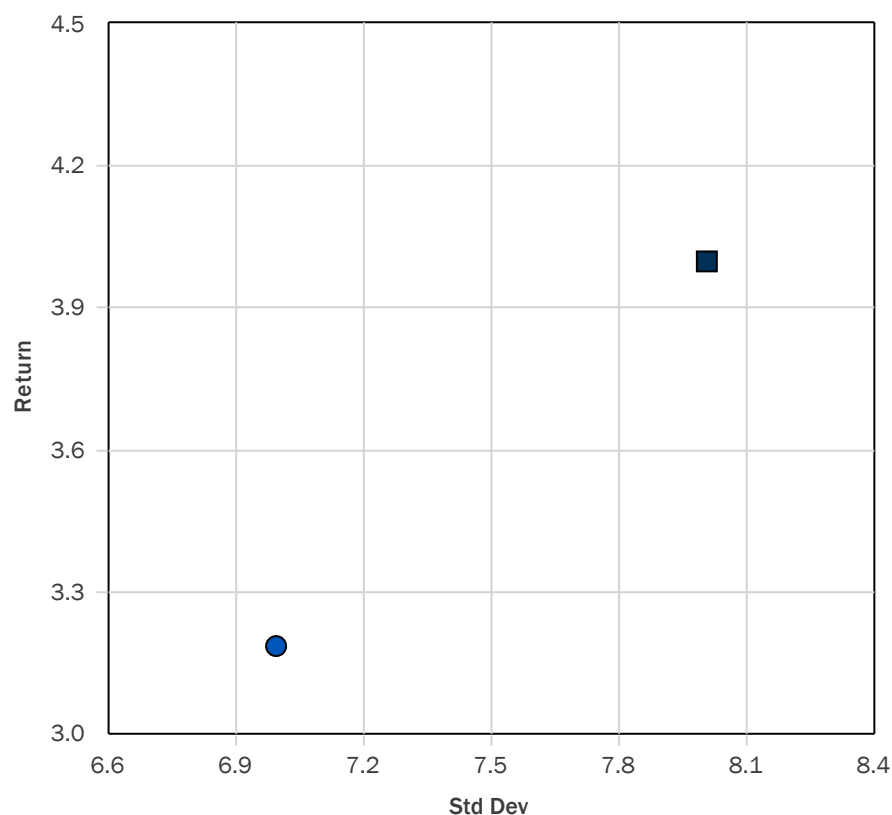
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# Forester Offshore[CE]

As of 06/30/22

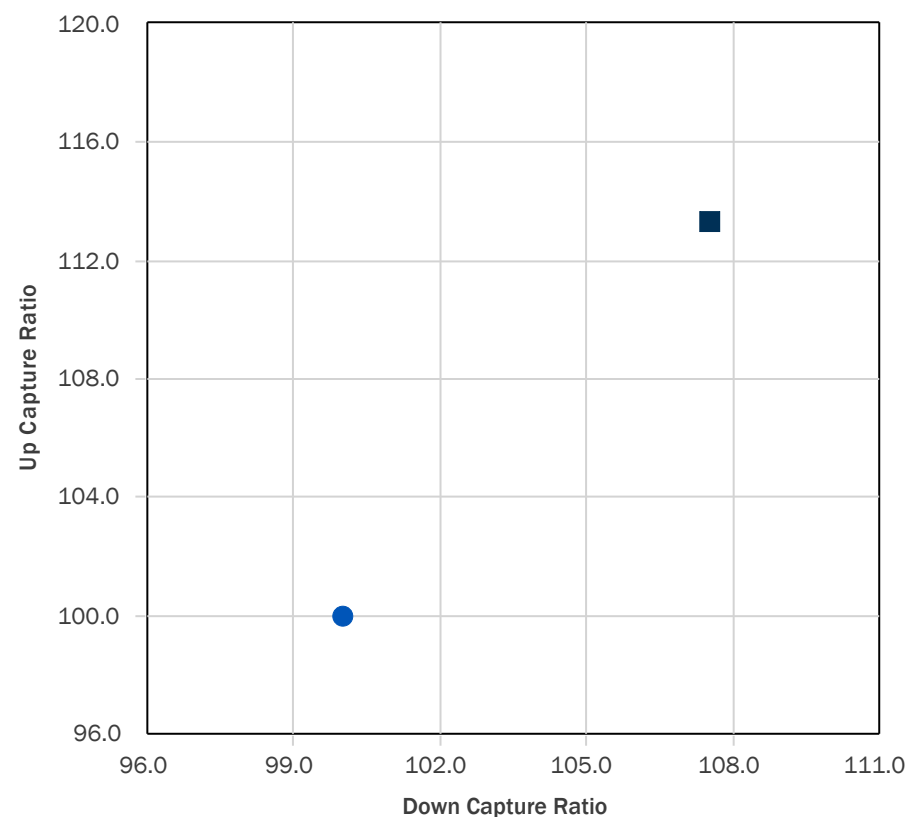
	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Forester Offshore[CE]	9.5	15.5	5.7	0.3	-1.5	9.7	-6.8	14.5	19.4	4.7	-12.9	3.5	3.9	4.8
HFRI FOF: Strategic Index	5.8	10.5	3.1	-0.5	-0.1	11.2	-6.7	10.5	14.6	6.3	-12.1	3.2	3.1	3.8

Risk vs. Return - 8.92 Years



■ Forester Offshore[CE] ● HFRI FOF: Strategic Index

Market Capture - 8.92 Years



■ Forester Offshore[CE] ● HFRI FOF: Strategic Index

# Fixed Income Overview: MetWest Low Duration Bond Fund

As of 06/30/22

Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark		MetWest Low Duration Bond Fund	ICE BofAML 1-3 Year Treasury
Duration	2.0	1.9	0-1 Years	2	0
Average Maturity	2.9	1.9	1-3 Years	58	100
Average Quality	AA	AAA	3-5 Years	19	0
Yield To Maturity	3.6	0.7	5-10 Years	21	0
			10-20 Years	0	0
			20+ Years	0	0

Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	MetWest Low Duration Bond Fund	ICE BofAML 1-3 Year Treasury		MetWest Low Duration Bond Fund	ICE BofAML 1-3 Year Treasury
Government	24	100	AAA/Government Guaranteed	58	100
Municipals	0	0	AA	6	0
Bank Loan	2	0	A	13	0
Investment Grade Corporate	20	0	BBB	16	0
High Yield Corporate	0	0	Below Investment Grade	8	0
ABS	8	0	Not Rated / Other	0	0
Agency RMBS	13	0			
Non Agency RMBS	8	0			
CMBS	12	0			
Collateralized Obligations	5	0			
Other Sector	8	0			

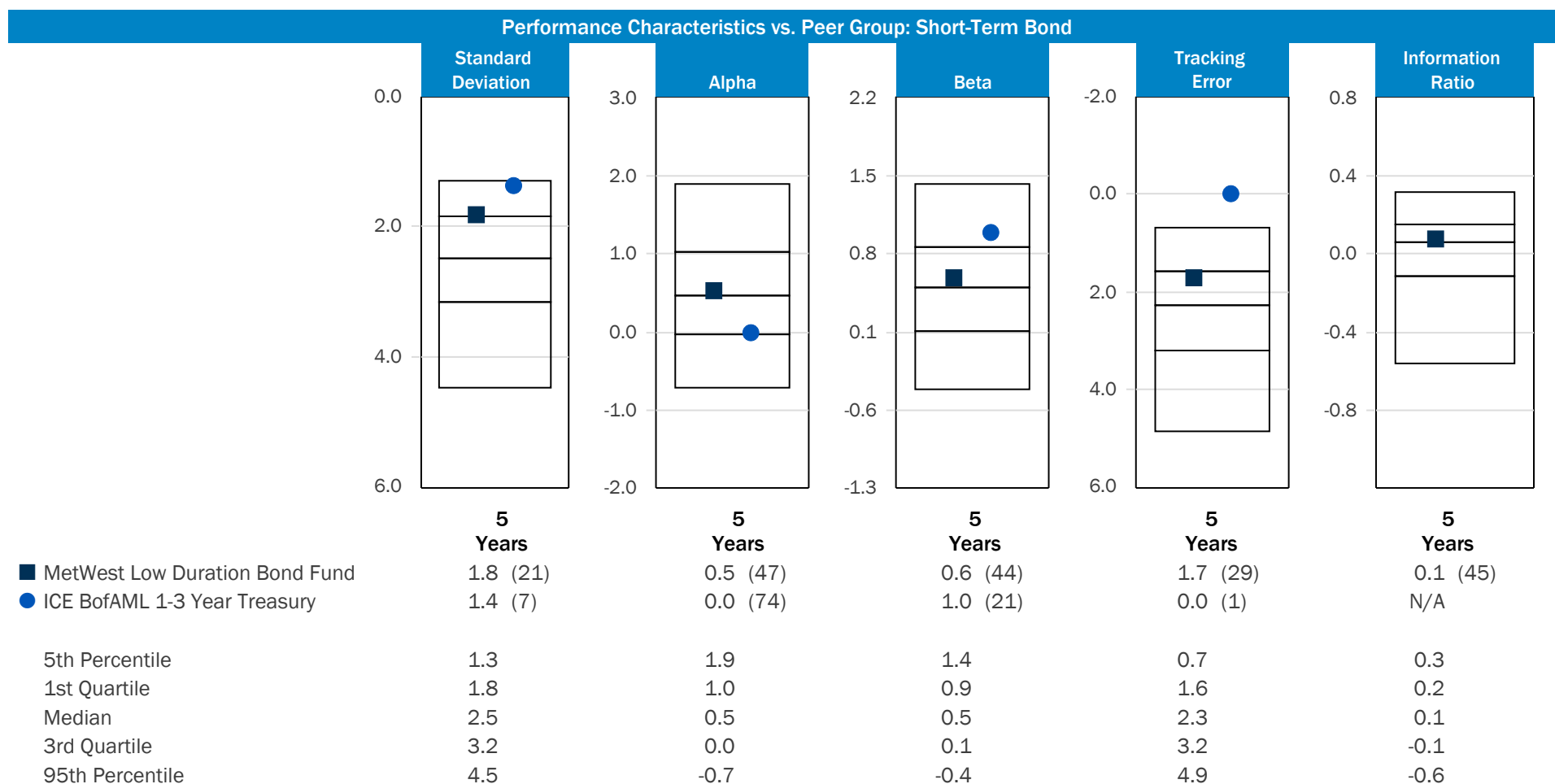
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# MetWest Low Duration Bond Fund

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
MetWest Low Duration Bond Fund	7.9	2.0	1.6	0.4	1.5	1.3	1.4	4.4	3.5	0.1	-4.3	0.1	1.1	1.6
ICE BofAML 1-3 Year Treasury	0.4	0.4	0.6	0.5	0.9	0.4	1.6	3.6	3.1	-0.6	-2.8	0.2	0.9	0.8



Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.

# Bi-State Development Agency Pension Plan Fee Summary

As of June 30, 2022

Investment Manager	Style	Fund Expense Ratio	Annual Fee in Dollar Terms	Morningstar Average Expense Ratio
Dodge & Cox Stock	Large Cap Value	0.52%	\$50,391	0.81%
Vanguard 500 Index	Large Cap Core	0.04%	\$3,395	0.29%
T. Rowe Price Blue Chip Growth	Large Cap Growth	0.56%	\$37,231	0.83%
Harbor Small Cap Value	Small-Mid Cap Value	0.79%	\$31,371	1.04%
William Blair SMID Growth	Small-Mid Cap Growth	1.10%	\$37,310	1.02%
Brandes International Equity	Non-US Large Value	0.85%	\$50,629	0.94%
EuroPacific Growth	Non-US Large Blend	0.82%	\$48,440	0.92%
Templeton Foreign Smaller Companies	Non-US Small \ Mid	1.03%	\$25,753	0.92%
Principal Diversified Real Asset	Commodity	0.78%	\$15,784	0.93%
Forester Offshore	Hedge Fund	1.00%	\$35,148	1.63%
Wellington Archipelago	Hedge Fund	1.00%	\$42,605	1.63%
MetWest Low Duration	Fixed Income	0.42%	\$125,018	0.56%
First American (Cash)	Money Market	0.45%	\$18,104	0.39%
Total Investment Management Fees <sup>(1)</sup>		0.58%	\$521,179	
CAPTRUST Consulting Fee <sup>(2)</sup>		0.08%	\$75,477	
Total Fees		0.66%	\$596,656	

<sup>(1)</sup> Investment management fee in dollar terms based on June 30, 2022 market values.

<sup>(2)</sup> Consulting fee based on most recent invoice.

# ENDNOTES

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Updated 09/02/21

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Updated 09/02/21

# Q2

## Second Quarter 2022 Performance Report

Bi-State Development Agency  
IBEW Pension Trust  
Local 2 and Local 309

Scott R. Meggenberg  
Principal

Brian P. Thrasher  
Vice President



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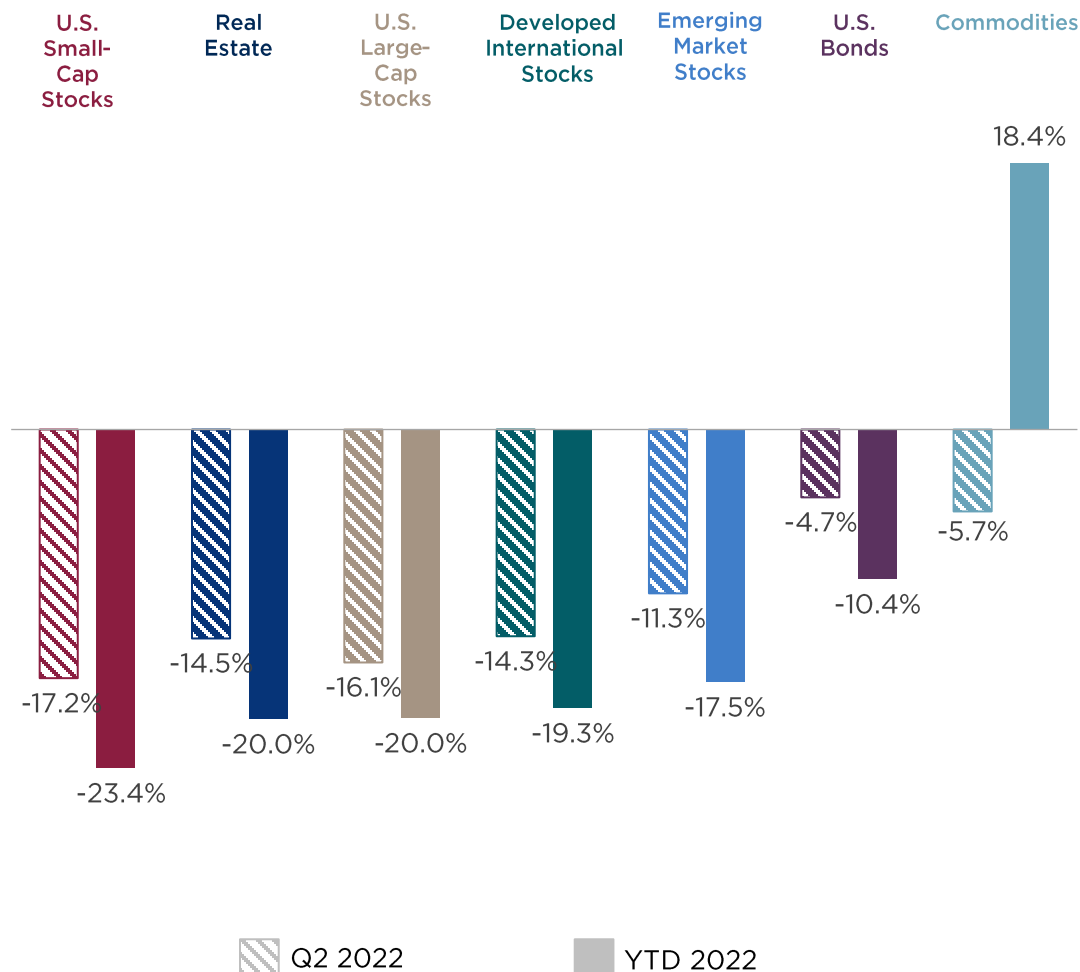
# Second Quarter 2022 Capital Markets Exhibits

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## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

Q2 2022				YTD 2022				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.



The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

S&P 500 Index	Technology	Health Care	Financials	Consumer Discretionary	Communication Service	Industrials	Consumer Staples	Energy	Utilities	Real Estate	Materials
-10.6%	-13.6%	3.4%	-12.7%	-24.2%	-29.1%	-13.4%	6.7%	39.5%	14.3%	-5.3%	-8.7%
-20.0%	-26.9%	-8.3%	-18.7%	-32.8%	-30.2%	-16.8%	-5.6%	31.6%	-0.6%	-20.1%	-17.9%
Sector Weight	26.8%	15.1%	10.8%	10.5%	8.9%	7.8%	7.0%	4.4%	3.1%	2.9%	2.6%

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## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

# INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today's inflation has been driven by constrained supply.

## Estimated Impact to Consumer Price Index (CPI) – May 2022

**41%**

### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

**24%**

### COVID-19 Pandemic

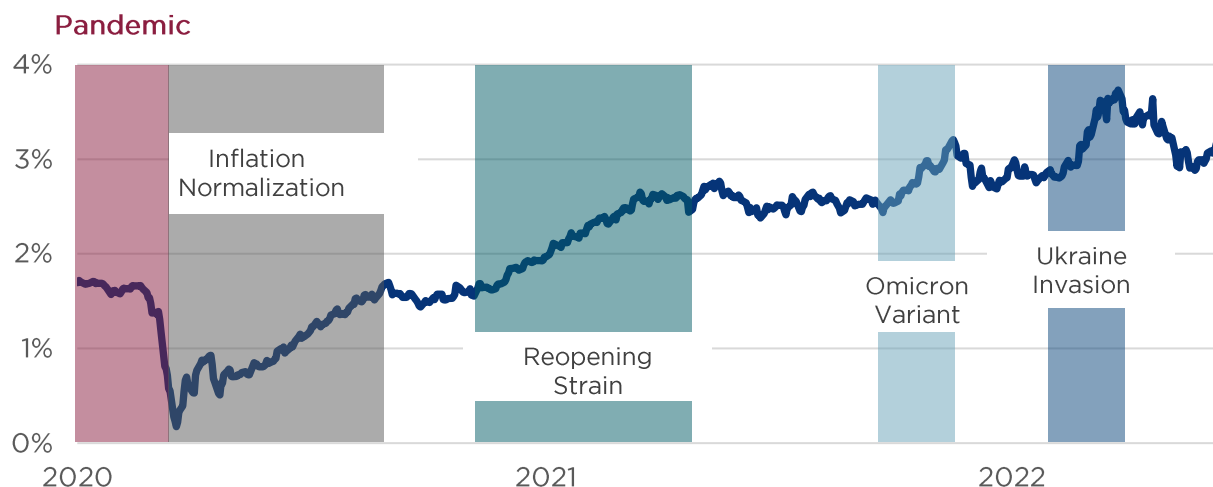
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

**35%**

### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

## Inflation Waves: Five-Year Inflation Expectations



### OBSERVATIONS

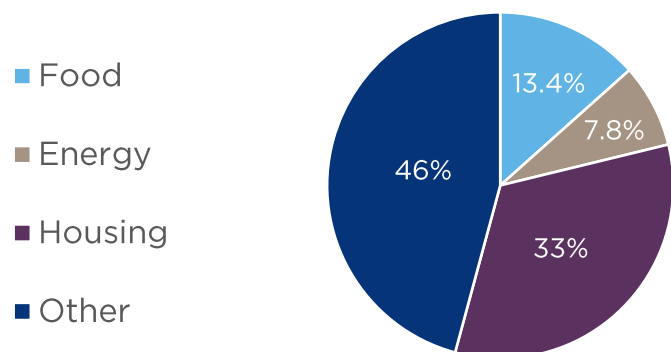
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody's Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

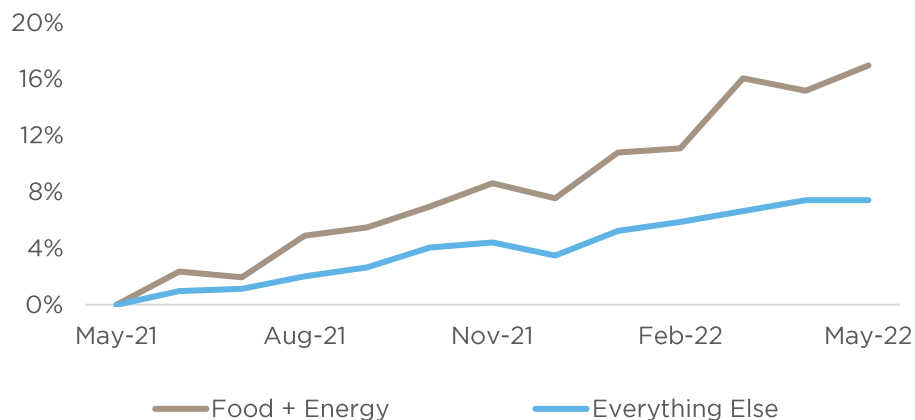
## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

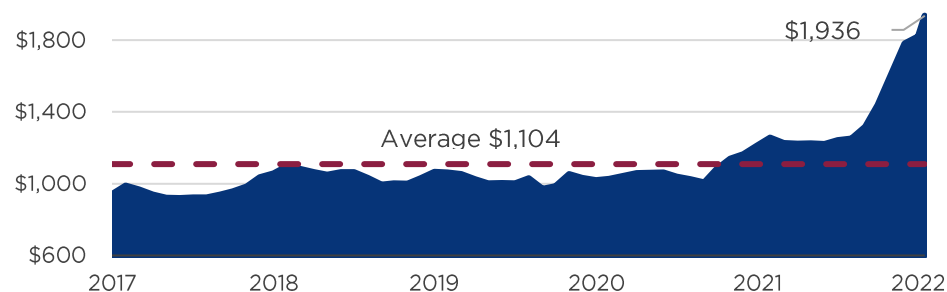
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### FOOD AND ENERGY PRICES HAVE SOARED



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



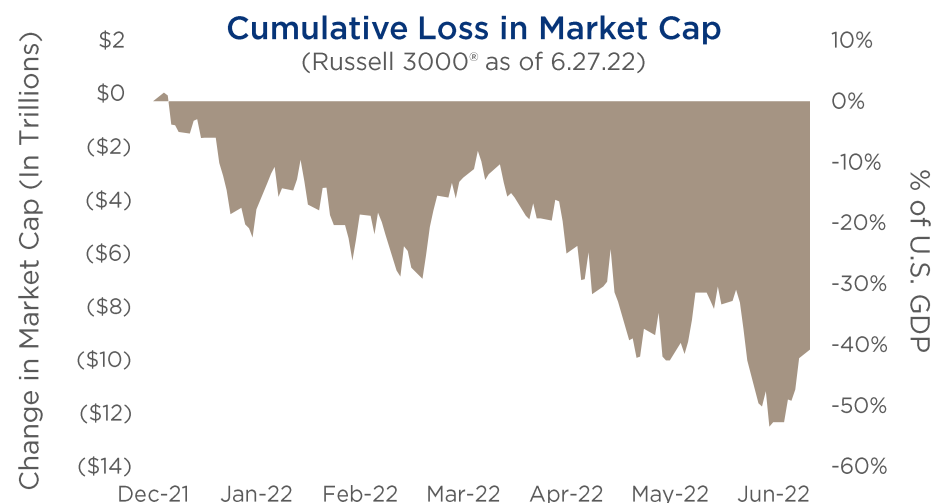
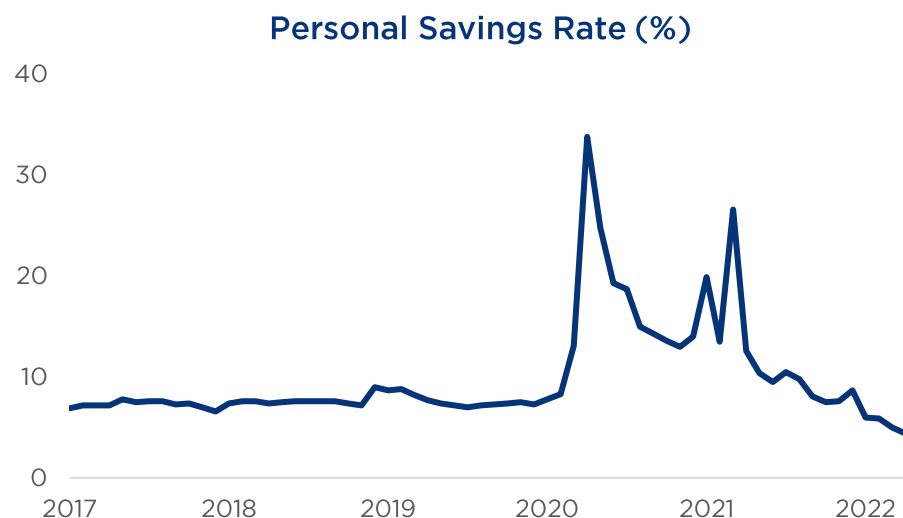
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve's direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

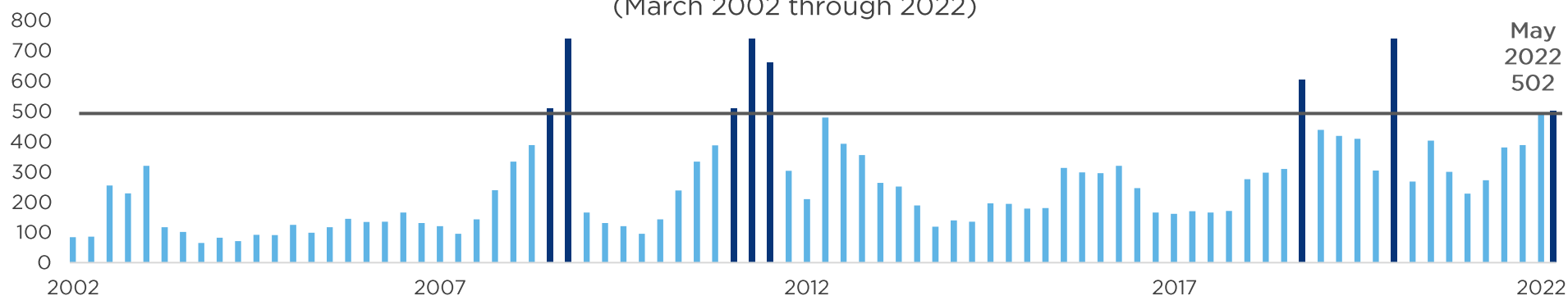
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

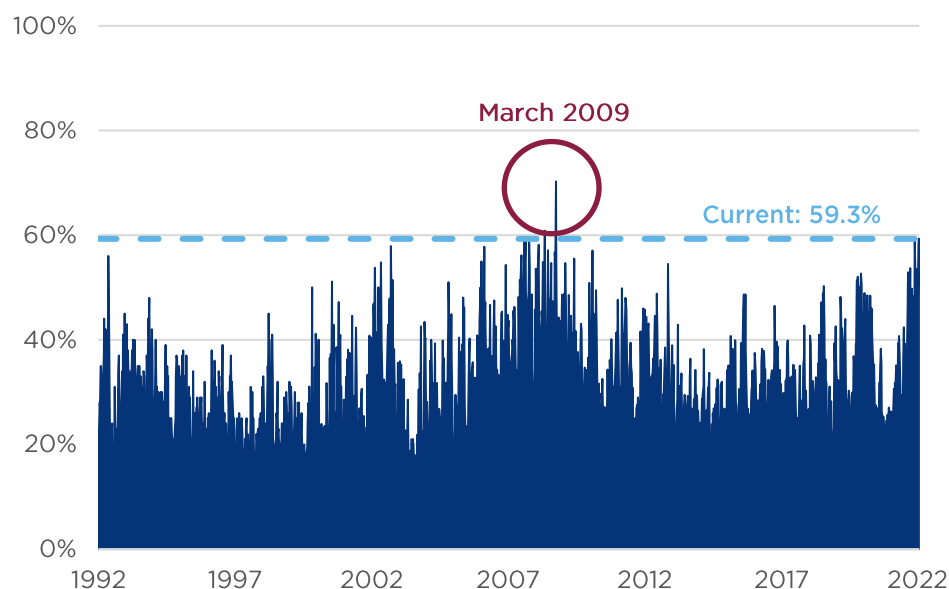
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research

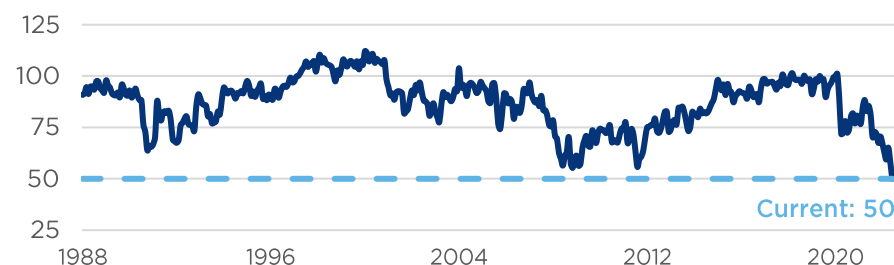
## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.

### Percentage of Bearish Investors



### Consumer Sentiment



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research



# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.

# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDED BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



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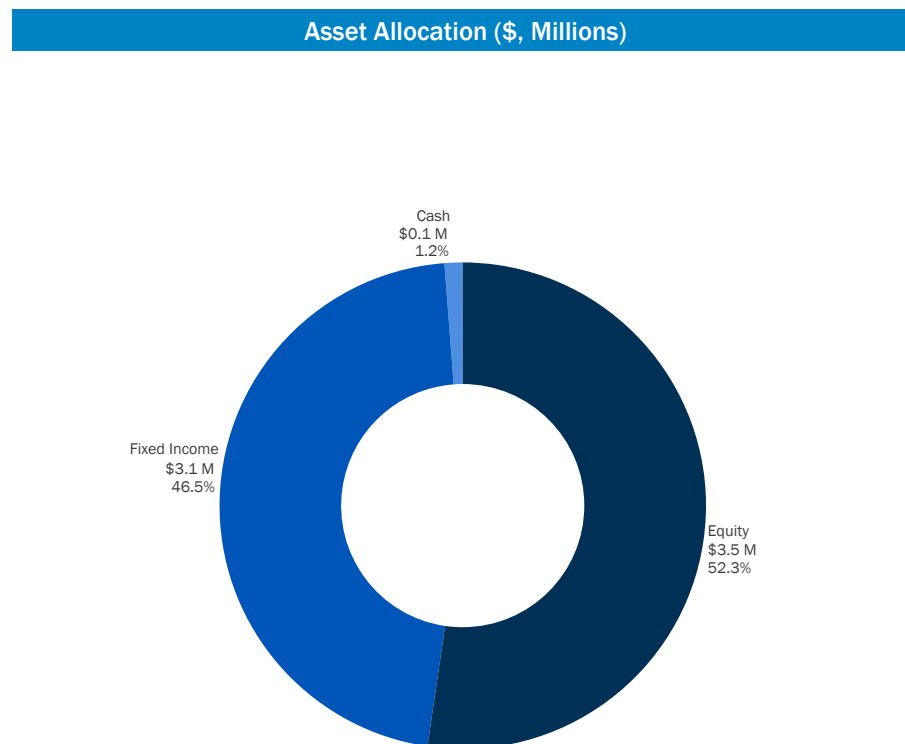
# IBEW Pension Trust Portfolio Review

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# Total Portfolio Overview

## Summary of Asset Changes

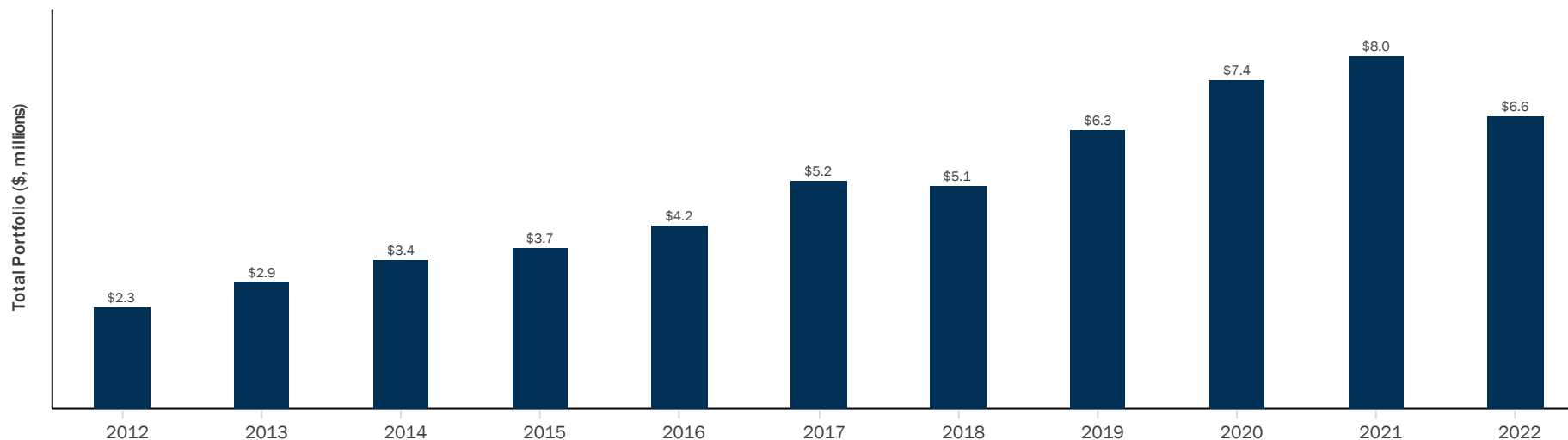
	Portfolio Activity (\$, Millions)		
	Quarter	YTD	Since Inception
Total Portfolio			
Beginning Market Value	\$7.5	\$8.0	\$0.5
Net Cash Flow	-	(\$0.1)	\$2.3
Investment Earnings	(\$0.8)	(\$1.3)	\$3.9
Ending Market Value	\$6.6	\$6.6	\$6.6



# Total Portfolio Historical Overview

Summary of Asset Changes as of June 30, 2022

## Growth of Total Portfolio



## Cash Flows (\$, millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD
<b>Total Portfolio</b>											
Beginning Market Value	\$1.9	\$2.3	\$2.9	\$3.4	\$3.7	\$4.2	\$5.2	\$5.1	\$6.3	\$7.4	\$8.0
Net Cash Flows	\$0.1	\$0.1	\$0.4	\$0.3	\$0.2	\$0.3	\$0.2	\$0.1	-	(\$0.2)	(\$0.1)
Investment Earnings	\$0.3	\$0.4	\$0.2	-	\$0.3	\$0.7	(\$0.3)	\$1.2	\$1.2	\$0.8	(\$1.3)
Ending Market Value	\$2.3	\$2.9	\$3.4	\$3.7	\$4.2	\$5.2	\$5.1	\$6.3	\$7.4	\$8.0	\$6.6

# Total Portfolio Overview

Periods Ended June 30, 2022

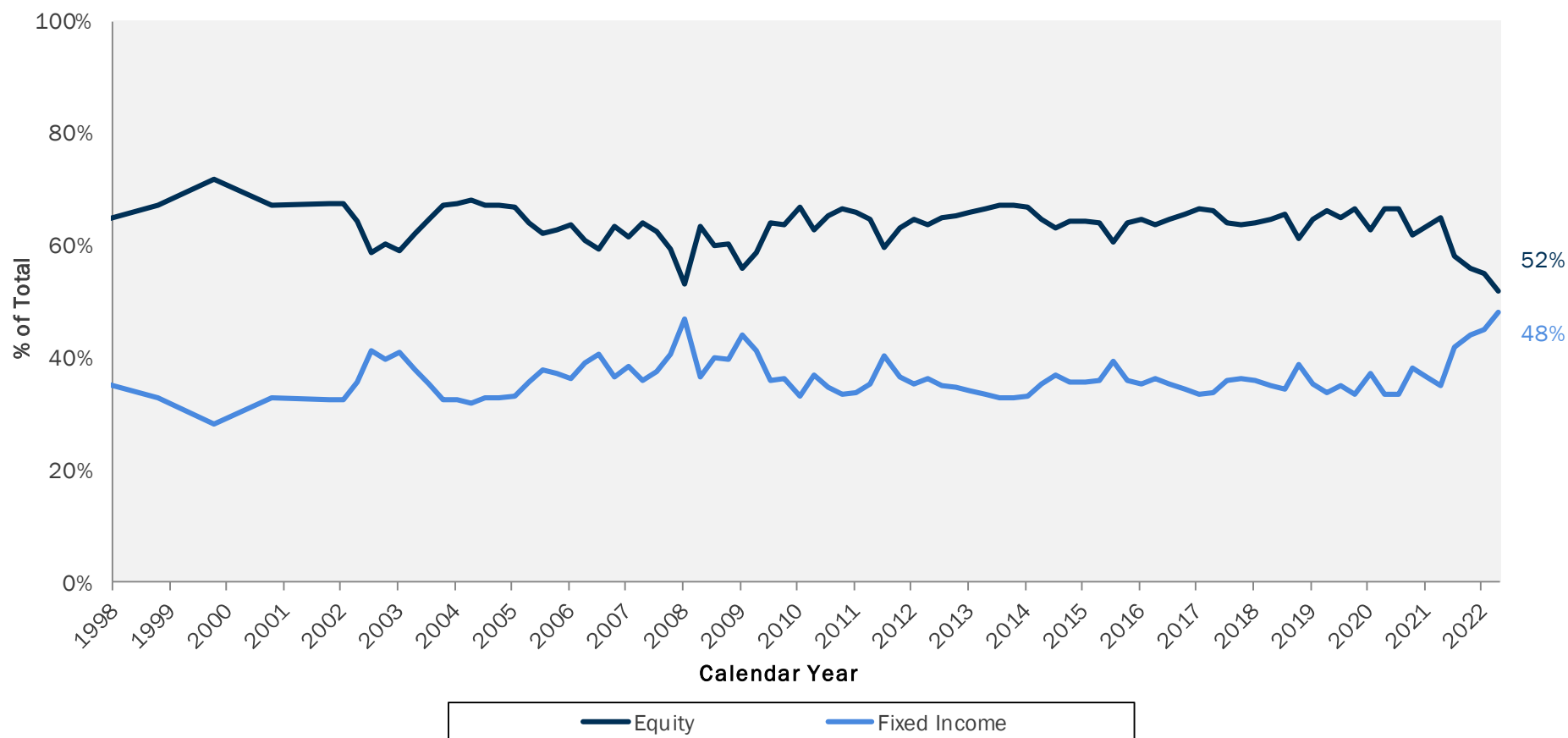
	Market Value 06/30/2022	% of Total	Total Portfolio Target
Total Portfolio	\$6,638,804	100.0	100.0
Total Portfolio Ex-Cash	\$6,559,022	98.8	99.0
Combined Equity	\$3,473,513	52.3	55.0
Combined Domestic Equity	\$2,701,002	40.7	42.0
Vanguard S&P 500 Index	\$2,129,573	32.1	34.0
Harbor Small Cap Value	\$283,000	4.3	4.0
Artisan Small Cap Growth	\$288,429	4.3	4.0
Europacific Growth	\$772,511	11.6	13.0
Combined Fixed Income	\$3,085,509	46.5	44.0
Dodge & Cox Income	\$3,085,509	46.5	44.0
Cash	\$79,782	1.2	1.0

# Bi-State Development Agency IBEW Pension Trust – Local 2 and Local 309

## Total Portfolio Asset Allocation

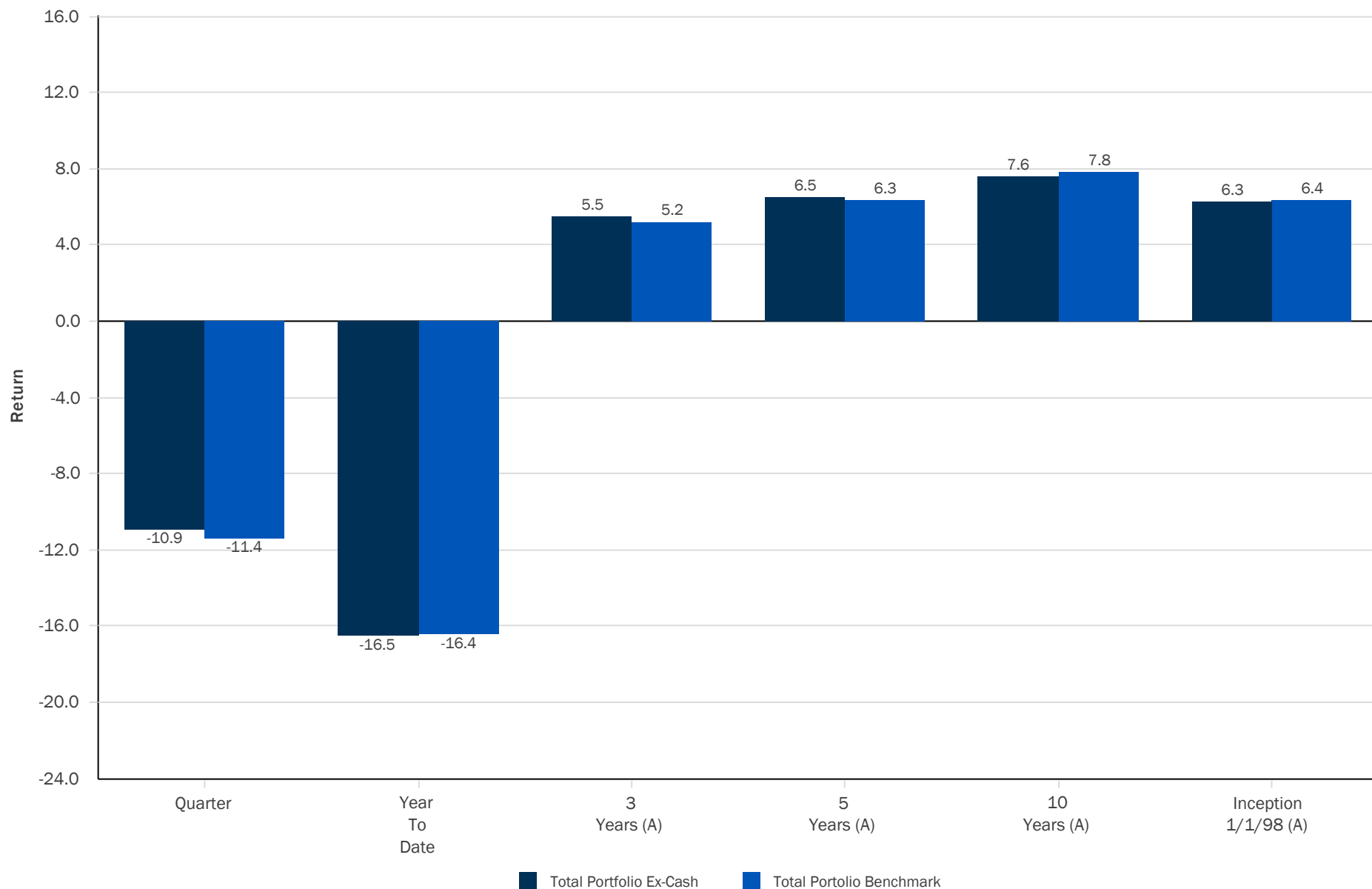
As of June 30, 2022

### Total Portfolio Allocation



# Total Portfolio Overview

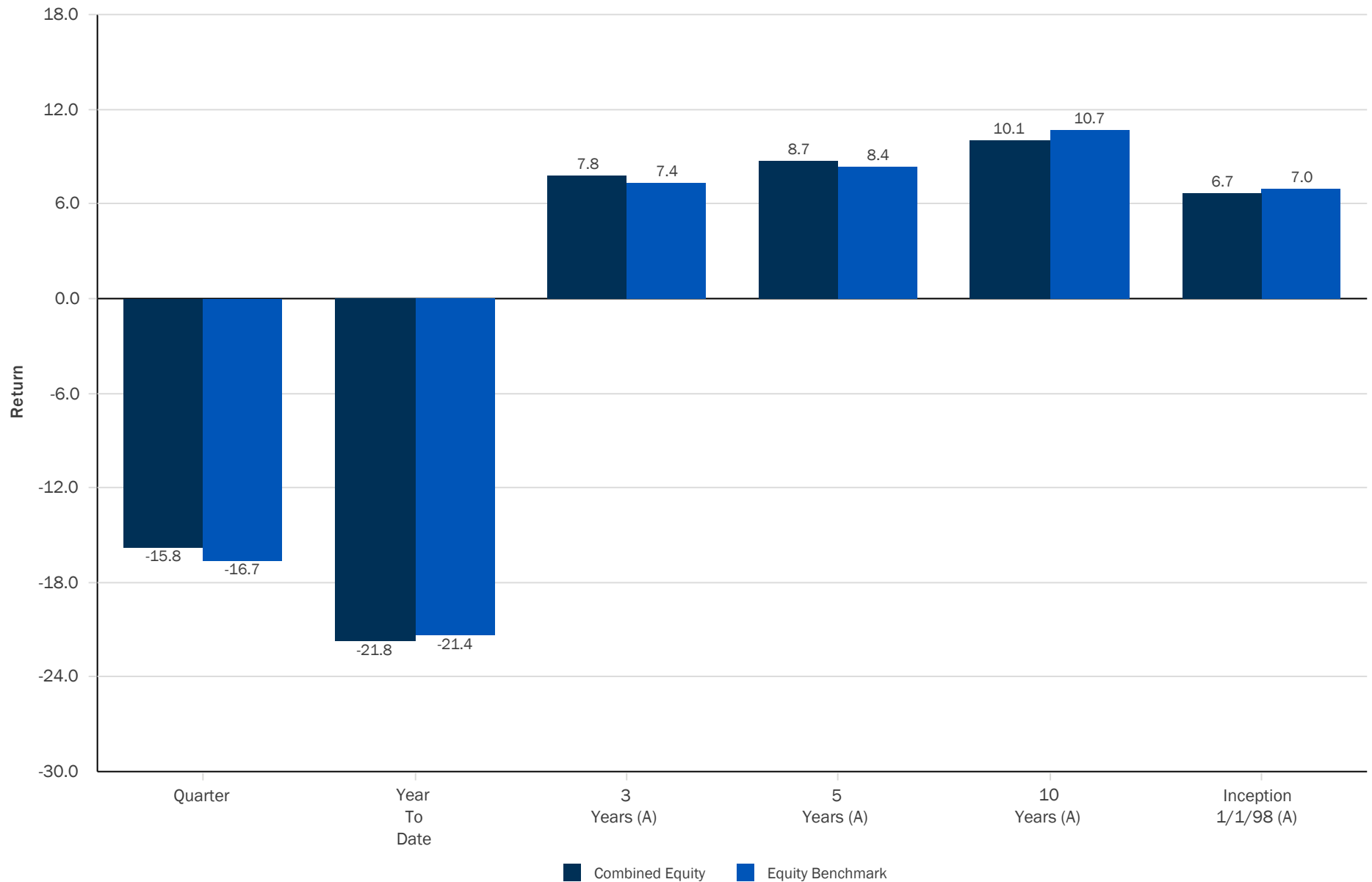
As of June 30, 2022





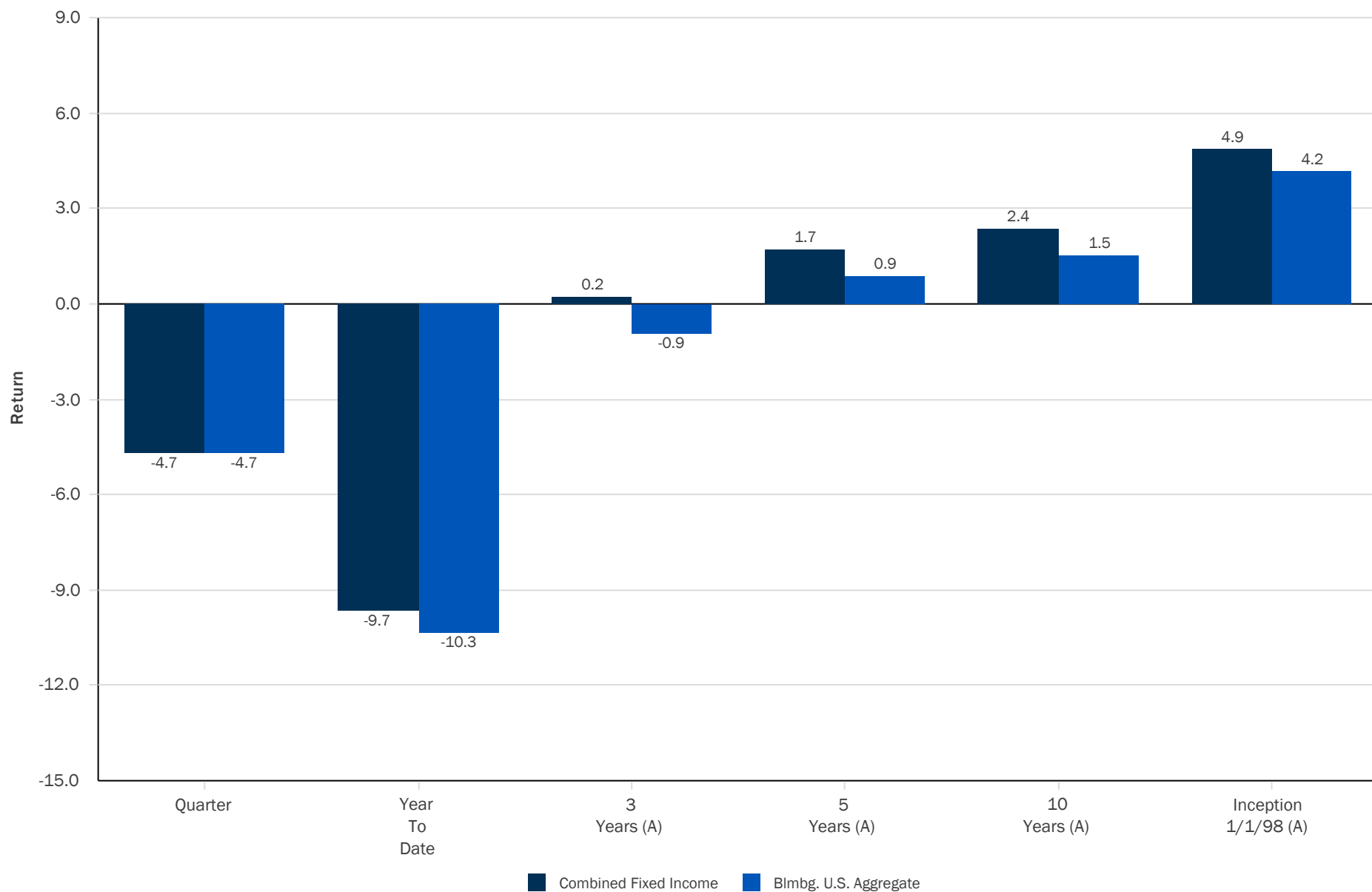
# Equity Segment Overview

As of June 30, 2022



# Fixed Income Segment Overview

As of June 30, 2022



# Manager Performance Review

As of June 30, 2022

	Manager Performance					Inception Date
	Quarter	YTD	Five Years	Ten Years	Since Inception	
U.S. Equity						
Vanguard S&P 500 Index	-16.1	-20.0	11.3	12.9	7.7	01/01/1998
S&P 500	-16.1	-20.0	11.3	13.0	7.7	
Harbor Small Cap Value	-13.5	-15.0	6.5	10.9	6.2	03/01/2019
Russell 2000 Value Index	-15.3	-17.3	4.9	9.1	5.0	
Artisan Small Cap Growth	-21.5	-35.7	8.2	10.5	8.7	09/01/2013
Russell 2000 Growth Index	-19.3	-29.5	4.8	9.3	7.3	
Non-U.S. Equity						
Europacific Growth	-14.7	-25.1	3.1	6.3	1.7	09/01/2018
MSCI EAFE Index (Net)	-14.5	-19.6	2.2	5.4	1.0	
Fixed Income						
Dodge & Cox Income	-4.7	-9.7	1.7	2.6	2.2	01/01/2015
Blmbg. U.S. Aggregate	-4.7	-10.3	0.9	1.5	1.3	

# Bi-State Development Agency IBEW Pension Trust – Local 2 and Local 309

## Market Benchmark Definitions

Market Benchmark	Total Portfolio	Total Equity	Total Fixed
Wilshire 5000 Index	42%	77%	0%
MSCI EAFE Index	13%	23%	0%
Barclays Aggregate Bond Index	<u>45%</u>	<u>0%</u>	<u>100%</u>
	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note: Prior to 1/1/09, the equity segment benchmark was 85% Wilshire 5000 Index and 15% MSCI EAFE Index.

Prior to 1/1/22, the total portfolio benchmark was 50% Wilshire 5000 Index, 15% MSCI EAFE Index, and 35% Barclays Aggregate Bond Index.

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# Manager Performance Review

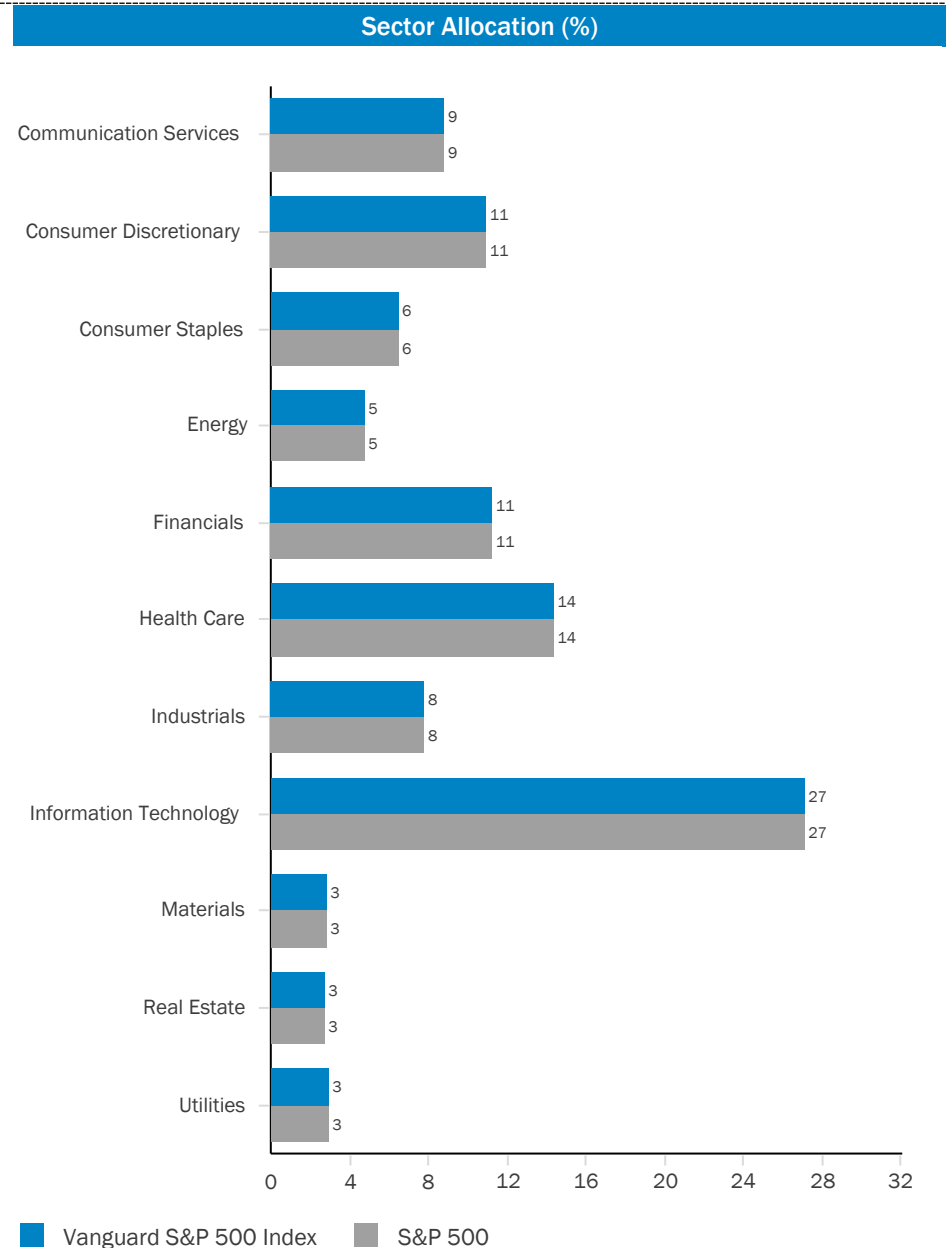
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# Vanguard S&P 500 Index

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	512.0	511.8
P/E Ratio	20.2	20.2
P/B Ratio	4.2	4.2
Yield (%)	1.6	1.6

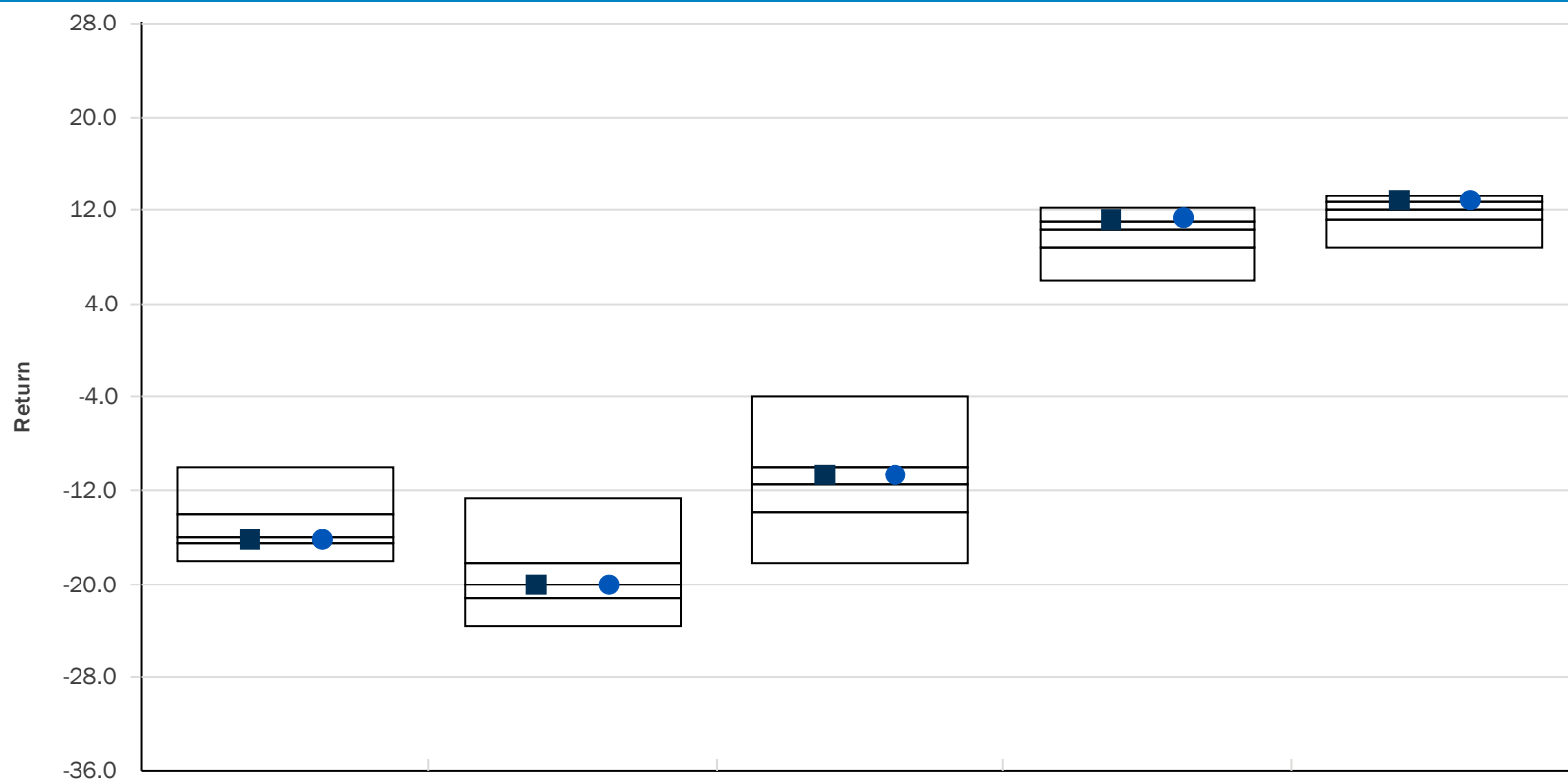
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Apple Inc	Information Technology	6.6	-9.7
Microsoft Corp	Information Technology	5.8	-8.8
Amazon.com Inc	Consumer Discretionary	3.0	-21.7
Alphabet Inc Class A	Communication Services	2.0	-15.8
Tesla Inc	Consumer Discretionary	1.8	-12.9
Alphabet Inc	Communication Services	1.8	-15.5
Berkshire Hathaway Inc	Financials	1.7	-1.7
Johnson & Johnson	Health Care	1.4	9.8
Unitedhealth Group Inc	Health Care	1.3	4.7
NVIDIA Corporation	Information Technology	1.3	-23.4
% of Portfolio		26.7	



# Vanguard S&P 500 Index

As of 6/30/22

Peer Group: Large Blend



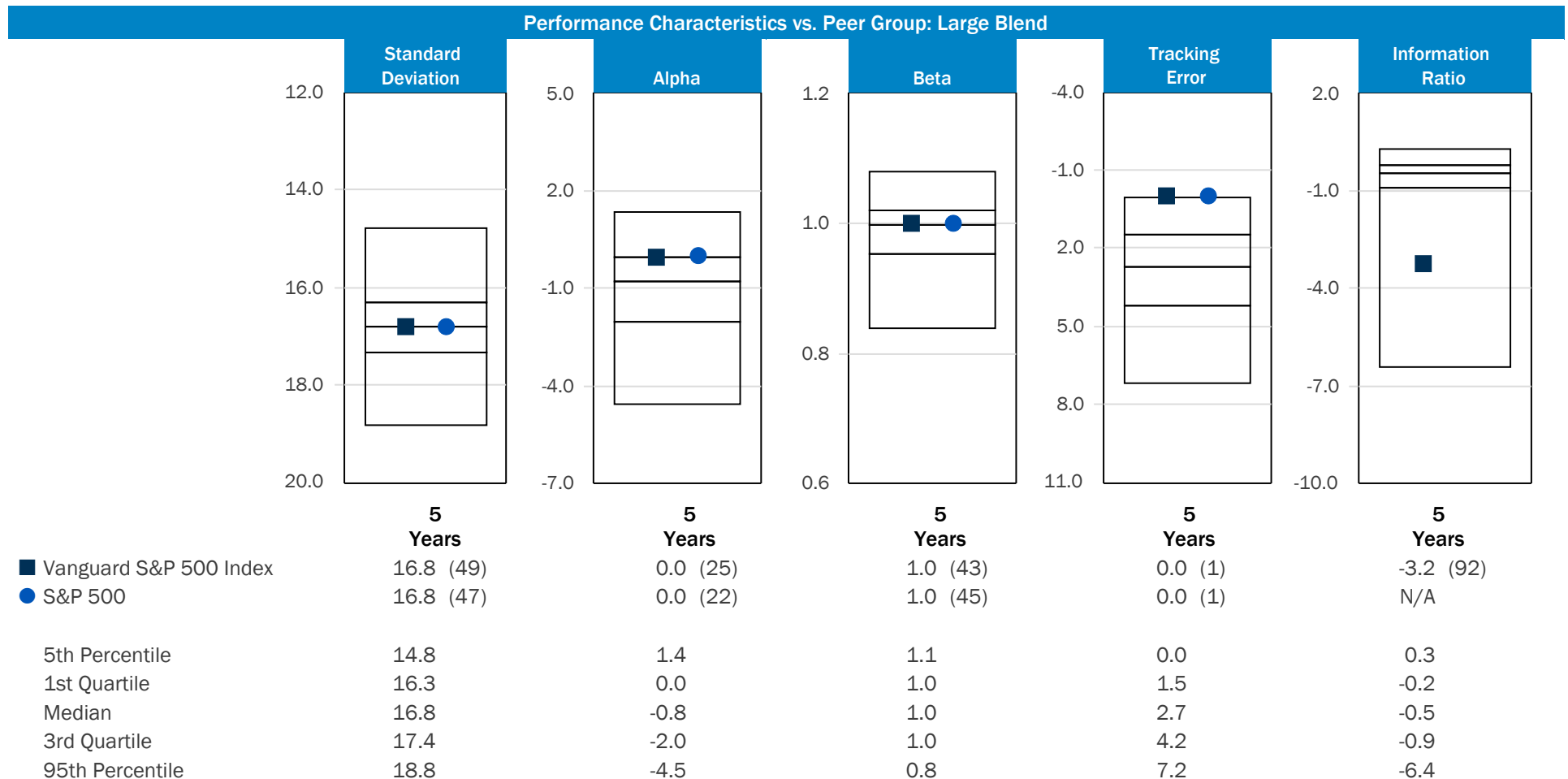
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Vanguard S&P 500 Index	-16.1 (58)	-20.0 (48)	-10.7 (34)	11.3 (18)	12.9 (13)
● S&P 500	-16.1 (56)	-20.0 (46)	-10.6 (31)	11.3 (15)	13.0 (11)
5th Percentile	-10.0	-12.6	-3.9	12.1	13.3
1st Quartile	-13.9	-18.3	-9.9	11.1	12.7
Median	-15.9	-20.0	-11.5	10.3	12.1
3rd Quartile	-16.5	-21.2	-13.8	8.9	11.2
95th Percentile	-18.0	-23.6	-18.2	6.0	8.9
Population	2,147	2,126	2,082	1,812	1,494

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Vanguard S&P 500 Index

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Vanguard S&P 500 Index	16.0	32.3	13.6	1.4	11.9	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	12.9
S&P 500	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0

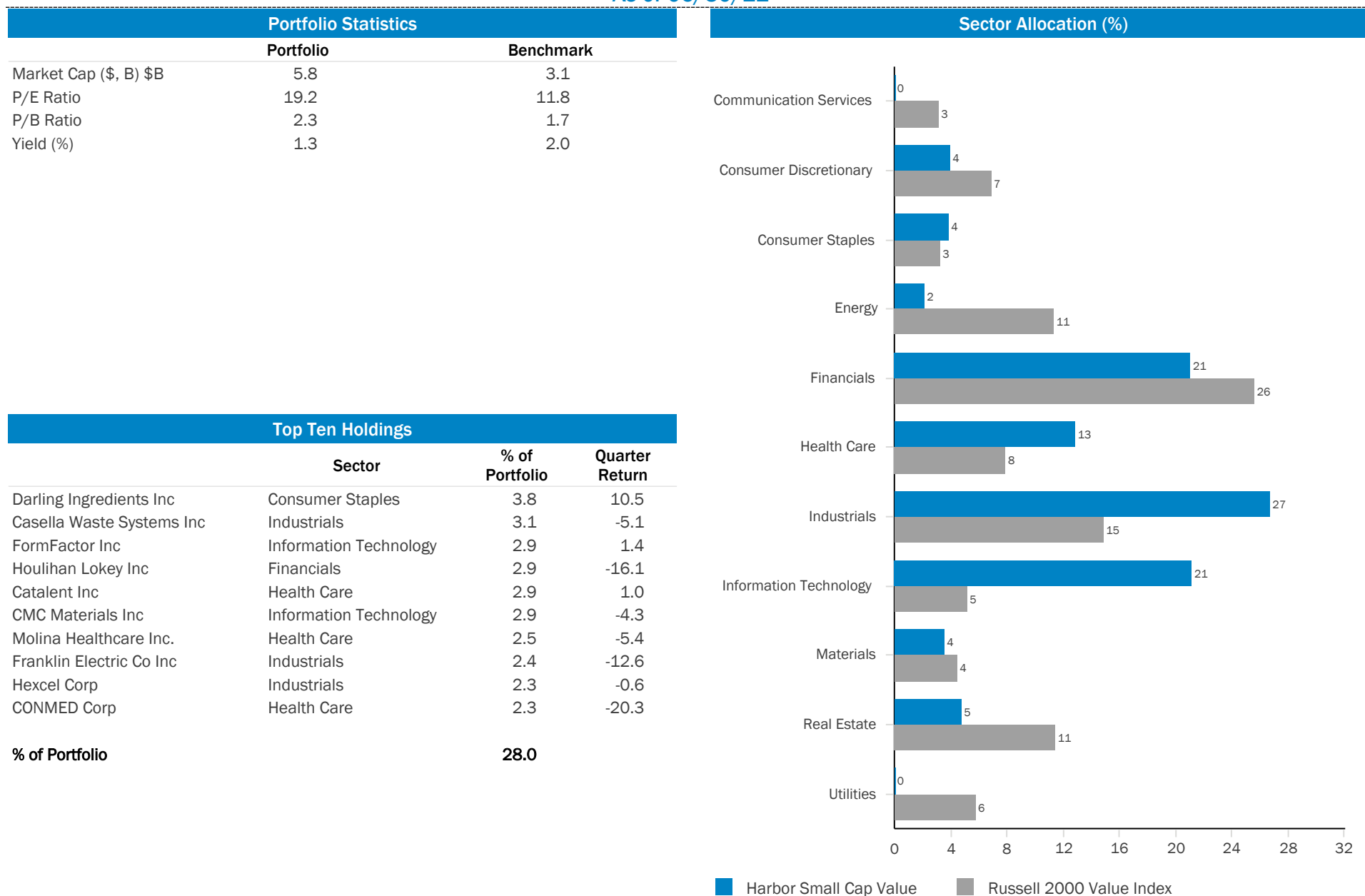


Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.



# Harbor Small Cap Value

As of 06/30/22

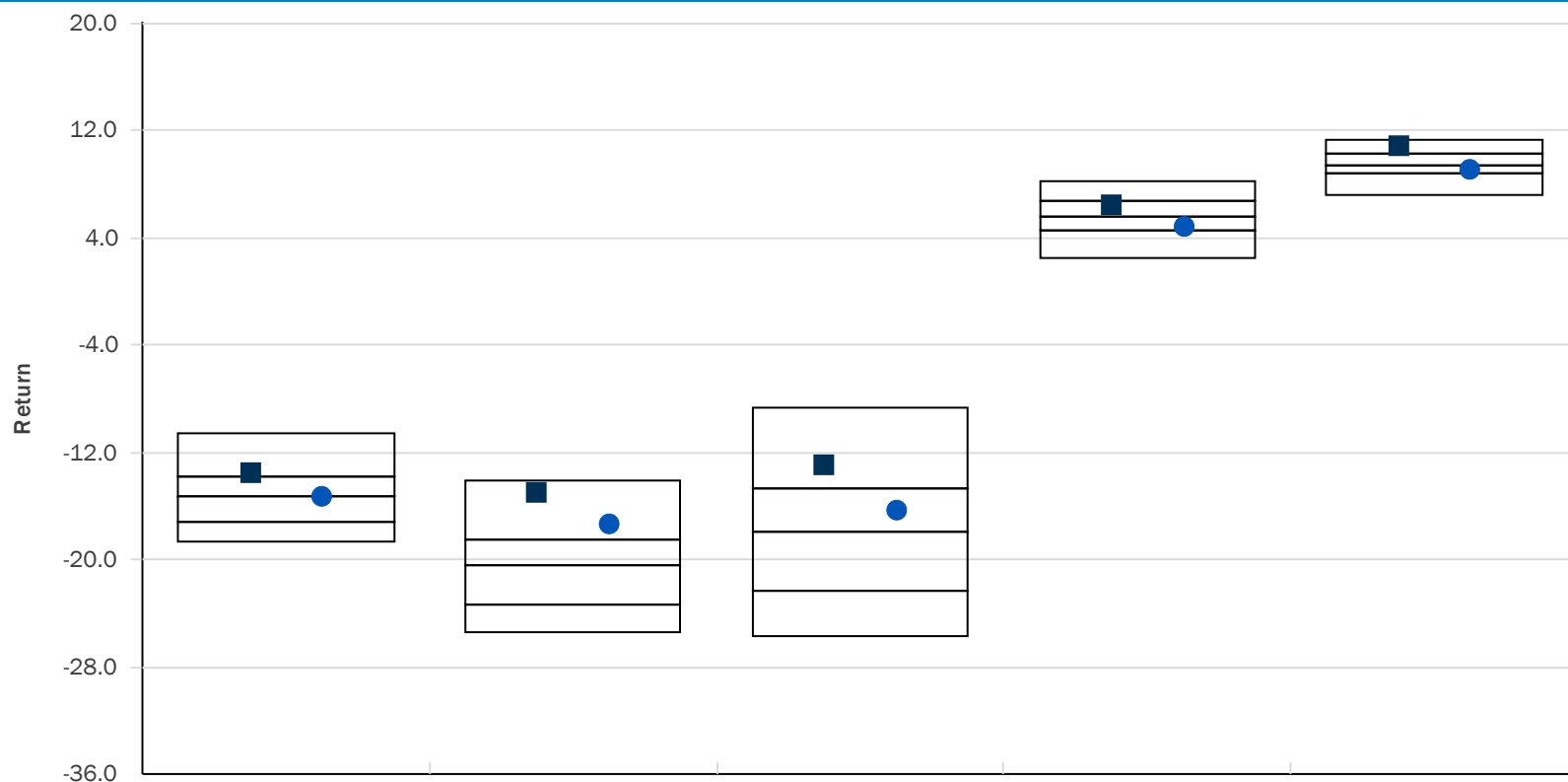


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# Harbor Small Cap Value

As of 6/30/22

Peer Group: Small Blend



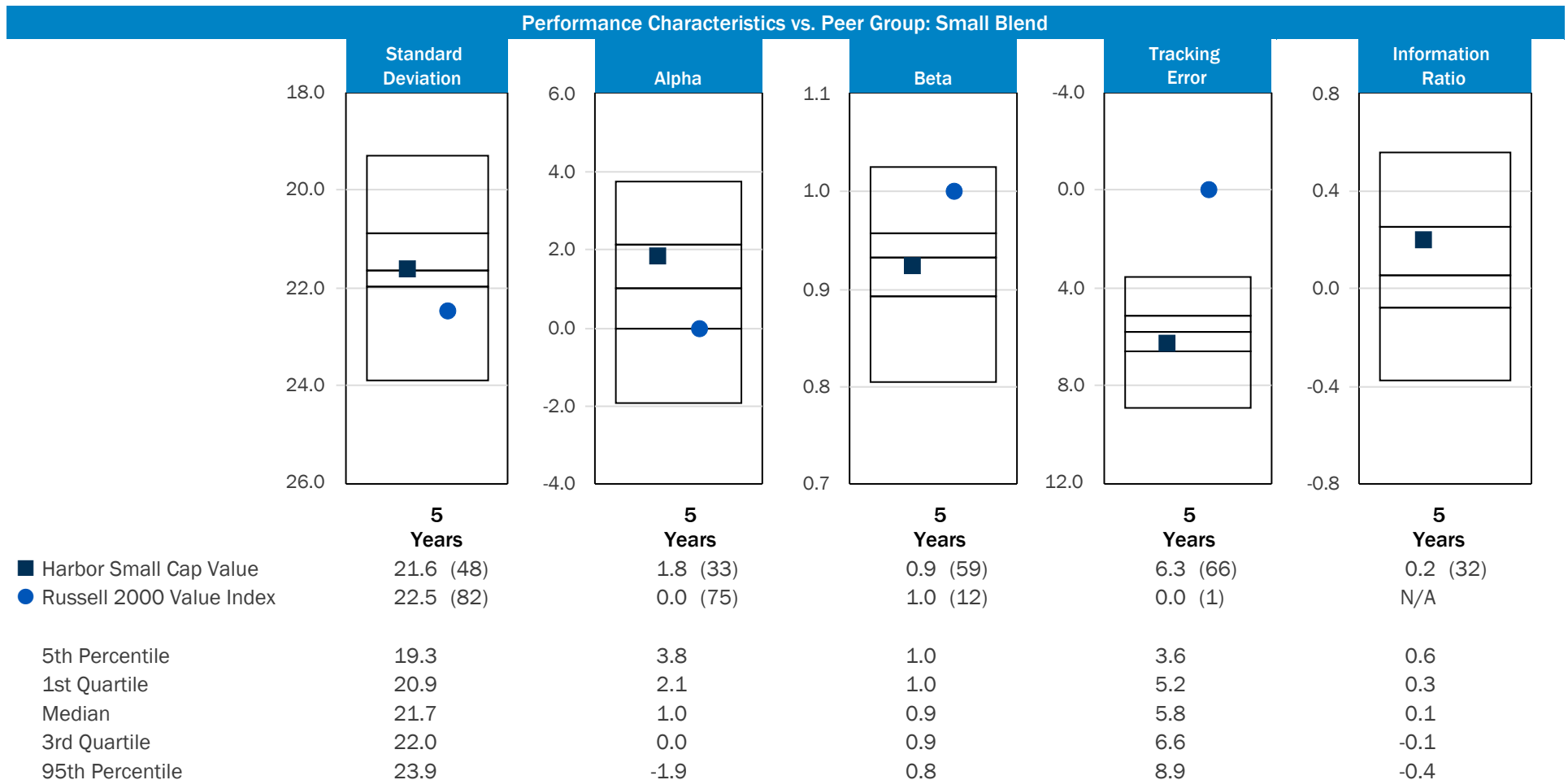
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Harbor Small Cap Value	-13.5 (21)	-15.0 (8)	-13.0 (19)	6.5 (31)	10.9 (12)
● Russell 2000 Value Index	-15.3 (50)	-17.3 (17)	-16.3 (35)	4.9 (69)	9.1 (66)
5th Percentile	-10.6	-14.1	-8.7	8.3	11.3
1st Quartile	-13.8	-18.5	-14.7	6.7	10.3
Median	-15.3	-20.5	-17.9	5.5	9.4
3rd Quartile	-17.1	-23.3	-22.3	4.6	8.8
95th Percentile	-18.7	-25.5	-25.7	2.6	7.2
Population	971	971	960	892	715

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Harbor Small Cap Value

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Harbor Small Cap Value	14.2	35.6	7.9	-3.7	23.5	21.7	-15.9	29.1	13.2	14.8	-15.0	6.0	6.5	10.9
Russell 2000 Value Index	18.1	34.5	4.2	-7.5	31.7	7.8	-12.9	22.4	4.6	28.3	-17.3	6.2	4.9	9.1

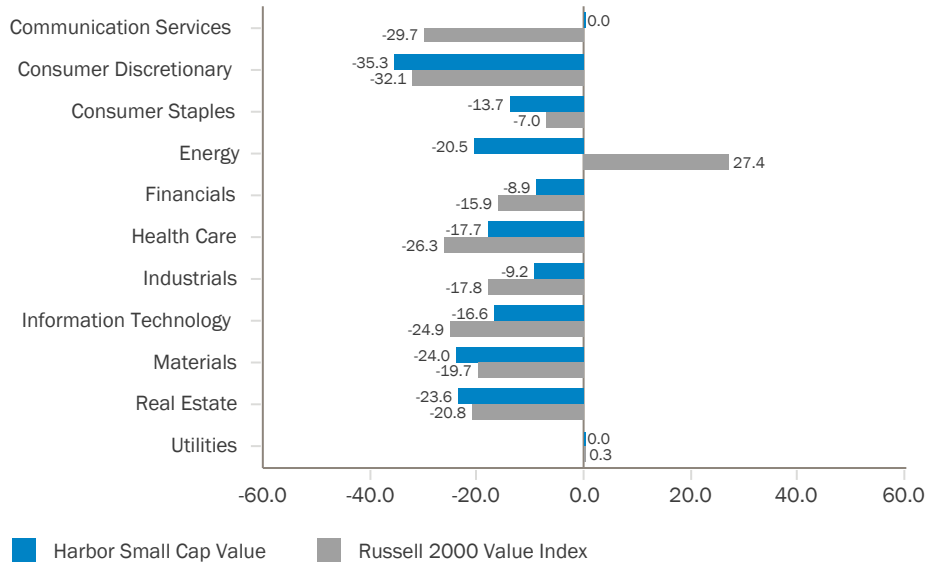


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# Harbor Small Cap Value

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Meridian Bioscience Inc	1.1	17.2	0.2
ManTech International Corp	1.6	11.2	0.2
Reinsurance Group of America Inc.	1.7	7.8	0.1
Parsons Corp	1.6	4.4	0.1
United Fire Group Inc	0.6	10.7	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

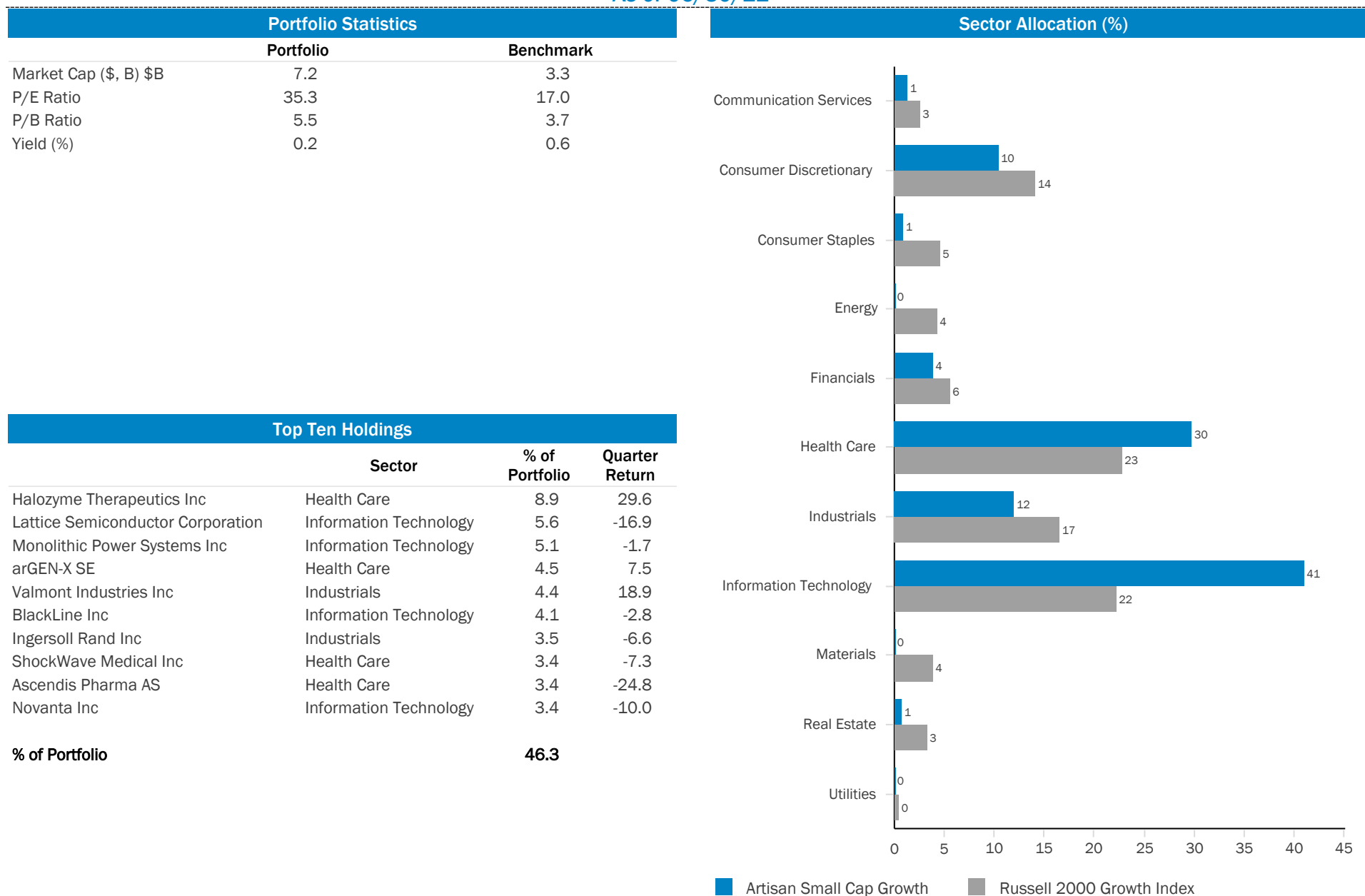
	Relative Weights	Quarter Return	Return Contribution
Sabre Corp	2.0	-49.0	-1.0
CONMED Corp	2.7	-35.4	-1.0
Darling Ingredients Inc	3.6	-25.6	-0.9
Casella Waste Systems Inc	3.6	-17.1	-0.6
Scotts Miracle-Gro Co (The)	1.7	-35.3	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	0.0	3.4	0.0	-29.7	0.0	0.5	0.5
Consumer Discretionary	4.3	7.4	-35.3	-32.1	-0.2	0.5	0.3
Consumer Staples	3.4	3.1	-13.7	-7.0	-0.3	0.1	-0.2
Energy	2.0	8.9	-20.5	27.4	-0.8	-2.1	-2.9
Financials	21.2	26.2	-8.9	-15.9	1.4	0.0	1.4
Health Care	13.7	9.0	-17.7	-26.3	1.2	-0.4	0.8
Industrials	25.6	15.1	-9.2	-17.8	2.2	-0.1	2.0
Information Technology	21.3	5.4	-16.6	-24.9	1.9	-1.4	0.5
Materials	3.6	4.5	-24.0	-19.7	-0.2	0.0	-0.1
Real Estate	5.0	11.6	-23.6	-20.8	-0.1	0.3	0.2
Utilities	0.0	5.3	0.0	0.3	0.0	-0.9	-0.9
Total	100.0	100.0	-14.9	-16.4	5.1	-3.6	1.5

# Artisan Small Cap Growth

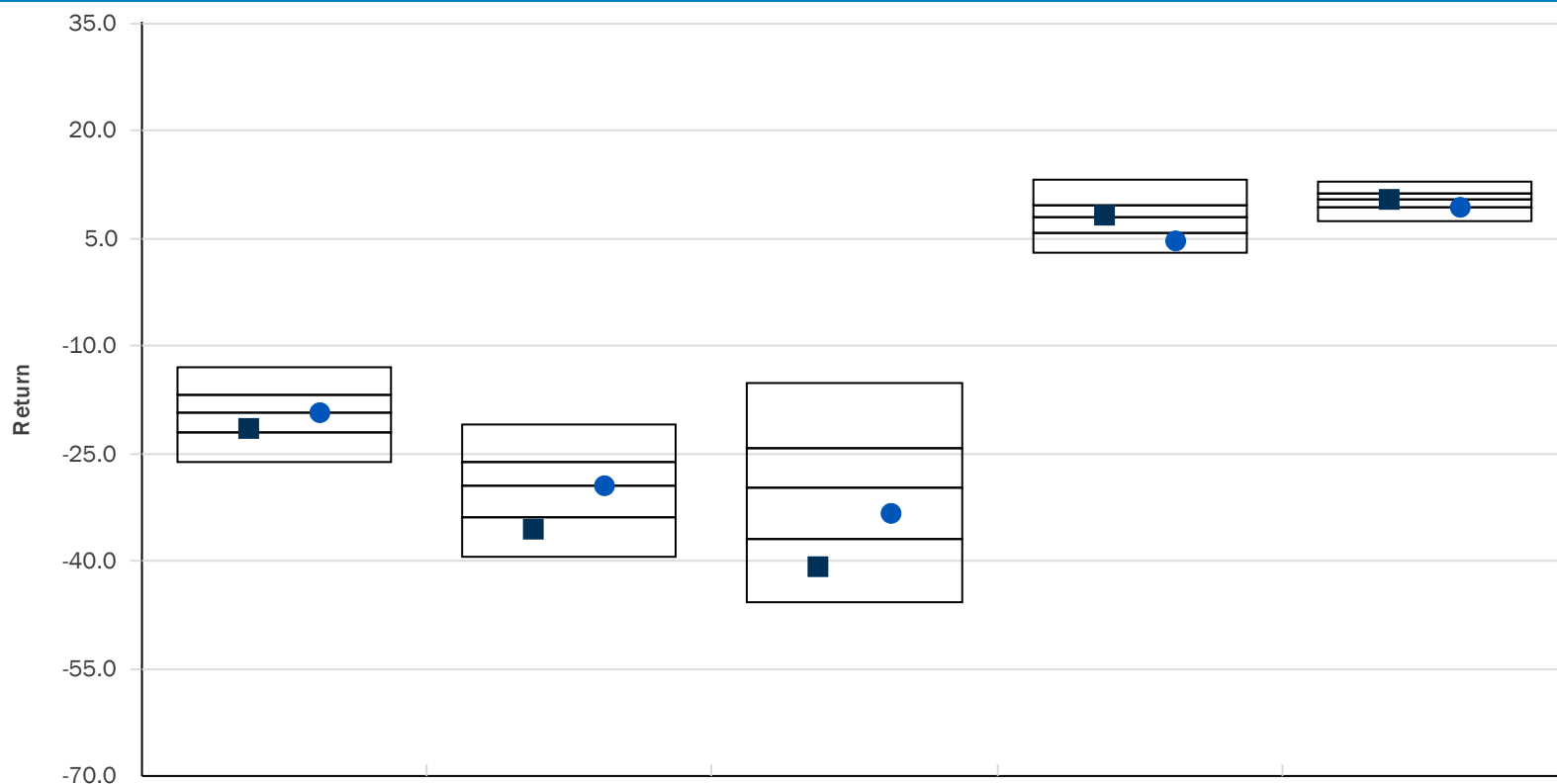
As of 06/30/22



# Artisan Small Cap Growth

As of 6/30/22

## Peer Group: Small Growth



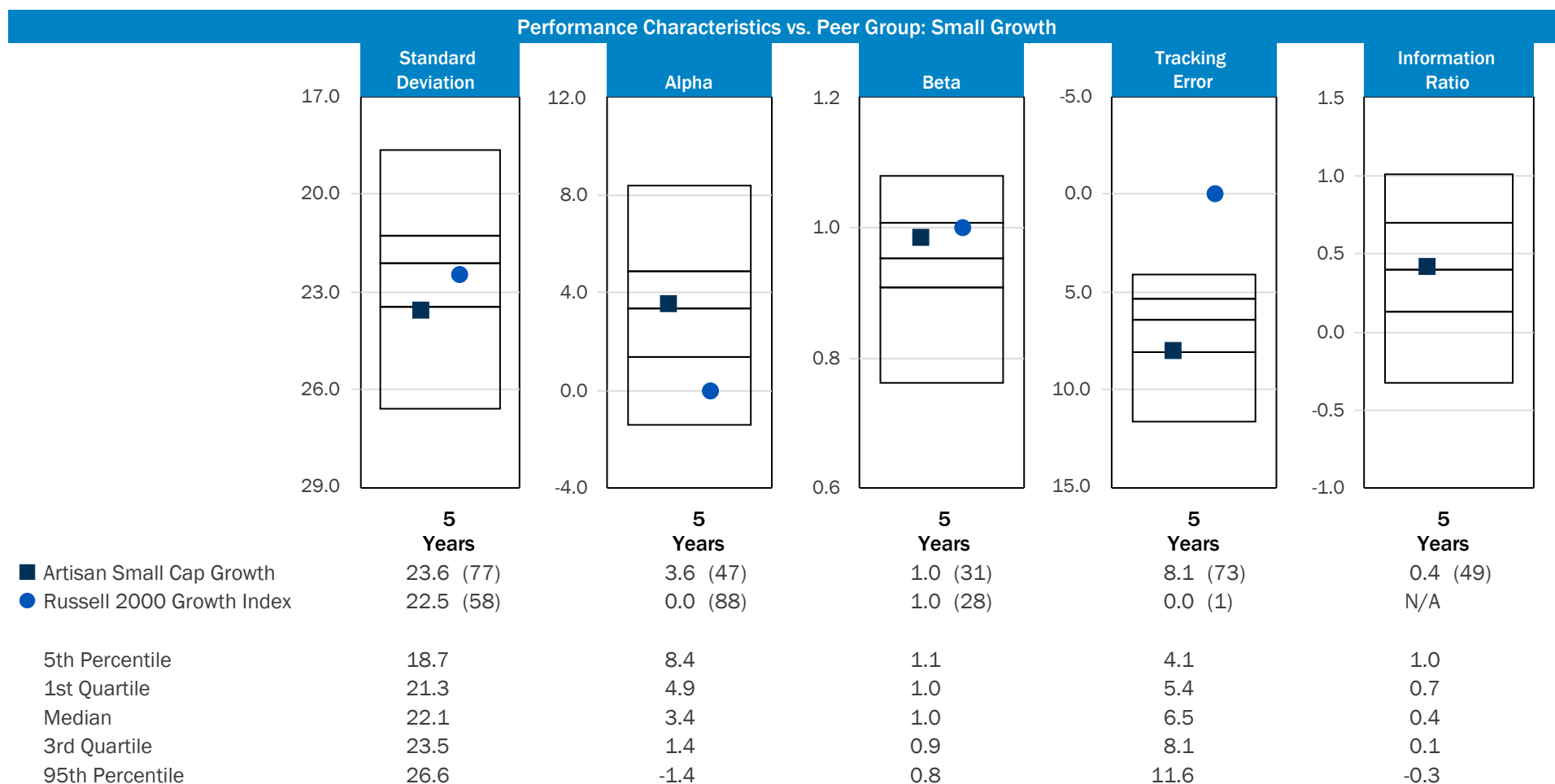
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Artisan Small Cap Growth	-21.5 (71)	-35.7 (79)	-40.9 (89)	8.2 (46)	10.5 (50)
● Russell 2000 Growth Index	-19.3 (49)	-29.5 (49)	-33.4 (68)	4.8 (85)	9.3 (77)
5th Percentile	-12.9	-20.8	-15.2	13.3	13.1
1st Quartile	-16.9	-26.3	-24.2	9.5	11.4
Median	-19.4	-29.6	-29.7	7.9	10.5
3rd Quartile	-22.0	-33.9	-36.9	5.8	9.3
95th Percentile	-26.3	-39.5	-45.7	3.1	7.5
Population	929	926	913	822	733

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Artisan Small Cap Growth

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Artisan Small Cap Growth	17.8	42.8	-0.8	0.3	5.5	26.8	2.2	40.1	61.0	-8.9	-35.7	0.2	8.2	10.5
Russell 2000 Growth Index	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6	2.8	-29.5	1.4	4.8	9.3

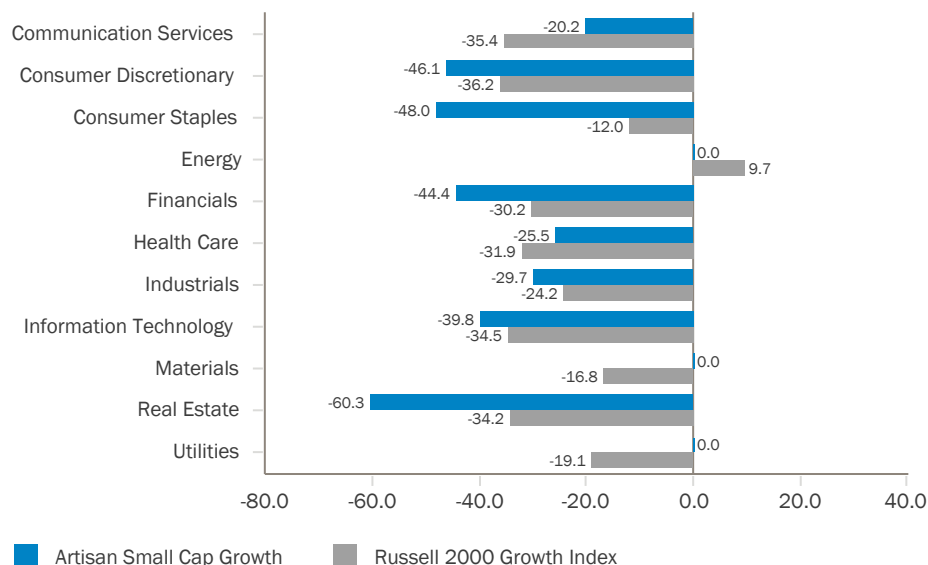


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# Artisan Small Cap Growth

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
arGEN-X SE	3.8	20.2	0.8
Halozyme Therapeutics Inc	5.9	10.3	0.7
Orchard Therapeutics plc	0.0	-17.9	0.0
Shoals Technologies Group Inc	0.6	-3.3	0.0
Option Care Health Inc	0.8	-2.7	0.0

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Workiva Inc	2.5	-44.1	-1.3
Chegg Inc	2.6	-48.2	-1.3
Lattice Semiconductor Corporation	4.7	-20.4	-1.1
Q2 Holdings Inc	2.5	-37.4	-1.1
Silvergate Capital Corporation	1.2	-64.4	-1.0

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.9	2.7	-20.2	-35.4	0.8	0.0	0.8
Consumer Discretionary	12.0	14.4	-46.1	-36.2	-1.4	0.2	-1.2
Consumer Staples	1.3	4.2	-48.0	-12.0	-0.2	-0.5	-0.7
Energy	0.0	3.2	0.0	9.7	0.0	-0.9	-0.9
Financials	3.6	5.5	-44.4	-30.2	-0.6	0.0	-0.6
Health Care	27.3	24.4	-25.5	-31.9	1.9	0.3	2.1
Industrials	10.4	15.8	-29.7	-24.2	-0.5	-0.3	-0.8
Information Technology	41.0	22.8	-39.8	-34.5	-2.3	-0.9	-3.2
Materials	0.0	3.4	0.0	-16.8	0.0	-0.4	-0.4
Real Estate	0.6	3.3	-60.3	-34.2	-0.2	0.1	-0.1
Utilities	0.0	0.4	0.0	-19.1	0.0	0.0	0.0
Total	100.0	100.0	-34.8	-29.8	-2.5	-2.4	-4.9



# Europacific Growth

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	107.6	69.5
P/E Ratio	16.0	12.5
P/B Ratio	3.4	2.4
Yield (%)	2.4	3.6

## Top Ten Holdings

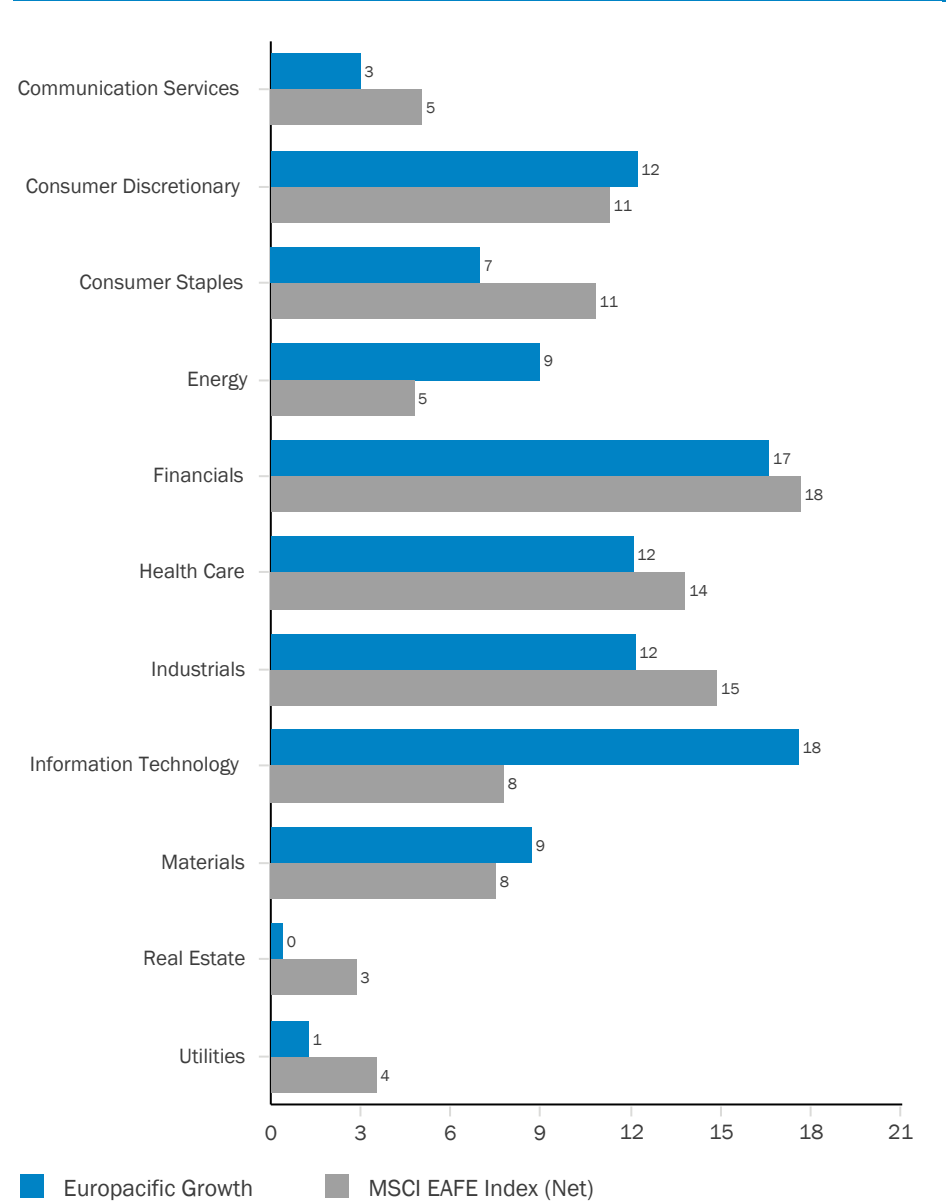
	Sector	% of Portfolio	Quarter Return
Reliance Indus	Energy	4.1	-5.3
ASML Holding NV	Information Technology	3.3	-29.2
Taiwan Semiconductor Manufacturing	Information Technology	2.8	-22.8
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.6	-15.4
AIA Group Ltd	Financials	2.2	4.4
Canadian Natural Resources Ltd	Energy	2.0	-12.5
Airbus SE	Industrials	2.0	-20.0
Daiichi Sankyo Co	Health Care	1.9	14.6
WuXi Biologics (Cayman) Inc	Health Care	1.4	10.2
H D F C Bank Ltd	Financials	1.4	-10.9

% of Portfolio 23.7

## Regional Allocation (%)

	Manager	Index
Canada	6.1	0.0
United States	1.5	0.2
Europe	47.0	64.5
Asia Pacific	15.9	34.4
<b>Developed Markets</b>	<b>70.5</b>	<b>99.1</b>
Americas	4.7	0.0
Europe	0.2	0.0
Asia Pacific	22.5	0.0
<b>Emerging Markets</b>	<b>27.4</b>	<b>0.0</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)

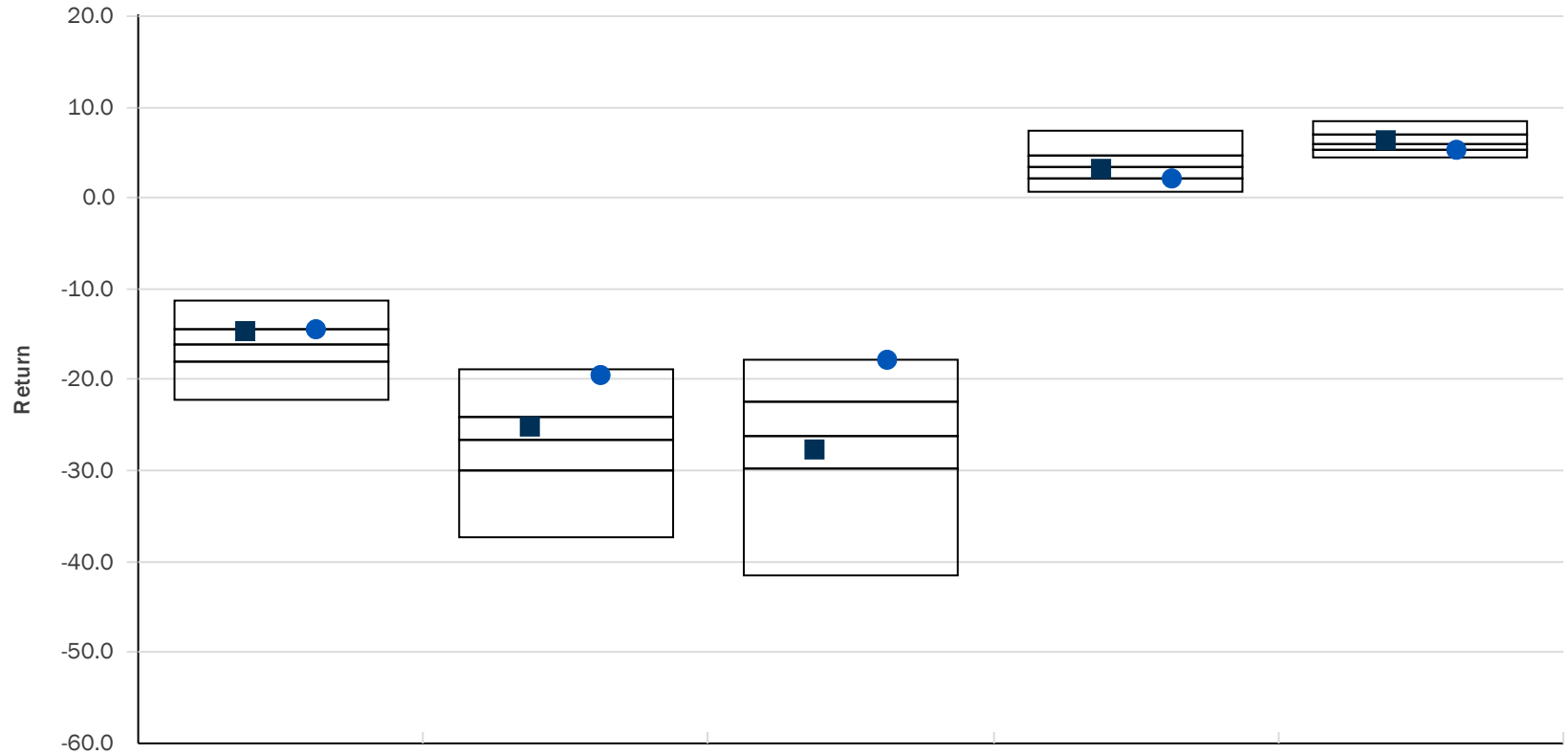


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# Europacific Growth

As of 6/30/22

## Peer Group: Foreign Large Growth



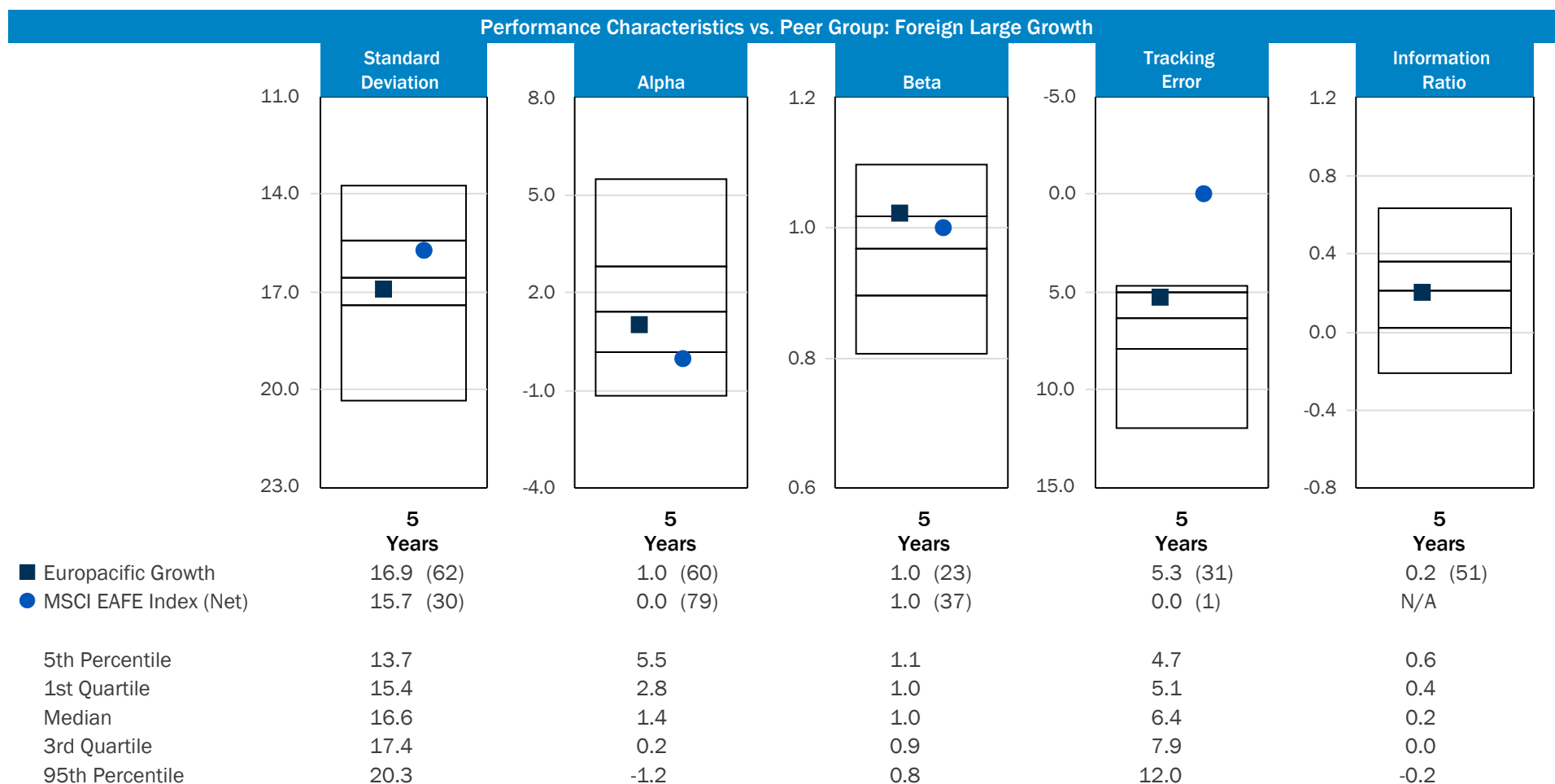
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Europacific Growth	-14.7 (30)	-25.1 (32)	-27.7 (62)	3.1 (56)	6.3 (37)
● MSCI EAFE Index (Net)	-14.5 (28)	-19.6 (9)	-17.8 (6)	2.2 (74)	5.4 (73)
5th Percentile	-11.2	-18.9	-17.8	7.3	8.5
1st Quartile	-14.4	-24.0	-22.4	4.7	7.0
Median	-16.1	-26.7	-26.2	3.4	5.9
3rd Quartile	-17.9	-30.1	-29.8	2.1	5.3
95th Percentile	-22.2	-37.4	-41.5	0.8	4.4
Population	686	683	676	575	469

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Europacific Growth

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Europacific Growth	19.6	20.6	-2.3	-0.5	1.0	31.2	-14.9	27.4	25.3	2.8	-25.1	1.5	3.1	6.3
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

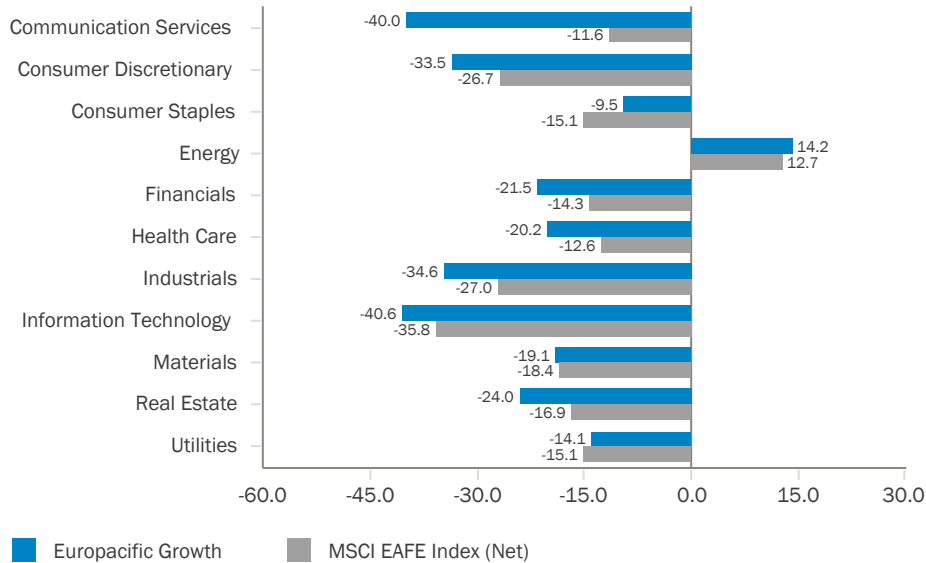


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# Europacific Growth

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Daiichi Sankyo Co	1.2	14.6	0.2
Swedish Match AB	0.4	35.6	0.2
Gazprom PJSC	0.0	1,003.3	0.2
Kweichow Moutai Co Ltd	1.0	13.9	0.1
WuXi Biologics (Cayman) Inc	1.1	10.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
ASML Holding NV	2.1	-29.2	-1.1
Taiwan Semiconductor Manufacturing	3.0	-22.8	-0.7
MercadoLibre Inc	1.4	-46.5	-0.7
First Quantum Minerals Ltd	1.2	-45.4	-0.5
Sika AG, Baar	1.3	-30.5	-0.5

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.8	4.8	-40.0	-11.6	-1.3	-0.1	-1.3
Consumer Discretionary	12.9	11.9	-33.5	-26.7	-1.0	-0.1	-1.1
Consumer Staples	5.8	10.4	-9.5	-15.1	0.3	-0.2	0.2
Energy	7.8	4.1	14.2	12.7	0.1	0.9	1.0
Financials	15.9	17.6	-21.5	-14.3	-1.1	-0.1	-1.2
Health Care	11.1	12.9	-20.2	-12.6	-0.8	-0.1	-0.9
Industrials	12.3	15.4	-34.6	-27.0	-1.0	0.3	-0.8
Information Technology	20.0	8.6	-40.6	-35.8	-1.2	-2.0	-3.2
Materials	8.7	8.0	-19.1	-18.4	-0.1	-0.1	-0.2
Real Estate	0.5	2.9	-24.0	-16.9	0.0	-0.1	-0.1
Utilities	1.3	3.5	-14.1	-15.1	0.0	-0.1	-0.1
Total	100.0	100.0	-26.8	-19.2	-6.0	-1.6	-7.6

# Fixed Income Overview: Dodge & Cox Income

As of 06/30/22

Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark		Dodge & Cox Income	Blmbg. U.S. Aggregate
Duration	5.0	6.6	0-1 Years	3	0
Average Maturity	9.5	8.8	1-3 Years	10	20
Average Quality	A	AA+	3-5 Years	15	17
Yield To Maturity	3.5	2.9	5-10 Years	53	43
			10-20 Years	9	6
			20+ Years	11	13

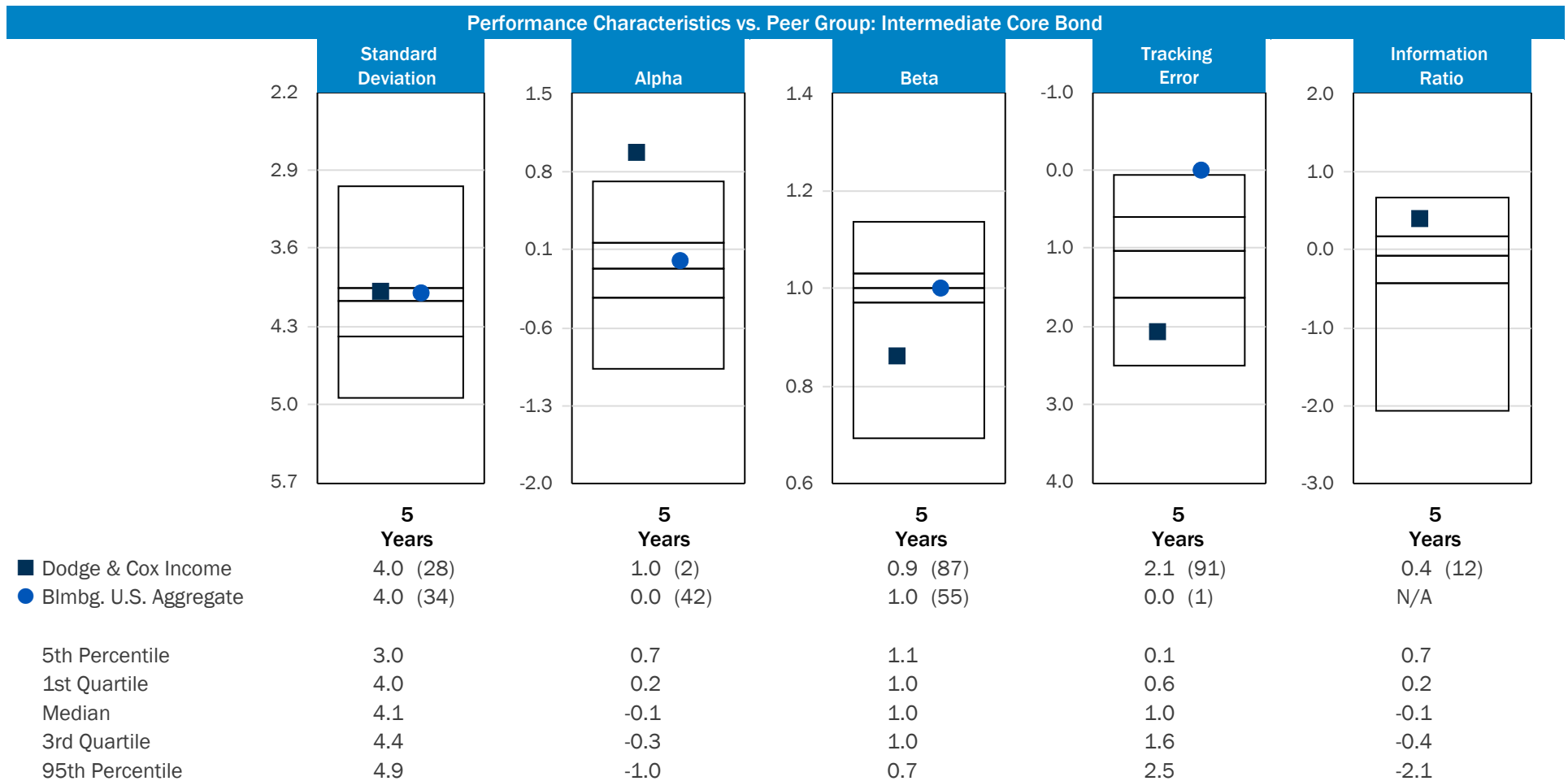
Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	Dodge & Cox Income	Blmbg. U.S. Aggregate		Dodge & Cox Income	Blmbg. U.S. Aggregate
Government	13	44	AAA/Government Guaranteed	53	72
Municipals	2	1	AA	3	3
Bank Loan	0	0	A	6	11
Investment Grade Corporate	32	25	BBB	27	14
High Yield Corporate	7	0	Below Investment Grade	11	0
ABS	6	0	Not Rated / Other	0	0
Agency RMBS	33	28			
Non Agency RMBS	0	0			
CMBS	0	2			
Collateralized Obligations	6	0			
Other Sector	0	0			

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# Dodge & Cox Income

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox Income	7.9	0.6	5.5	-0.6	5.6	4.4	-0.3	9.7	9.5	-0.9	-9.7	0.3	1.7	2.6
Blmbg. U.S. Aggregate	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5	-1.5	-10.3	-0.9	0.9	1.5



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# IBEW Pension Trust Investment Program Fee Summary

Style	Fund	Market Value (\$, M)	Manager Expense Ratio	Projected Annual Fee (\$)	Morningstar Average Expense Ratio
Large Cap Core Equity	Vanguard 500 Index Fund	\$2.1	0.04%	\$852	0.29%
Small Cap Value Equity	Harbor Small Cap Value	\$0.3	0.79%	\$2,236	1.04%
Small Cap Growth	Artisan Small Cap Growth	\$0.3	1.19%	\$3,432	1.09%
International Equity	EuroPacific Growth	\$0.8	0.46%	\$3,554	0.92%
Fixed Income	Dodge & Cox Income	\$3.1	0.42%	\$12,959	0.51%
Money Market	First American (Cash)	\$0.1	0.45%	\$359	0.39%
<b>Total</b>		<b>\$6.6</b>	<b>0.35%</b>	<b>\$23,392</b>	<b>0.53%</b>

# ENDNOTES

- As a service to clients, CAPTRUST may provide reporting information on all assets held in your account, including assets for which it does not provide advisory services. Such assets may include legacy assets, assets for which you have engaged other advisors and, with respect to retirement plans, (i) self-directed brokerage, mutual fund window and similar options, (ii) employer securities, and (iii) real property. While CAPTRUST seeks to identify such assets as "excluded assets" in your reports and/or in your Consulting Services Agreement, CAPTRUST shall not be liable or responsible in any respect for the supervision or oversight of such assets.
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Updated 09/02/21

# Q2

## Second Quarter 2022 Performance Report

Bi-State Development Agency  
Division 788 A.T.U. AFL-CIO Pension Plan

Scott R. Meggenberg  
Principal

Brian P. Thrasher  
Vice President



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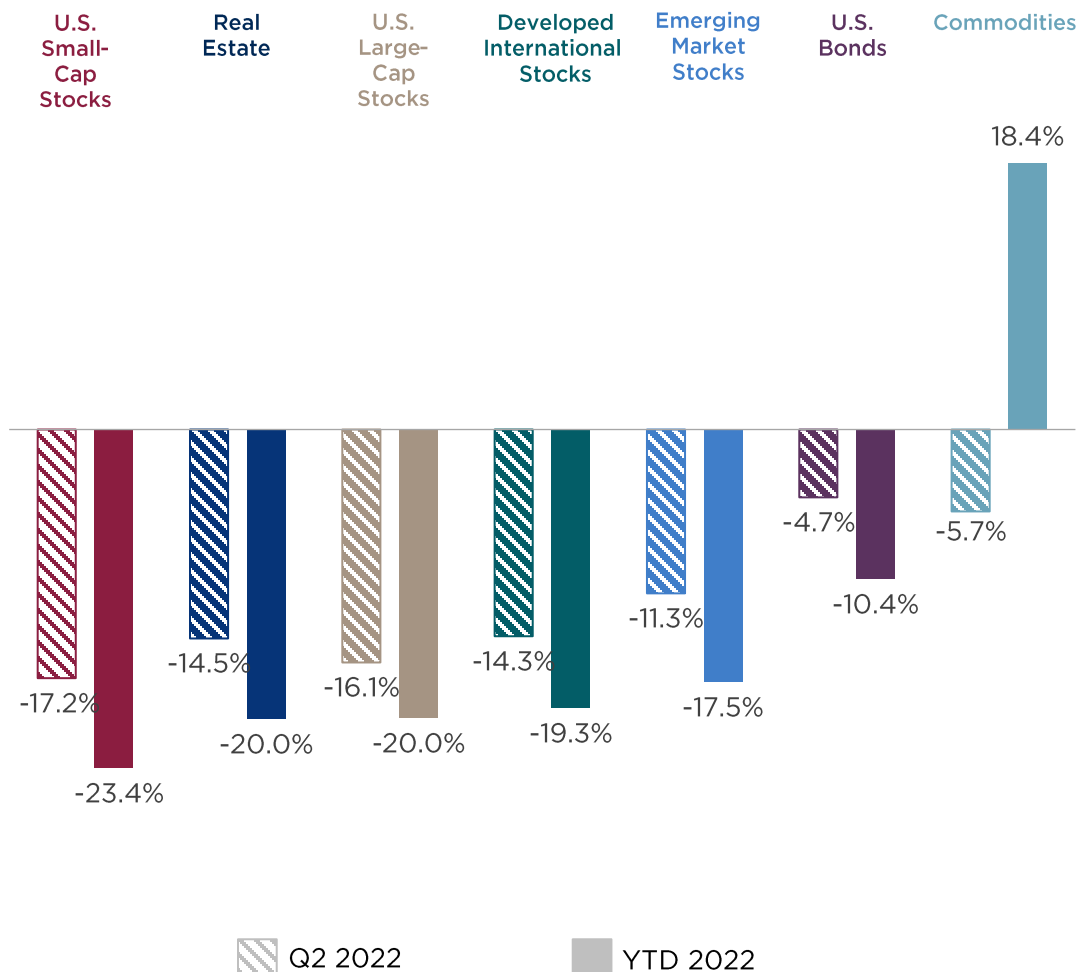
# Second Quarter 2022 Capital Markets Exhibits

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## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

Q2 2022				YTD 2022				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

S&P 500 Index	Technology	Health Care	Financials	Consumer Discretionary	Communication Service	Industrials	Consumer Staples	Energy	Utilities	Real Estate	Materials
-10.6%	-13.6%	3.4%	-12.7%	-24.2%	-29.1%	-13.4%	6.7%	39.5%	14.3%	-5.3%	-8.7%
-20.0%	-26.9%	-8.3%	-18.7%	-32.8%	-30.2%	-16.8%	-5.6%	31.6%	-0.6%	-20.1%	-17.9%
Sector Weight	26.8%	15.1%	10.8%	10.5%	8.9%	7.8%	7.0%	4.4%	3.1%	2.9%	2.6%

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## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.



## INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today's inflation has been driven by constrained supply.

### Estimated Impact to Consumer Price Index (CPI) – May 2022

# 41%

#### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

# 24%

#### COVID-19 Pandemic

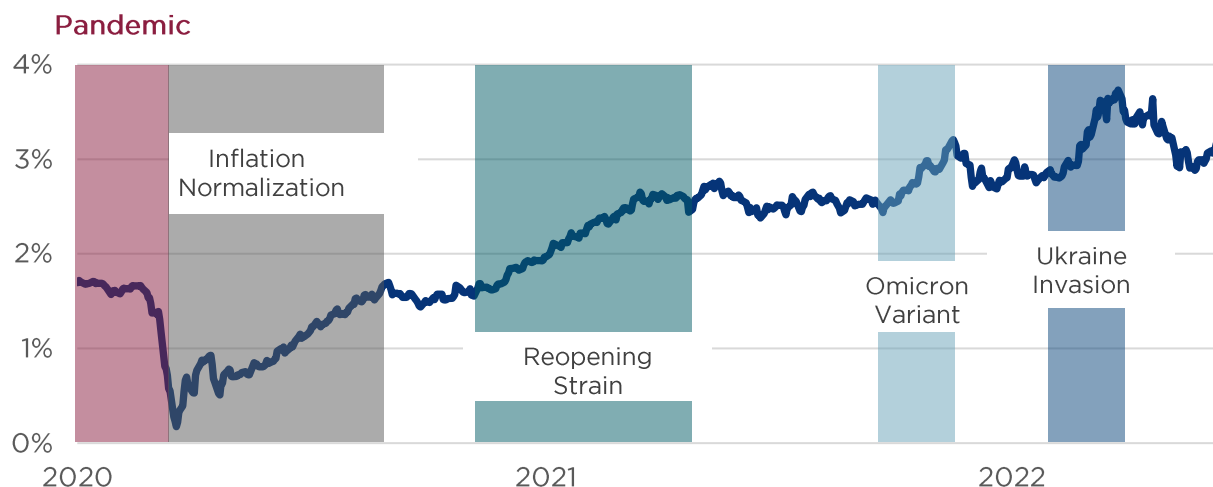
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

# 35%

#### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

### Inflation Waves: Five-Year Inflation Expectations



#### OBSERVATIONS

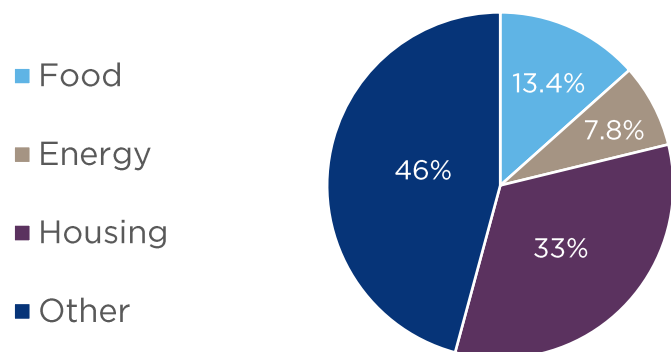
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody's Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

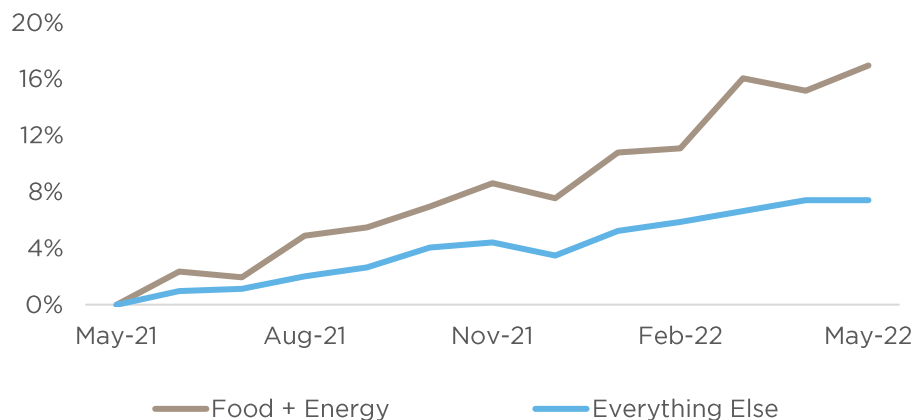
## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

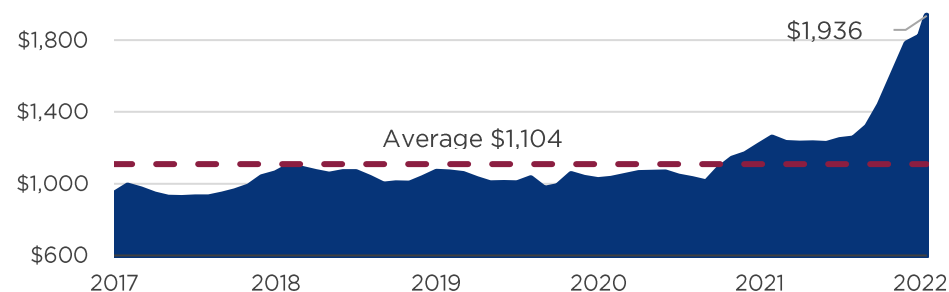
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### FOOD AND ENERGY PRICES HAVE SOARED



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



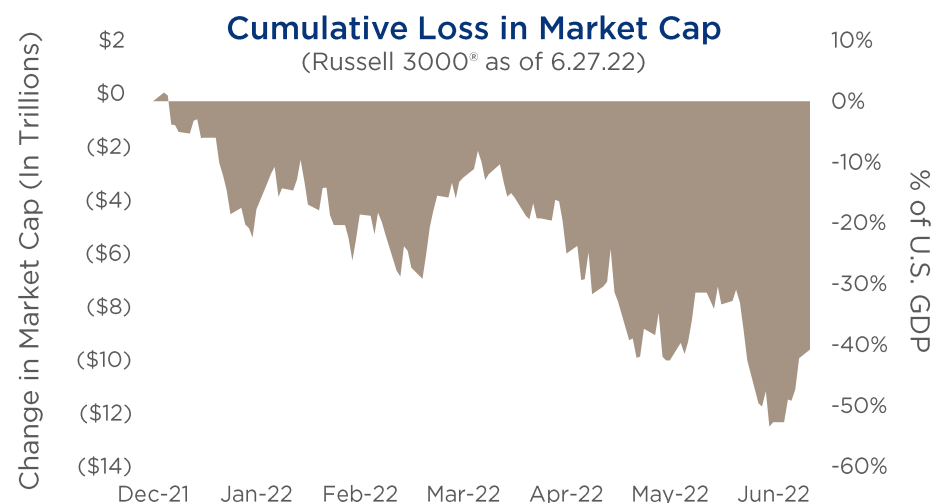
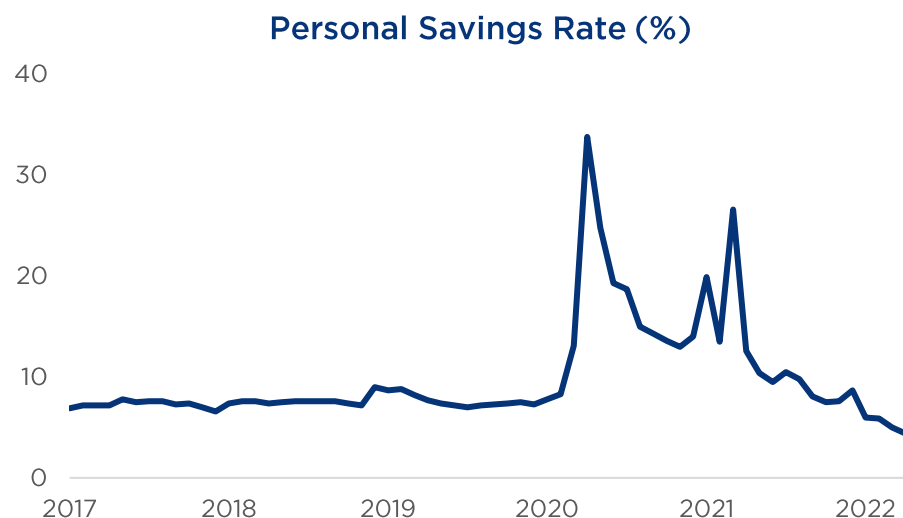
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve's direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

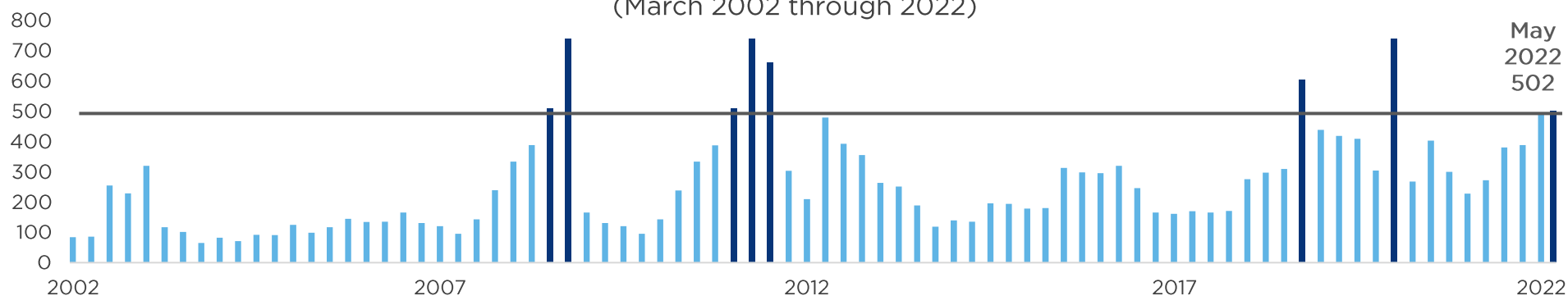
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

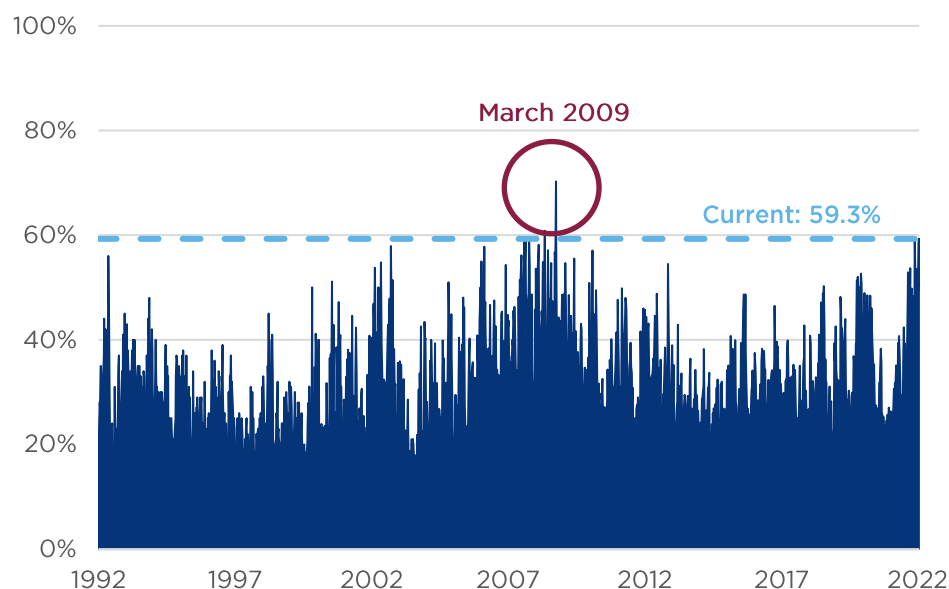
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research

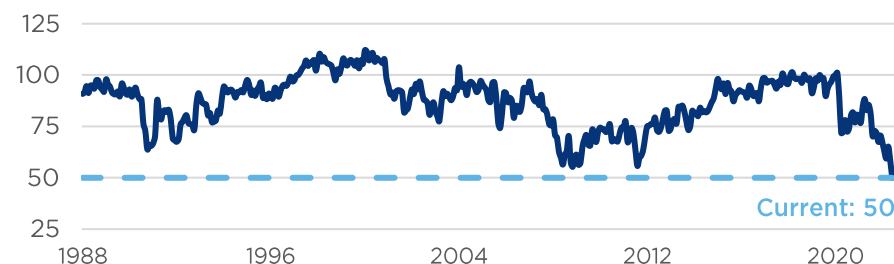
## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.

### Percentage of Bearish Investors



### Consumer Sentiment



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.

# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDED BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



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# Division 788 Pension Plan

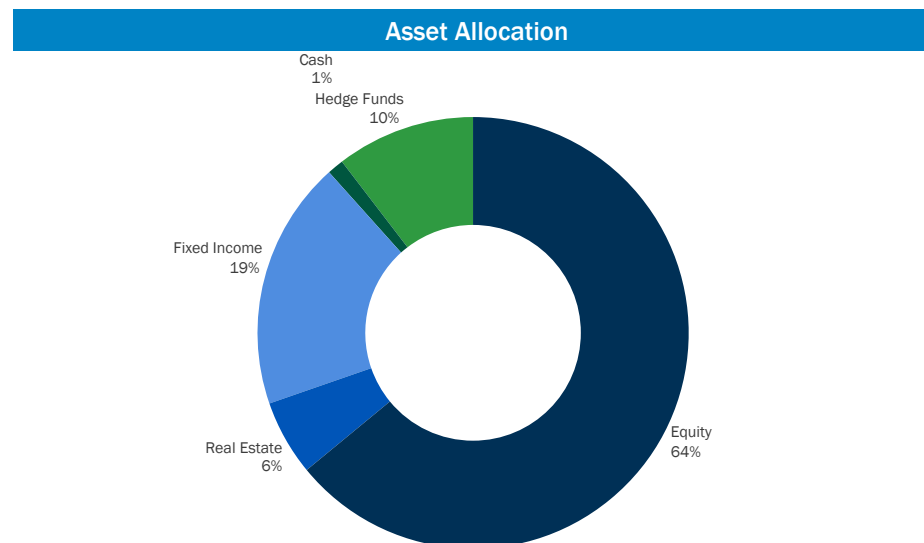
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# Total Portfolio Overview

## Summary of Asset Changes

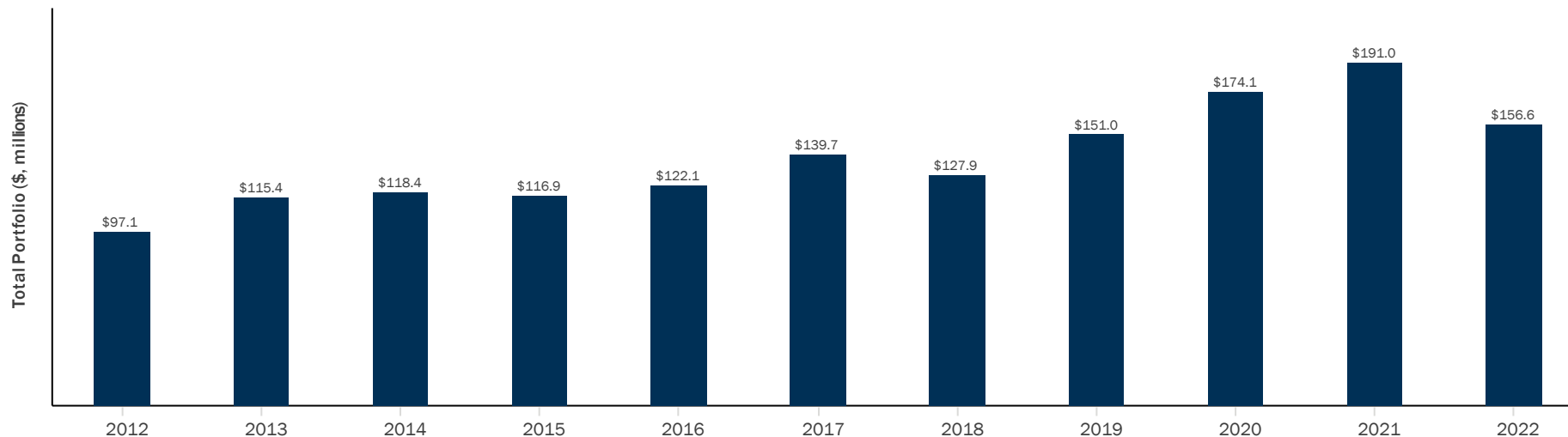
	Market Value Quarter	YTD
Total Portfolio		
Beginning Market Value	\$178.6	\$191.0
Net Cash Flow	(\$1.6)	(\$3.6)
Investment Earnings	(\$20.5)	(\$30.8)
Ending Market Value	\$156.6	\$156.6



# Total Portfolio Historical Overview

Summary of Asset Changes as of June 30, 2022

## Growth of Total Portfolio



## Cash Flows (\$, millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD
<b>Total Portfolio</b>											
Beginning Market Value	\$88.3	\$97.1	\$115.4	\$118.4	\$116.9	\$122.1	\$139.7	\$127.9	\$151.0	\$174.1	\$191.0
Net Cash Flows	-	(\$3.3)	(\$2.6)	(\$1.4)	(\$2.7)	(\$2.6)	(\$2.4)	(\$2.7)	(\$2.7)	(\$6.2)	(\$3.6)
Investment Earnings	\$8.8	\$21.5	\$5.7	(\$0.1)	\$7.9	\$20.2	(\$9.4)	\$25.8	\$25.8	\$23.1	(\$30.8)
Ending Market Value	\$97.1	\$115.4	\$118.4	\$116.9	\$122.1	\$139.7	\$127.9	\$151.0	\$174.1	\$191.0	\$156.6

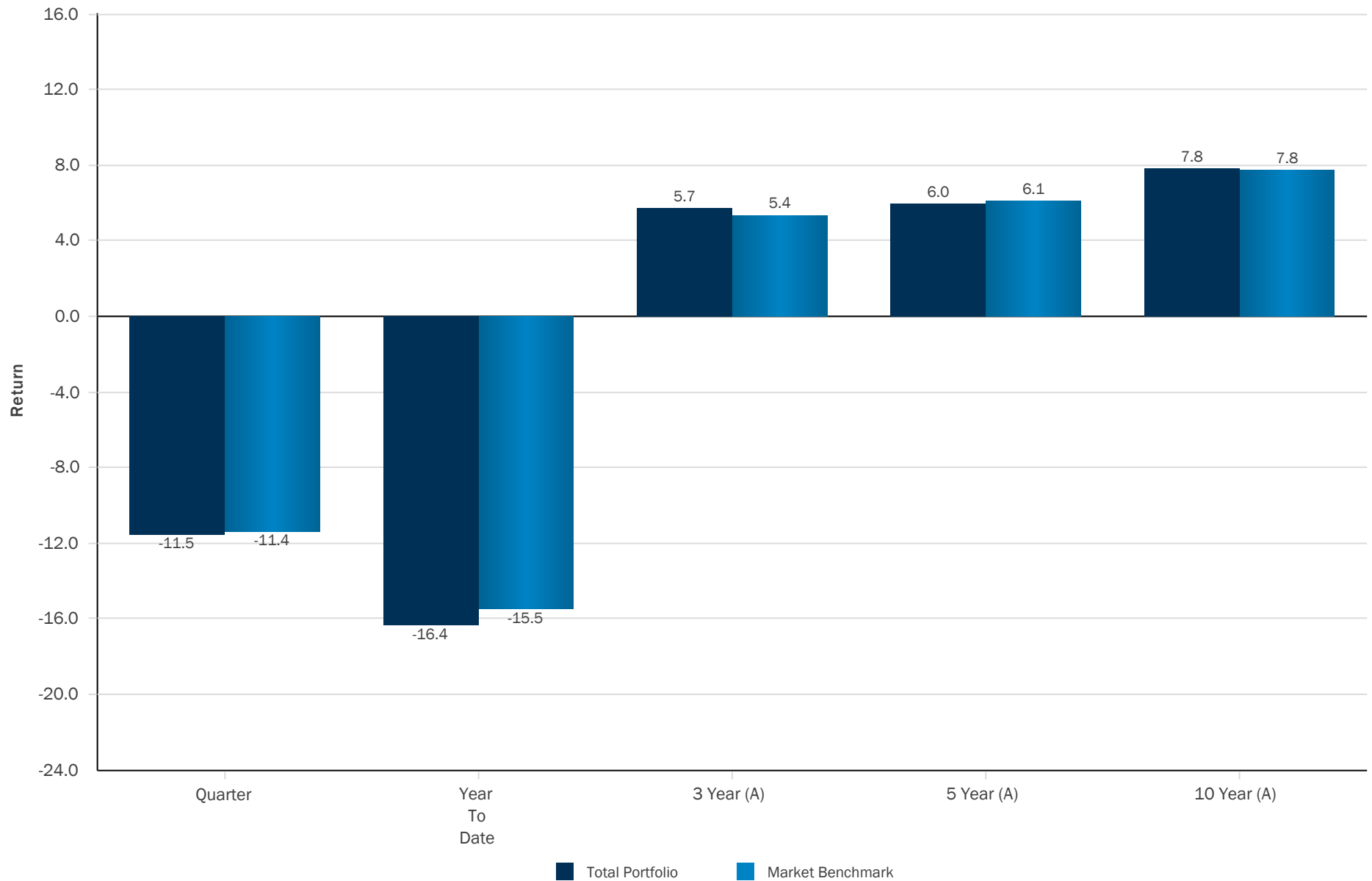
# Total Portfolio Overview

Periods Ended June 30, 2022

	Market Value 06/30/2022	% of Total	Total Portfolio Target
Total Portfolio	\$156,566,313	100.0	100.0
Combined Equity	\$100,256,975	64.0	65.0
Combined U.S. Equity	\$60,979,351	38.9	40.0
Dodge & Cox	\$21,585,017	13.8	12.0
Piedmont Market Plus	\$10,886,545	7.0	6.0
Edgewood Growth	\$13,866,784	8.9	12.0
Artisan Mid Cap	\$6,058,467	3.9	5.0
Harbor Small Cap Value (Earnest)	\$8,582,538	5.5	5.0
Combined Non-U.S. Equity	\$39,277,624	25.1	25.0
EuroPacific Growth Fund	\$14,949,312	9.5	10.0
Boston Partners International (John Hancock)	\$16,082,146	10.3	10.0
DFA Emerging Markets Value	\$8,246,166	5.3	5.0
Combined Hedge Funds	\$16,296,032	10.4	10.0
HBK Master Fund II	\$7,609,196	4.9	5.0
Davidson Kempner Partners Fund	\$8,686,836	5.5	5.0
Combined Real Estate	\$8,861,743	5.7	5.0
Principal US Real Estate	\$8,861,743	5.7	5.0
Combined Fixed Income	\$29,222,266	18.7	18.0
MetWest Total Return	\$13,413,609	8.6	10.0
Dodge & Cox Income	\$15,808,657	10.1	8.0
Cash	\$1,929,296	1.2	2.0

# Total Portfolio Overview

As of June 30, 2022



# Asset Class Performance

As of June 30, 2022

	QTR	YTD	3 Year (A)	5 Year (A)	10 Year (A)	Since Inception	Inception Date
Total Portfolio	-11.5	-16.4	5.7	6.0	7.8	6.4	01/01/2002
<i>Market Benchmark</i>	-11.4	-15.5	5.4	6.1	7.8	6.5	
Combined U.S. Equity	-17.9	-24.3	9.3	9.8	-	11.7	01/01/2013
<i>U.S. Equity Benchmark</i>	-16.4	-20.9	9.4	10.3	-	12.3	
Combined Non-U.S. Equity	-11.9	-16.9	3.2	2.8	-	4.4	01/01/2013
<i>Non-U.S. Equity Benchmark</i>	-13.9	-19.2	1.0	2.2	-	3.6	
Combined Hedge Funds	-2.5	-2.9	4.3	4.2	-	4.2	04/01/2014
<i>HFRI Fund Weighted Composite Index</i>	-4.9	-5.9	6.1	5.0	5.0	4.2	
Combined Real Estate	3.0	10.4	11.4	9.6	-	10.4	01/01/2013
<i>NCREIF Open-End Diversified Core Index</i>	4.8	12.5	12.7	10.5	11.2	11.2	
Combined Fixed Income	-5.2	-10.5	-0.4	1.3	-	1.6	01/01/2013
<i>Blmbg. U.S. Aggregate</i>	-4.7	-10.3	-0.9	0.9	1.5	1.4	

Returns for time periods greater than one year are annualized.  
Performance prior to inception is illustrative.  
Returns are expressed as percentages.

# Manager Performance Review

As of June 30, 2022

	Manager Performance						Inception Date
	Quarter	YTD	3 Year (A)	5 Year (A)	10 Year (A)	Since Inception	
<b><u>U.S. Equity</u></b>							
Dodge & Cox	-12.4	-11.5	11.3	9.9	13.1	9.8	05/01/2014
<i>Russell 1000 Value Index</i>	-12.2	-12.9	6.9	7.2	10.5	7.6	
Piedmont Market Plus	-16.2	-21.3	9.0	10.3	12.7	8.4	06/01/2018
<i>S&amp;P 500</i>	-16.1	-20.0	10.6	11.3	13.0	10.5	
Edgewood Growth	-26.8	-39.6	5.1	9.8	14.3	7.5	03/01/2019
<i>Russell 1000 Growth Index</i>	-20.9	-28.1	12.6	14.3	14.8	13.7	
Artisan Mid Cap	-22.4	-34.4	6.0	10.0	11.5	9.4	05/01/2014
<i>Russell Midcap Growth Index</i>	-21.1	-31.0	4.3	8.9	11.5	9.1	
Harbor Small Cap Value (Earnest)	-13.5	-15.0	6.0	6.5	10.9	6.2	03/01/2019
<i>Russell 2000 Value Index</i>	-15.3	-17.3	6.2	4.9	9.1	5.0	
<b><u>Non - U.S. Equity</u></b>							
EuroPacific Growth Fund	-14.7	-25.1	1.5	3.1	6.3	6.6	01/01/2002
<i>MSCI EAFE Index (Net)</i>	-14.5	-19.6	1.1	2.2	5.4	5.1	
Boston Partners International (John Hancock)	-9.9	-11.3	3.9	1.8	5.9	1.0	09/01/2018
<i>MSCI EAFE Index (Net)</i>	-14.5	-19.6	1.1	2.2	5.4	1.0	
DFA Emerging Markets Value	-10.7	-10.2	1.9	2.7	3.2	2.7	05/01/2014
<i>MSCI Emerging Markets (Net)</i>	-11.4	-17.6	0.6	2.2	3.1	2.5	
<b><u>Hedge Funds</u></b>							
HBK Master Fund II[CE]	-1.9	-2.8	4.7	4.4	4.4	3.7	04/01/2014
<i>HFRI Fund Weighted Composite Index</i>	-4.9	-5.9	6.1	5.0	5.0	4.2	
Davidson Kempner Partners Fund[CE]	-2.9	-2.9	3.9	4.0	5.1	4.0	12/01/2017
<i>HFRI Fund Weighted Composite Index</i>	-4.9	-5.9	6.1	5.0	5.0	4.7	
<b><u>Real Estate</u></b>							
Principal US Real Estate	3.0	10.4	12.0	10.0	10.7	10.8	01/01/2013
<i>NCREIF Open-End Diversified Core Index</i>	4.8	12.5	12.7	10.5	11.2	11.2	
<b><u>Fixed Income</u></b>							
MetWest Total Return	-5.7	-11.7	-0.8	1.1	2.3	1.4	12/01/2014
<i>Blmbg. U.S. Aggregate</i>	-4.7	-10.3	-0.9	0.9	1.5	1.3	
Dodge & Cox Income	-4.7	-9.7	0.3	1.7	2.6	2.3	05/01/2014
<i>Blmbg. U.S. Aggregate</i>	-4.7	-10.3	-0.9	0.9	1.5	1.6	

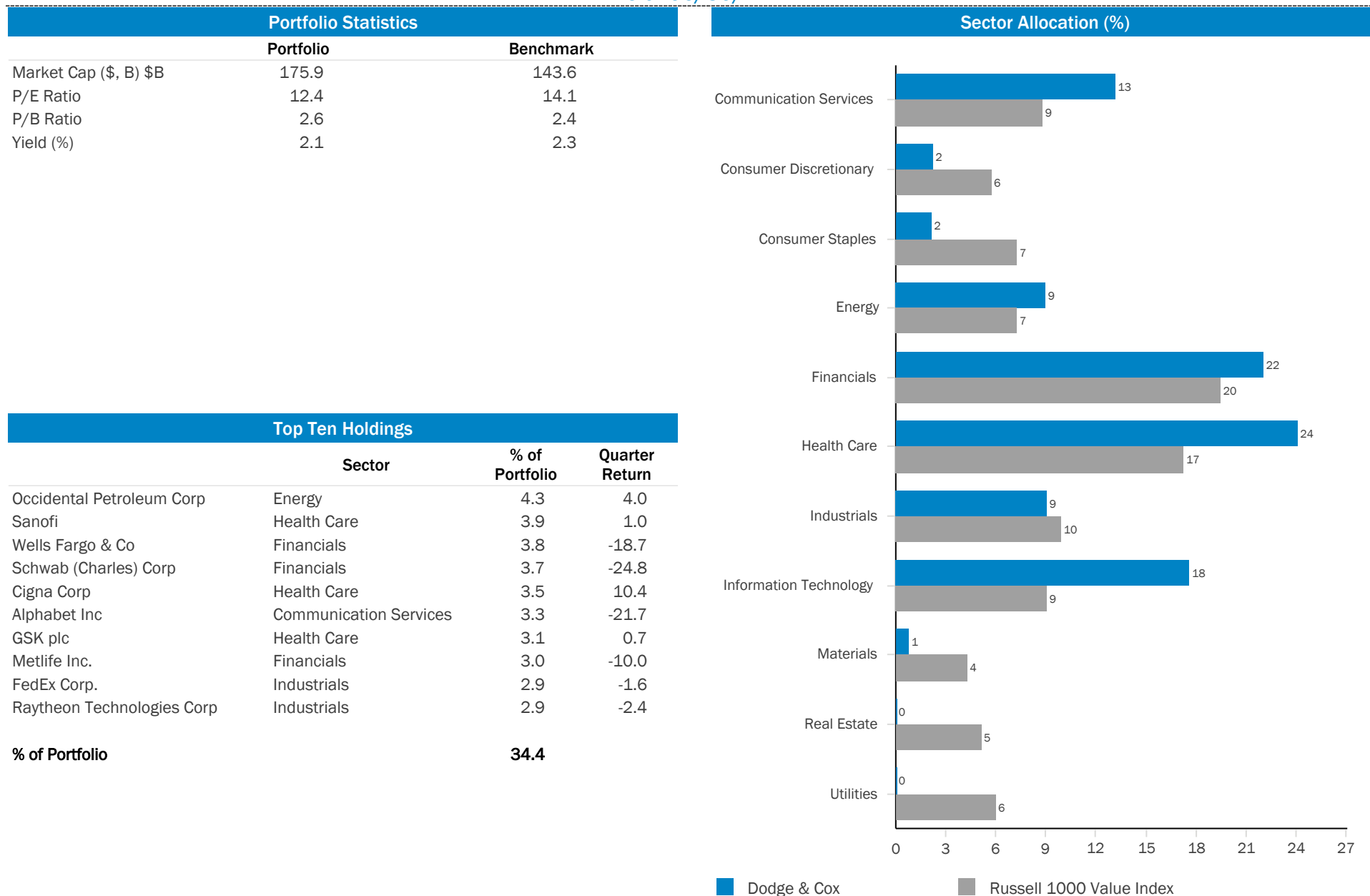
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# Manager Performance Review

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# Dodge & Cox

As of 06/30/22

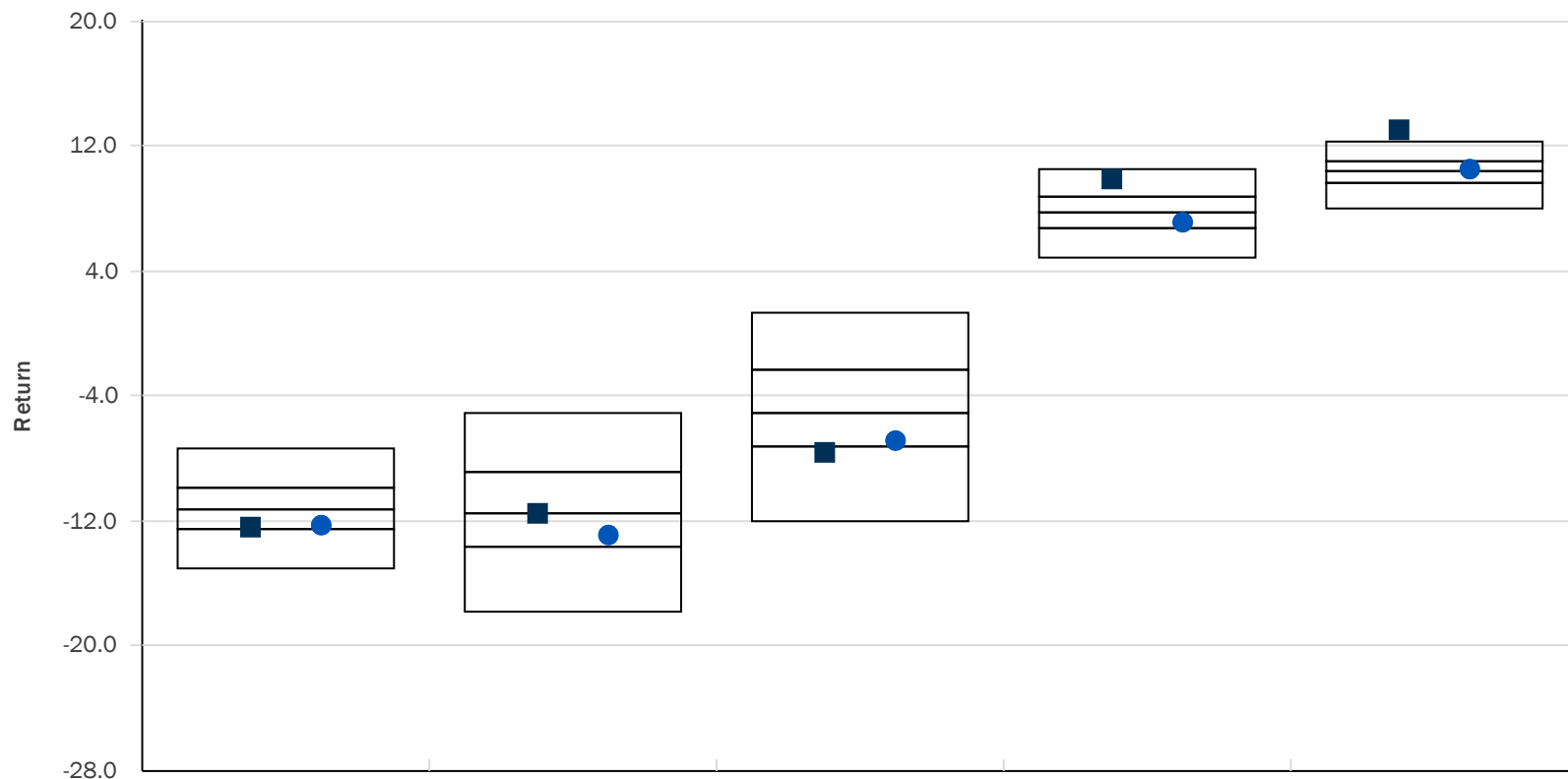




# Dodge & Cox

As of 6/30/22

## Peer Group: Large Value



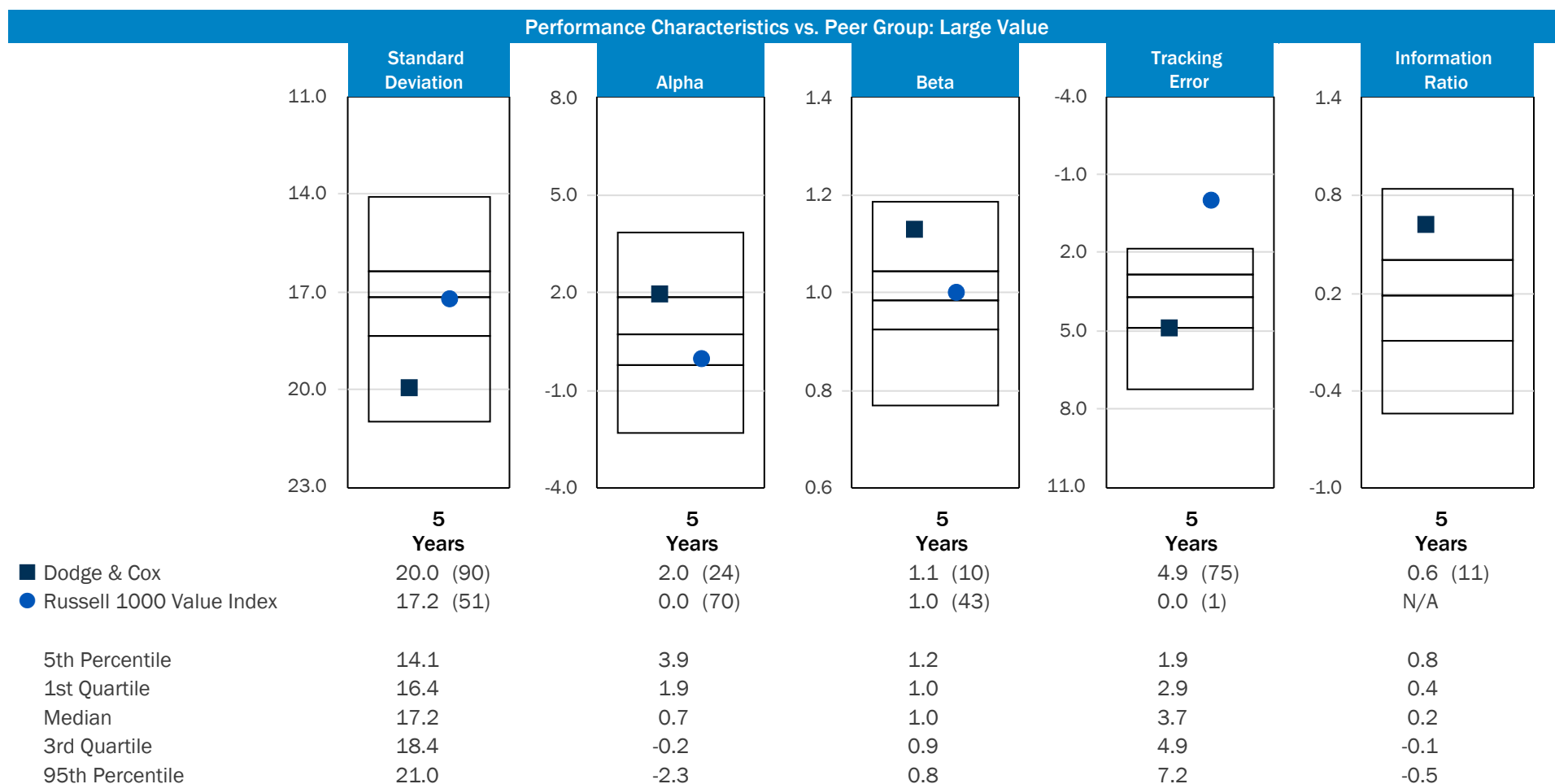
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Dodge & Cox	-12.4 (74)	-11.5 (51)	-7.6 (79)	9.9 (10)	13.1 (2)
● Russell 1000 Value Index	-12.2 (69)	-12.9 (65)	-6.8 (70)	7.2 (68)	10.5 (46)
5th Percentile	-7.3	-5.0	1.3	10.5	12.3
1st Quartile	-9.9	-8.9	-2.3	8.8	11.1
Median	-11.2	-11.5	-5.1	7.8	10.4
3rd Quartile	-12.5	-13.7	-7.2	6.8	9.7
95th Percentile	-15.0	-17.7	-12.0	4.9	8.0
Population	1,804	1,792	1,764	1,639	1,446

Parenteses contain percentile rankings.  
Calculation based on monthly periodicity.

# Dodge & Cox

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox	22.0	40.5	10.4	-4.5	21.3	18.3	-7.1	24.8	7.2	31.7	-11.5	11.3	9.9	13.1
Russell 1000 Value Index	17.5	32.5	13.5	-3.8	17.3	13.7	-8.3	26.5	2.8	25.2	-12.9	6.9	7.2	10.5

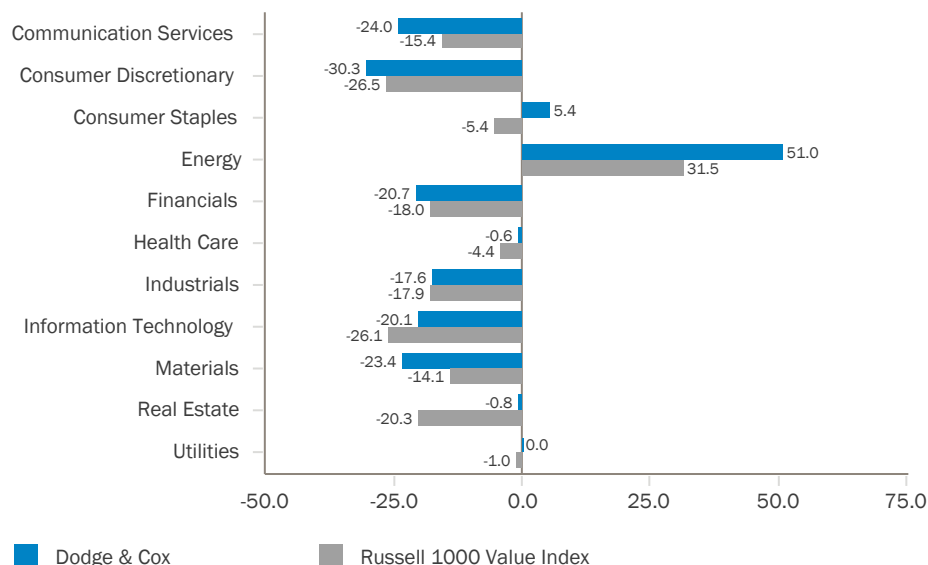


Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized.  
This presentation is accompanied by additional disclosures which can be found on the last pages.  
All information herein is confidential and proprietary.

# Dodge & Cox

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Cigna Corp	2.4	10.4	0.3
Occidental Petroleum Corp	3.4	4.0	0.1
Gilead Sciences Inc	1.2	5.3	0.1
Bristol-Myers Squibb Co	0.5	6.2	0.1
T-Mobile US Inc	1.0	4.8	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

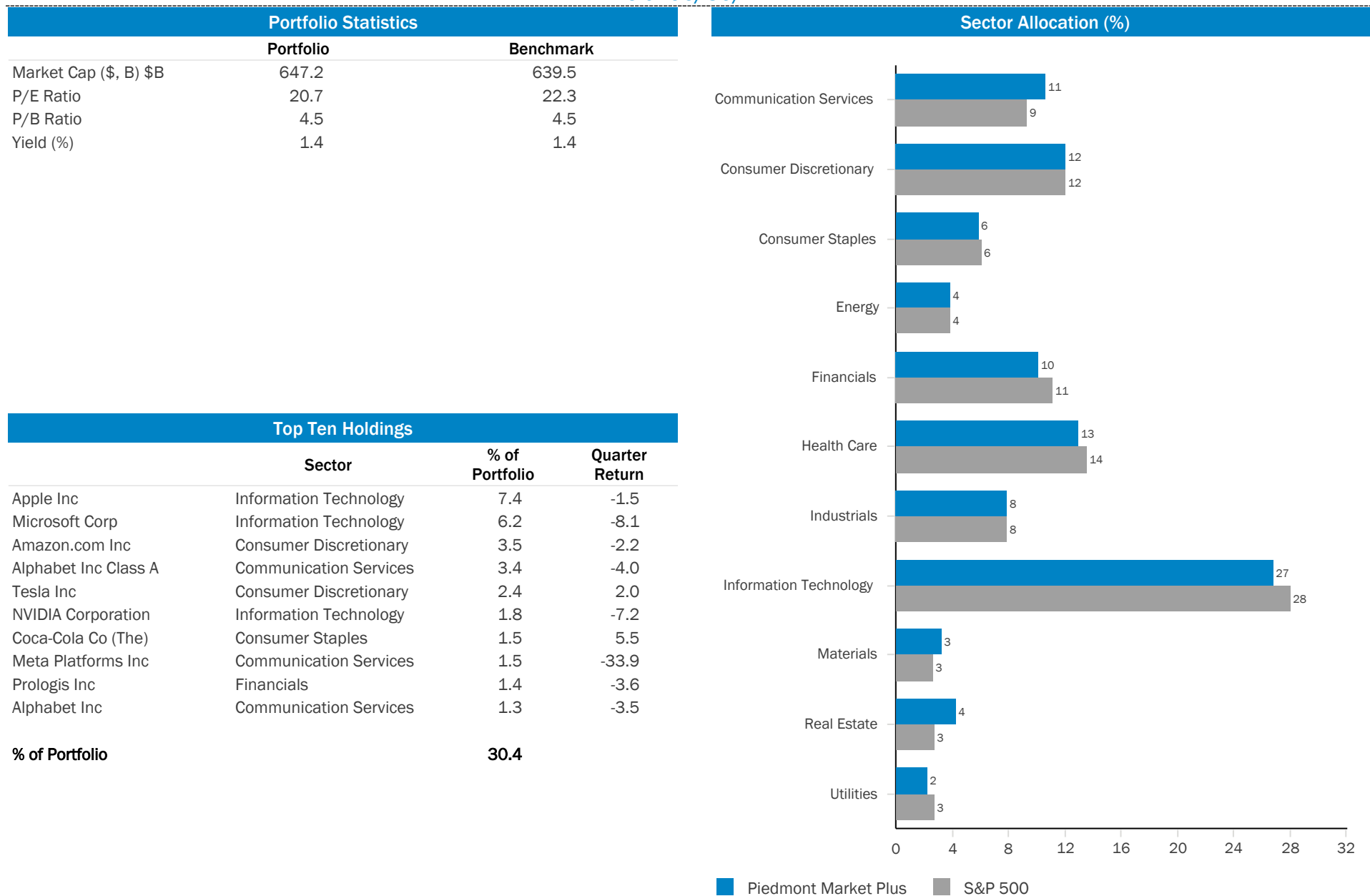
	Relative Weights	Quarter Return	Return Contribution
Schwab (Charles) Corp	3.7	-24.8	-1.1
Alphabet Inc	3.2	-21.7	-0.8
Wells Fargo & Co	3.1	-18.7	-0.8
Capital One Financial Corp.	2.7	-20.2	-0.6
Johnson Controls International Plc	2.0	-26.4	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	13.4	7.1	-24.0	-15.4	-1.3	-0.2	-1.5
Consumer Discretionary	2.5	5.2	-30.3	-26.5	-0.1	0.4	0.3
Consumer Staples	1.8	7.6	5.4	-5.4	0.2	-0.4	-0.2
Energy	8.5	6.8	51.0	31.5	1.2	0.7	1.9
Financials	24.3	20.7	-20.7	-18.0	-0.6	-0.2	-0.8
Health Care	21.2	18.0	-0.6	-4.4	0.7	0.3	1.0
Industrials	8.6	10.9	-17.6	-17.9	0.0	0.1	0.2
Information Technology	18.7	9.5	-20.1	-26.1	1.3	-1.4	-0.1
Materials	0.9	3.9	-23.4	-14.1	-0.1	0.0	0.0
Real Estate	0.0	4.9	-0.8	-20.3	0.0	0.4	0.4
Utilities	0.0	5.3	0.0	-1.0	0.0	-0.6	-0.6
Total	100.0	100.0	-11.7	-12.3	1.3	-0.7	0.6

# Piedmont Market Plus

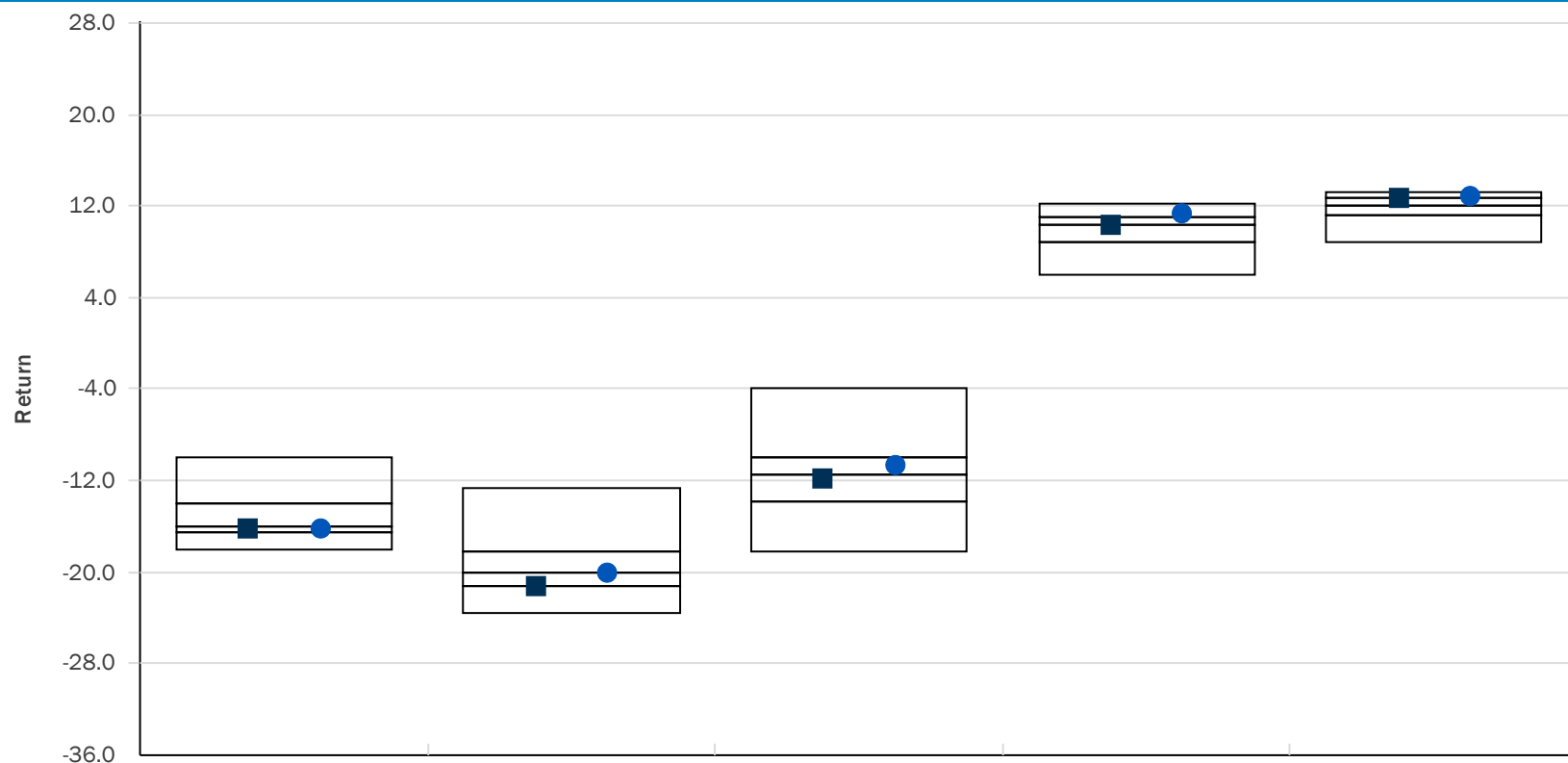
As of 06/30/22



# Piedmont Market Plus

As of 6/30/22

Peer Group: Large Blend



	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Piedmont Market Plus	-16.2 (67)	-21.3 (76)	-11.7 (52)	10.3 (51)	12.7 (23)
● S&P 500	-16.1 (56)	-20.0 (46)	-10.6 (31)	11.3 (15)	13.0 (11)
5th Percentile	-10.0	-12.6	-3.9	12.1	13.3
1st Quartile	-13.9	-18.3	-9.9	11.1	12.7
Median	-15.9	-20.0	-11.5	10.3	12.1
3rd Quartile	-16.5	-21.2	-13.8	8.9	11.2
95th Percentile	-18.0	-23.6	-18.2	6.0	8.9
Population	2,147	2,126	2,082	1,812	1,494

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Piedmont Market Plus

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Piedmont Market Plus	15.4	32.2	16.5	1.7	12.4	25.2	-6.6	28.9	15.6	29.6	-21.3	9.0	10.3	12.7
S&P 500	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0

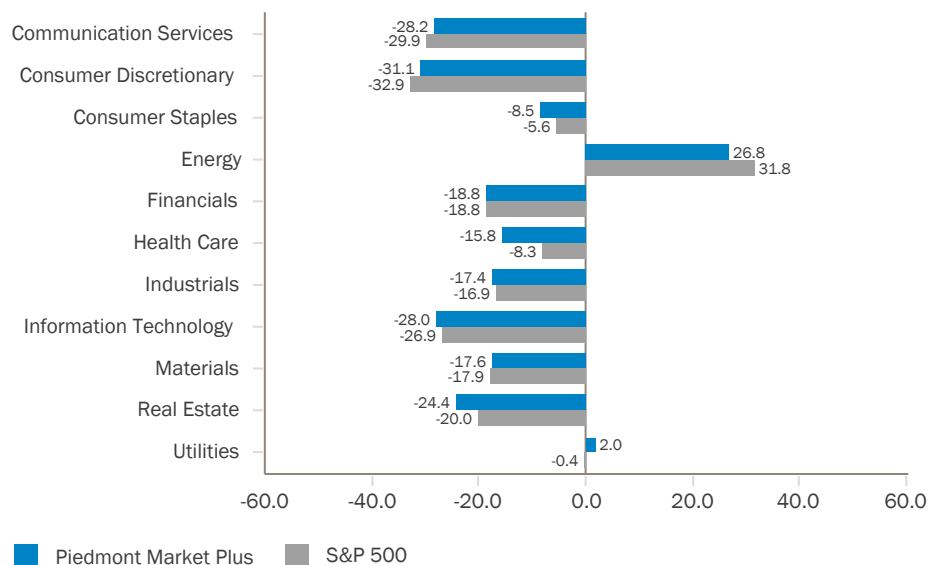


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# Piedmont Market Plus

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
AT&T Inc	0.2	16.7	0.1
Eli Lilly and Co	-0.2	13.6	0.1
Exxon Mobil Corp	0.2	4.7	0.1
Cigna Corp	0.2	10.4	0.0
LKQ Corporation	0.5	8.6	0.0

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Apple Inc	0.3	-21.6	-1.6
Amazon.com Inc	-0.2	-34.8	-1.2
Microsoft Corp	0.2	-16.5	-1.0
Tesla Inc	0.0	-37.5	-0.9
NVIDIA Corporation	0.0	-44.4	-0.8

## Attribution Detail (1/1/2022 to 6/30/2022)

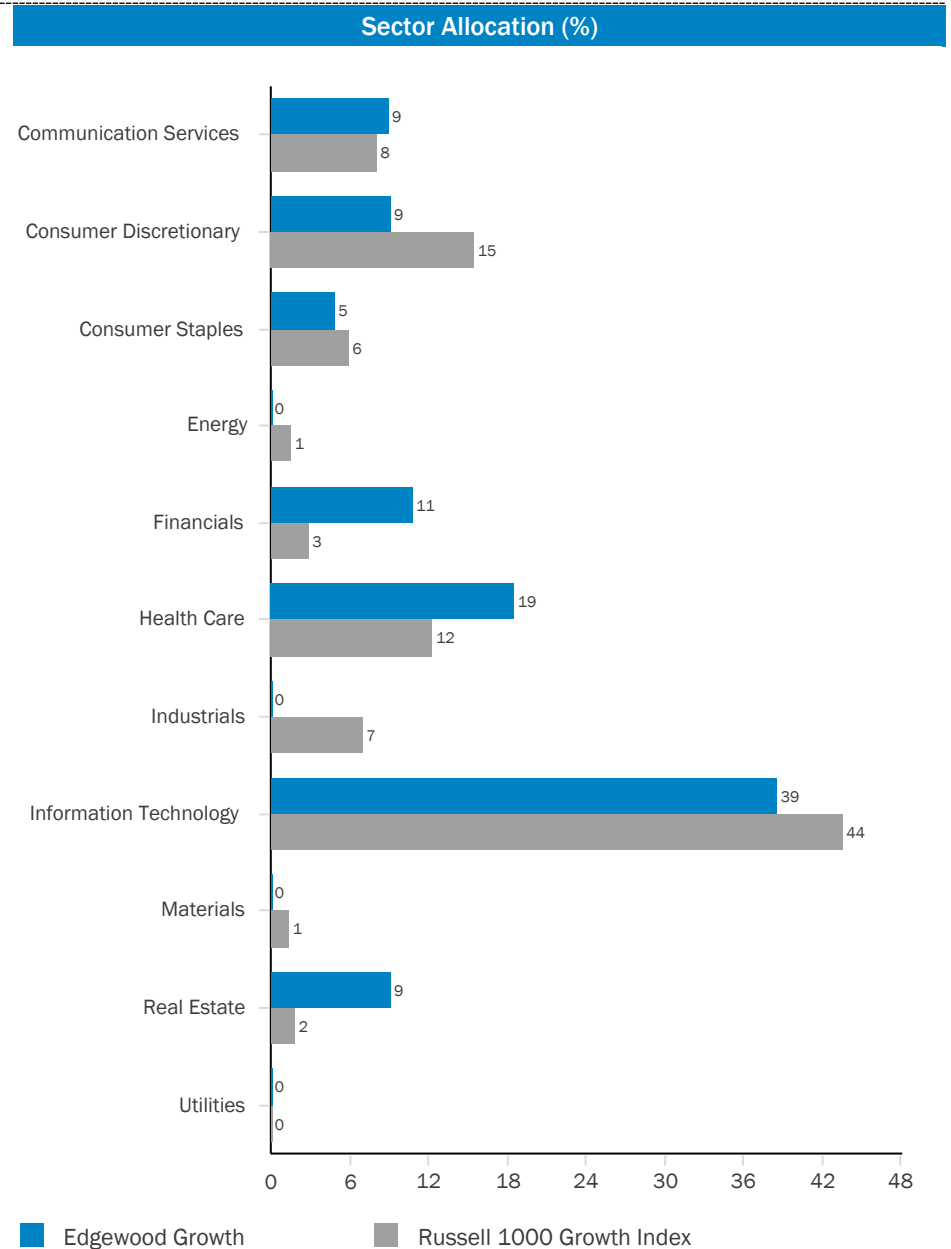
	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	9.7	9.4	-28.2	-29.9	0.2	0.0	0.2
Consumer Discretionary	11.8	11.8	-31.1	-32.9	0.2	0.0	0.2
Consumer Staples	7.3	6.3	-8.5	-5.6	-0.1	0.0	-0.1
Energy	3.9	3.8	26.8	31.8	-0.1	0.1	0.0
Financials	10.1	11.1	-18.8	-18.8	0.0	0.0	0.0
Health Care	12.4	13.6	-15.8	-8.3	-0.8	-0.1	-0.9
Industrials	8.0	7.8	-17.4	-16.9	0.0	0.0	0.0
Information Technology	27.5	28.1	-28.0	-26.9	-0.3	0.0	-0.3
Materials	2.9	2.6	-17.6	-17.9	0.0	0.0	0.0
Real Estate	4.2	2.7	-24.4	-20.0	-0.2	0.0	-0.2
Utilities	2.2	2.7	2.0	-0.4	0.0	-0.1	0.0
Total	100.0	100.0	-21.1	-20.0	-1.1	0.0	-1.1

# Edgewood Growth

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	243.2	721.8
P/E Ratio	34.5	25.4
P/B Ratio	6.6	8.9
Yield (%)	0.8	1.0

Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Visa Inc	Information Technology	9.4	-11.0
American Tower Corp	Financials	6.7	2.9
Microsoft Corp	Information Technology	6.1	-16.5
Danaher Corp	Industrials	5.9	-13.5
Adobe Inc	Information Technology	5.6	-19.7
CME Group Inc	Financials	5.4	-13.5
Intuit Inc.	Information Technology	5.4	-19.7
S&P Global Inc	Financials	5.3	-17.6
NVIDIA Corporation	Information Technology	5.2	-44.4
Intuitive Surgical Inc	Health Care	5.1	-33.5
% of Portfolio		60.1	



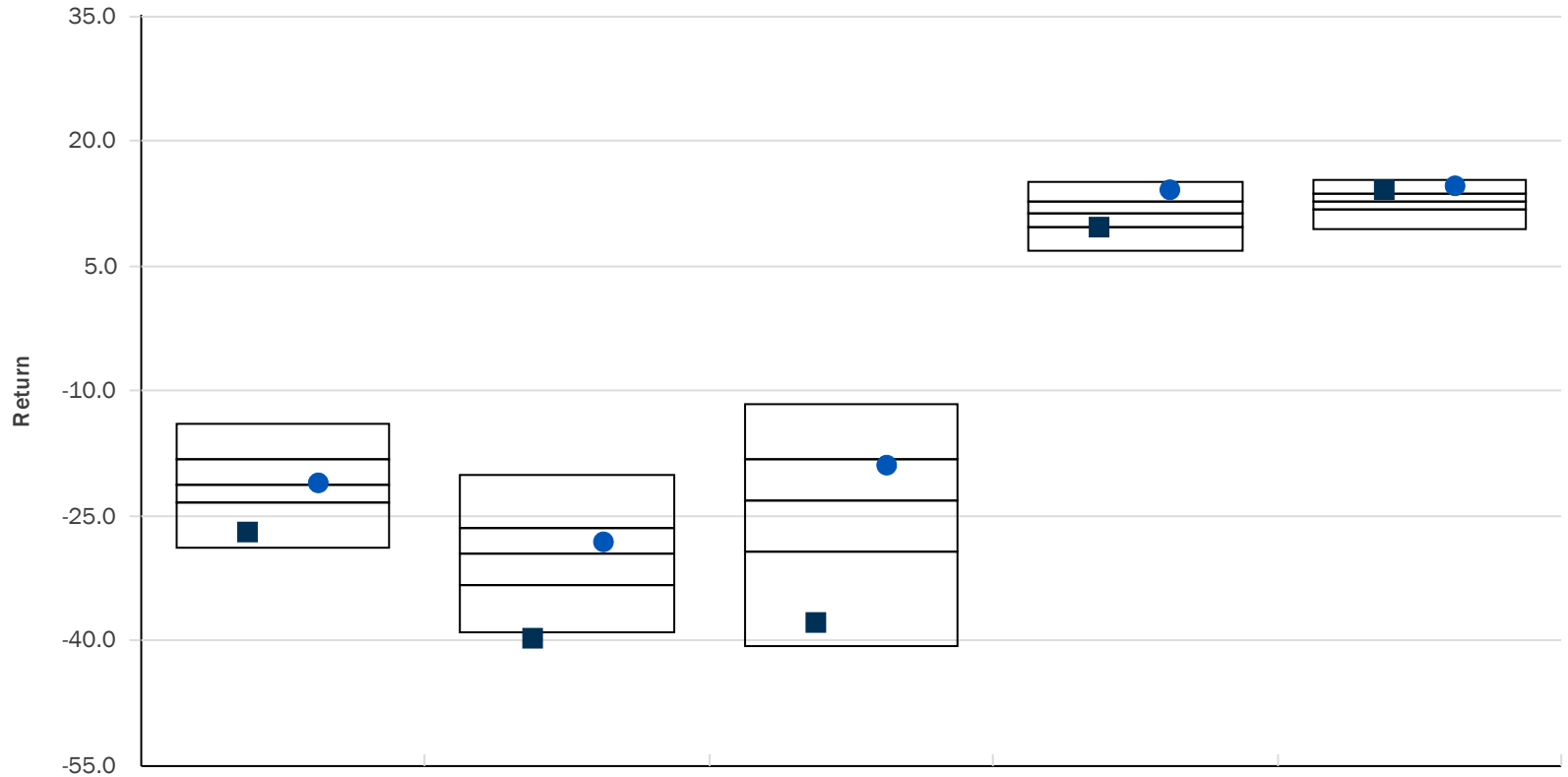
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# Edgewood Growth

As of 6/30/22

Peer Group: Large Growth



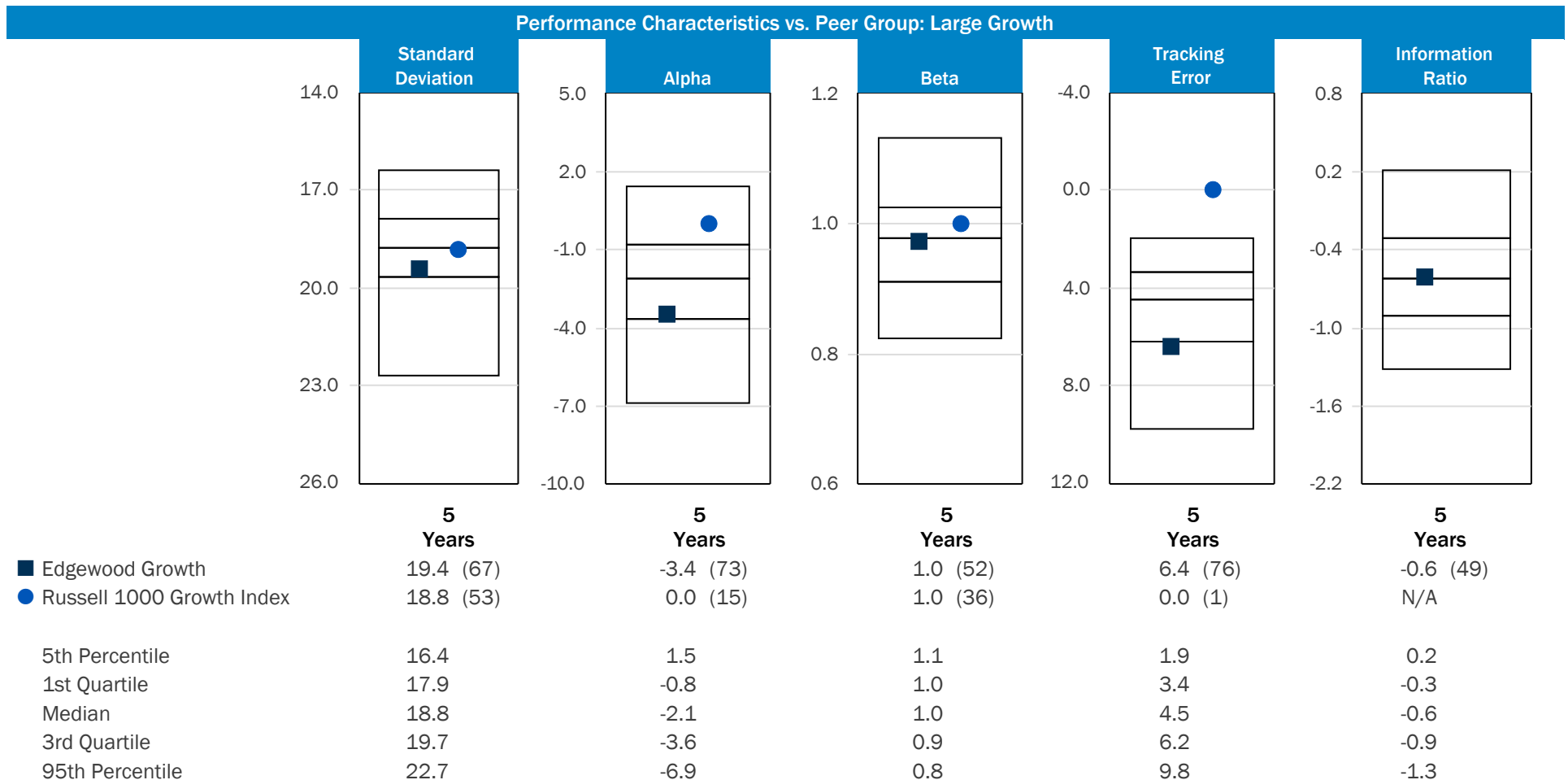
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Edgewood Growth	-26.8 (92)	-39.6 (96)	-37.7 (94)	9.8 (74)	14.3 (15)
● Russell 1000 Growth Index	-20.9 (48)	-28.1 (37)	-18.8 (28)	14.3 (11)	14.8 (9)
5th Percentile	-13.8	-20.1	-11.4	15.3	15.4
1st Quartile	-18.2	-26.4	-18.2	12.7	13.7
Median	-21.2	-29.5	-23.1	11.3	12.8
3rd Quartile	-23.4	-33.2	-29.3	9.6	11.7
95th Percentile	-28.9	-38.9	-40.7	6.9	9.6
Population	1,954	1,943	1,915	1,690	1,510

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Edgewood Growth

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Edgewood Growth	18.7	37.2	13.5	11.6	3.6	34.8	2.3	34.2	42.2	23.6	-39.6	5.1	9.8	14.3
Russell 1000 Growth Index	15.3	33.5	13.1	5.7	7.1	30.2	-1.5	36.4	38.5	27.6	-28.1	12.6	14.3	14.8

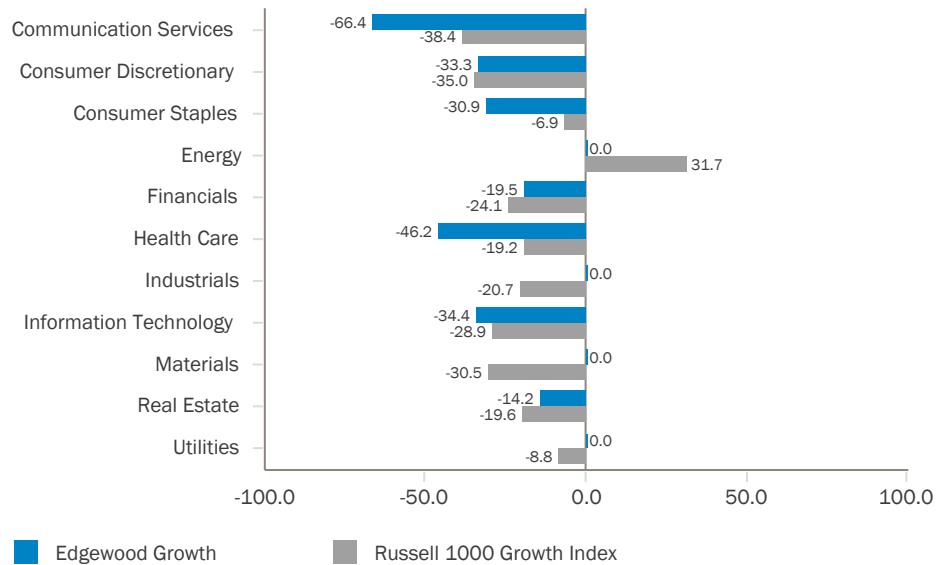


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# Edgewood Growth

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
American Tower Corp	4.2	2.9	0.1
Equinix Inc	1.8	-11.0	-0.2
Estee Lauder Cos Inc (The)	3.4	-6.3	-0.2
ServiceNow Inc	2.6	-14.6	-0.4
CME Group Inc	4.5	-13.5	-0.6

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

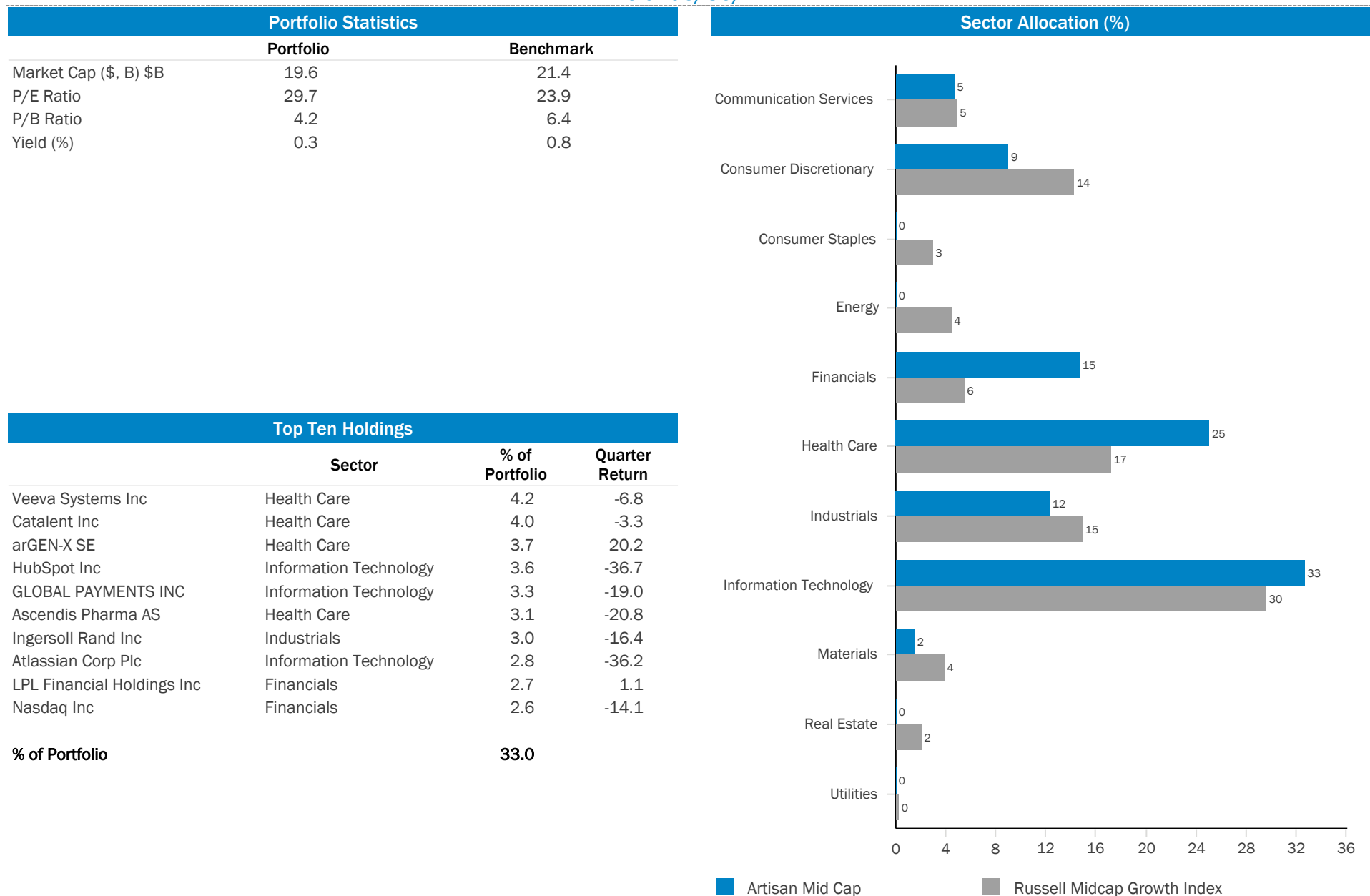
	Relative Weights	Quarter Return	Return Contribution
Snap Inc	5.8	-63.5	-3.7
NVIDIA Corporation	3.7	-44.4	-3.0
Illumina Inc	6.0	-47.2	-2.9
Netflix Inc	3.3	-53.3	-2.2
Intuitive Surgical Inc	5.0	-33.5	-1.8

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	14.5	10.6	-66.4	-38.4	-5.0	-0.5	-5.5
Consumer Discretionary	11.3	18.0	-33.3	-35.0	0.2	0.4	0.6
Consumer Staples	4.1	4.4	-30.9	-6.9	-0.8	-0.1	-0.9
Energy	0.0	0.4	0.0	31.7	0.0	-0.2	-0.2
Financials	9.1	2.5	-19.5	-24.1	0.4	0.3	0.6
Health Care	19.3	8.9	-46.2	-19.2	-5.2	0.8	-4.4
Industrials	0.0	6.1	0.0	-20.7	0.0	-0.4	-0.4
Information Technology	34.1	46.2	-34.4	-28.9	-1.7	0.0	-1.7
Materials	0.0	1.0	0.0	-30.5	0.0	0.0	0.0
Real Estate	7.7	1.8	-14.2	-19.6	0.4	0.4	0.8
Utilities	0.0	0.0	0.0	-8.8	0.0	0.0	0.0
Total	100.0	100.0	-39.4	-28.5	-11.7	0.8	-10.9

# Artisan Mid Cap

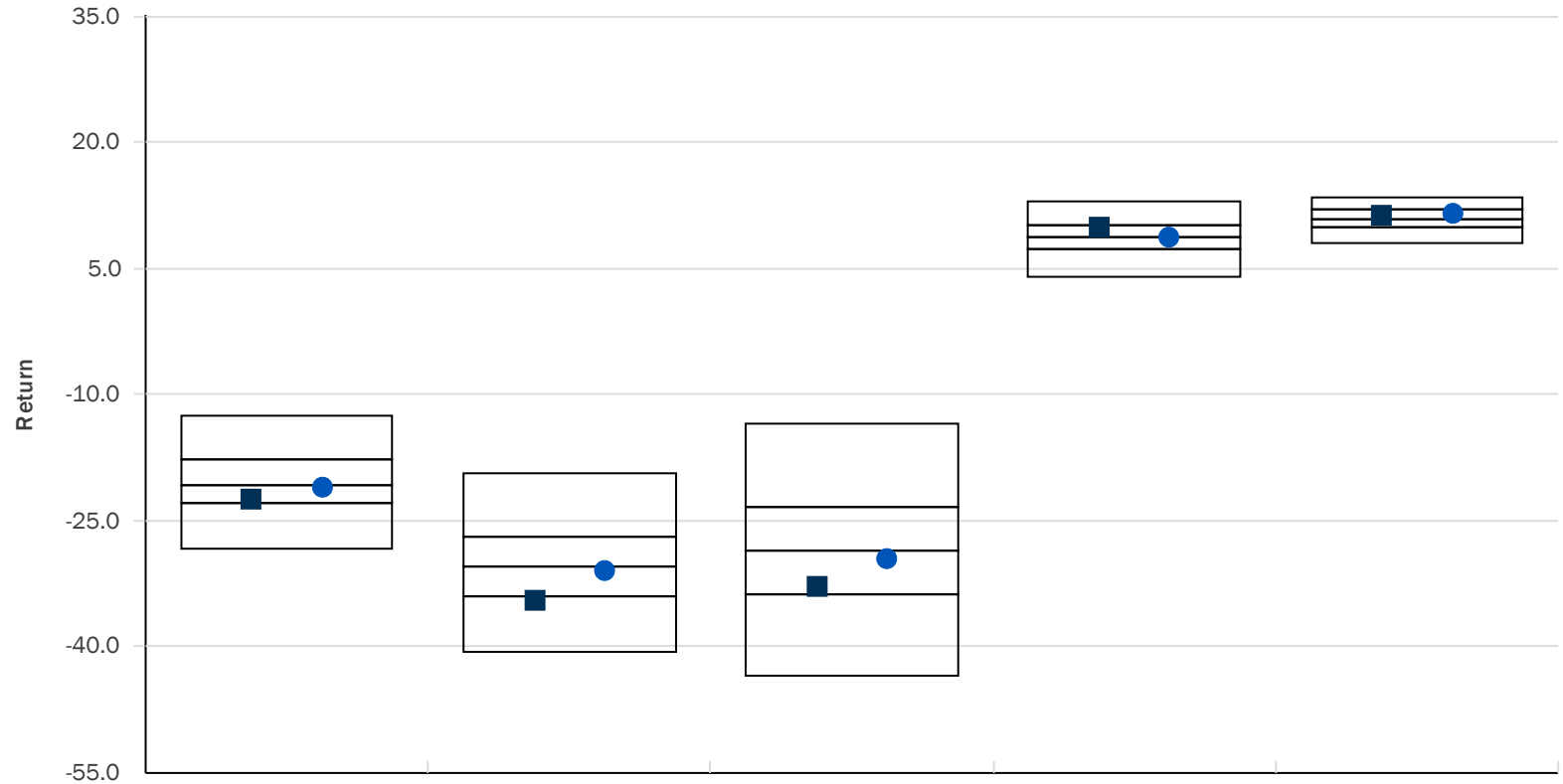
As of 06/30/22



# Artisan Mid Cap

As of 6/30/22

## Peer Group: Mid-Cap Growth



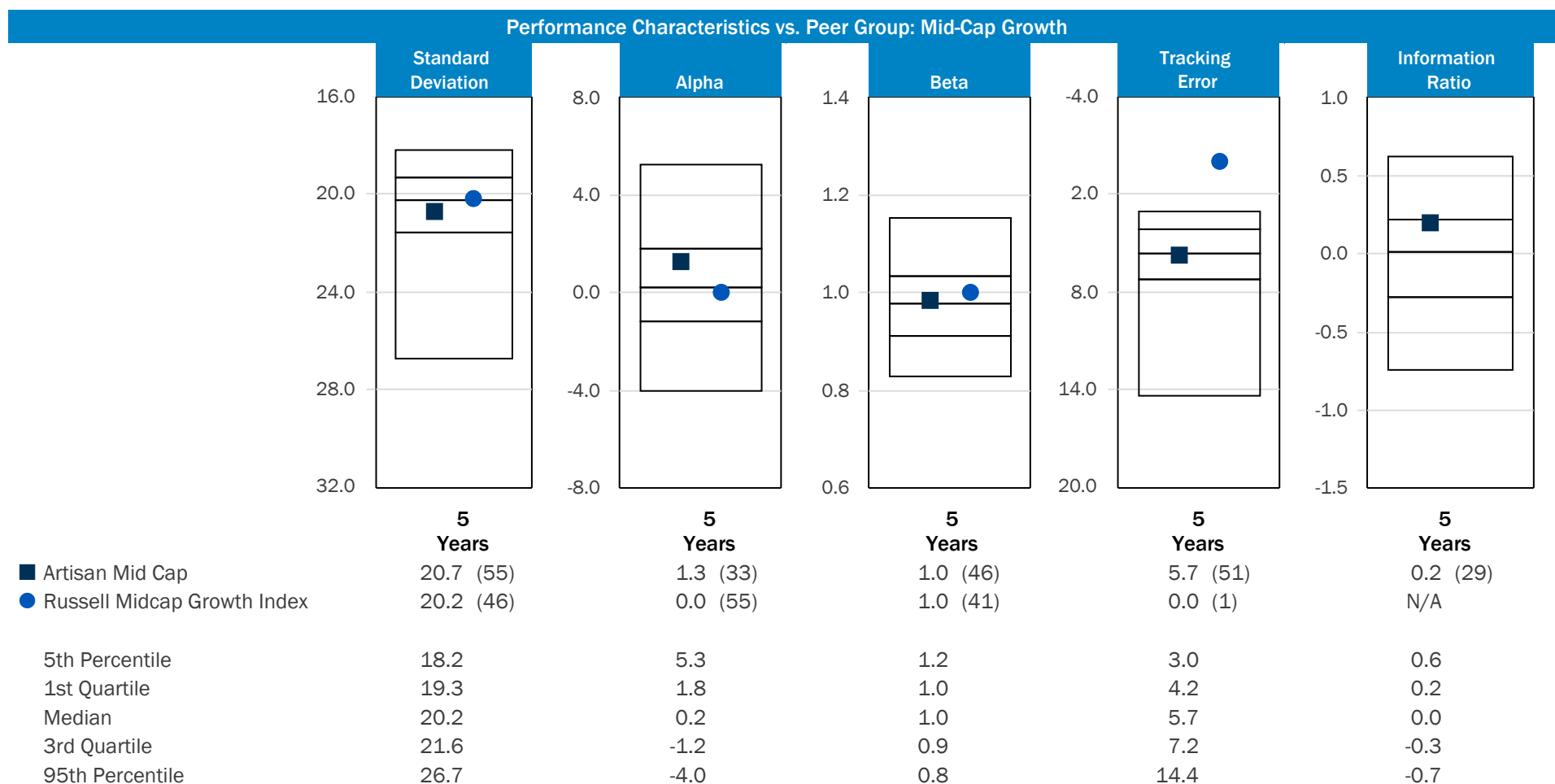
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Artisan Mid Cap	-22.4 (72)	-34.4 (77)	-32.8 (71)	10.0 (30)	11.5 (37)
● Russell Midcap Growth Index	-21.1 (58)	-31.0 (55)	-29.6 (59)	8.9 (48)	11.5 (36)
5th Percentile	-12.6	-19.4	-13.5	13.1	13.5
1st Quartile	-17.8	-26.9	-23.4	10.3	12.0
Median	-20.7	-30.5	-28.6	8.7	10.8
3rd Quartile	-22.9	-34.1	-33.8	7.3	9.8
95th Percentile	-28.2	-40.5	-43.5	4.1	8.1
Population	932	932	919	789	700

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Artisan Mid Cap

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Artisan Mid Cap	19.8	37.7	6.0	2.4	-0.6	20.8	-3.8	38.5	59.1	10.6	-34.4	6.0	10.0	11.5
Russell Midcap Growth Index	15.8	35.7	11.9	-0.2	7.3	25.3	-4.8	35.5	35.6	12.7	-31.0	4.3	8.9	11.5

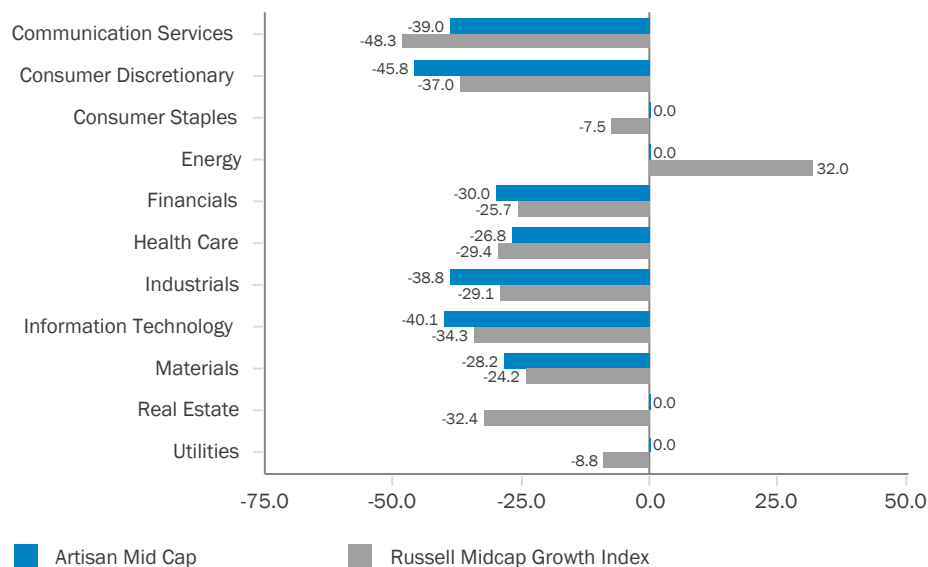


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# Artisan Mid Cap

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
arGEN-X SE	2.3	20.2	0.5
LPL Financial Holdings Inc	1.6	1.1	0.0
BioNTech SE	0.5	-11.4	-0.1
Neogenomics Inc	0.2	-32.9	-0.1
Catalent Inc	3.0	-3.3	-0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

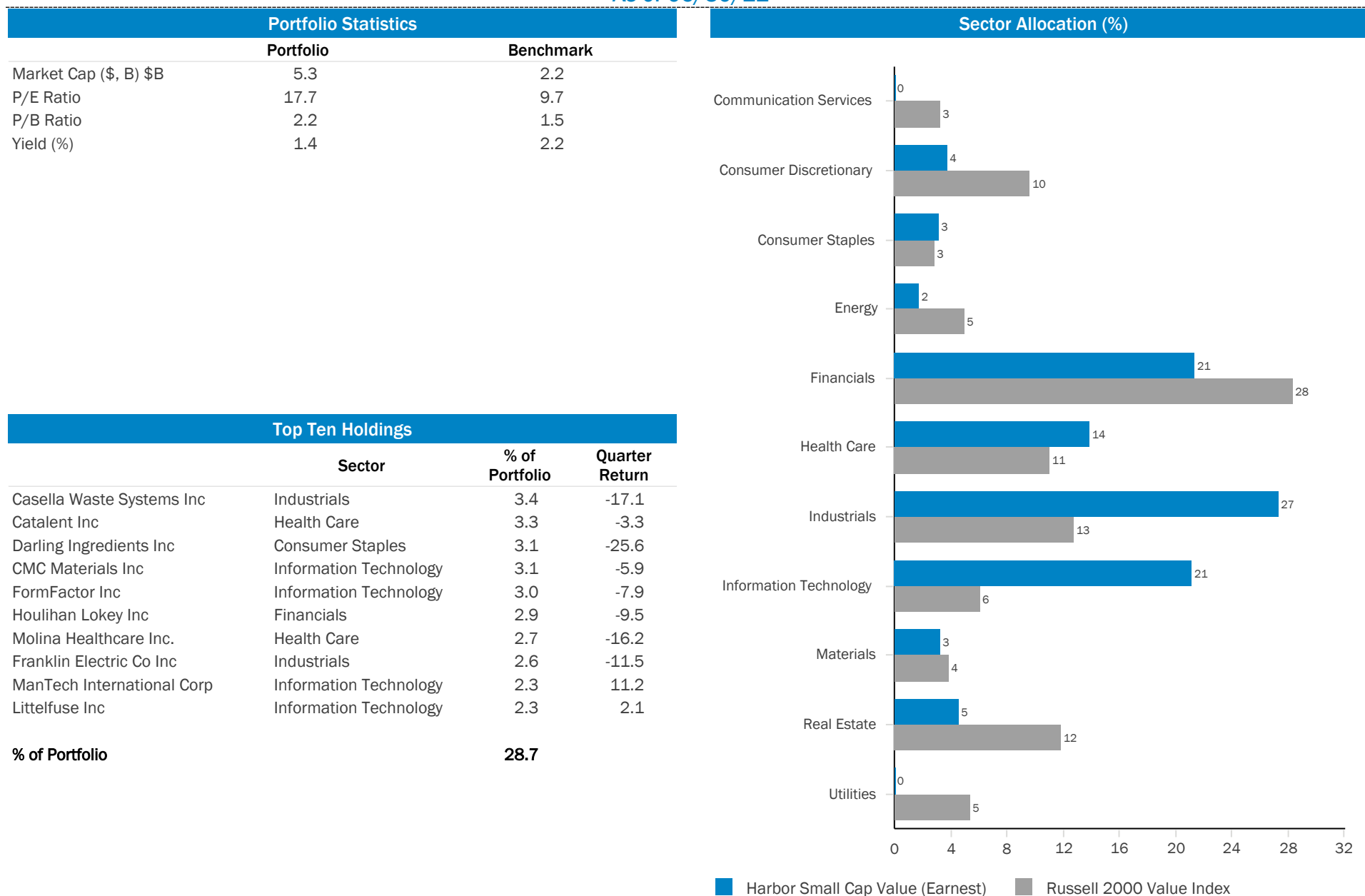
	Relative Weights	Quarter Return	Return Contribution
HubSpot Inc	3.6	-36.7	-1.6
Atlassian Corp Plc	3.2	-36.2	-1.2
Zscaler Inc	1.9	-38.0	-0.9
ZoomInfo Technologies Inc	2.0	-44.4	-0.9
SVB Financial Group	2.7	-29.4	-0.8

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	8.0	3.2	-39.0	-48.3	1.2	-0.9	0.3
Consumer Discretionary	9.7	15.5	-45.8	-37.0	-1.0	0.3	-0.6
Consumer Staples	0.0	2.1	0.0	-7.5	0.0	-0.4	-0.4
Energy	0.0	2.4	0.0	32.0	0.0	-1.0	-1.0
Financials	13.4	5.4	-30.0	-25.7	-0.5	0.5	-0.1
Health Care	20.9	16.8	-26.8	-29.4	0.7	0.2	0.9
Industrials	11.9	15.4	-38.8	-29.1	-1.1	-0.1	-1.2
Information Technology	34.7	34.5	-40.1	-34.3	-2.2	0.0	-2.1
Materials	1.5	2.1	-28.2	-24.2	-0.1	0.0	-0.1
Real Estate	0.0	2.5	0.0	-32.4	0.0	0.0	0.0
Utilities	0.0	0.2	0.0	-8.8	0.0	0.0	0.0
Total	100.0	100.0	-35.8	-31.3	-3.0	-1.5	-4.4

# Harbor Small Cap Value (Earnest)

As of 06/30/22



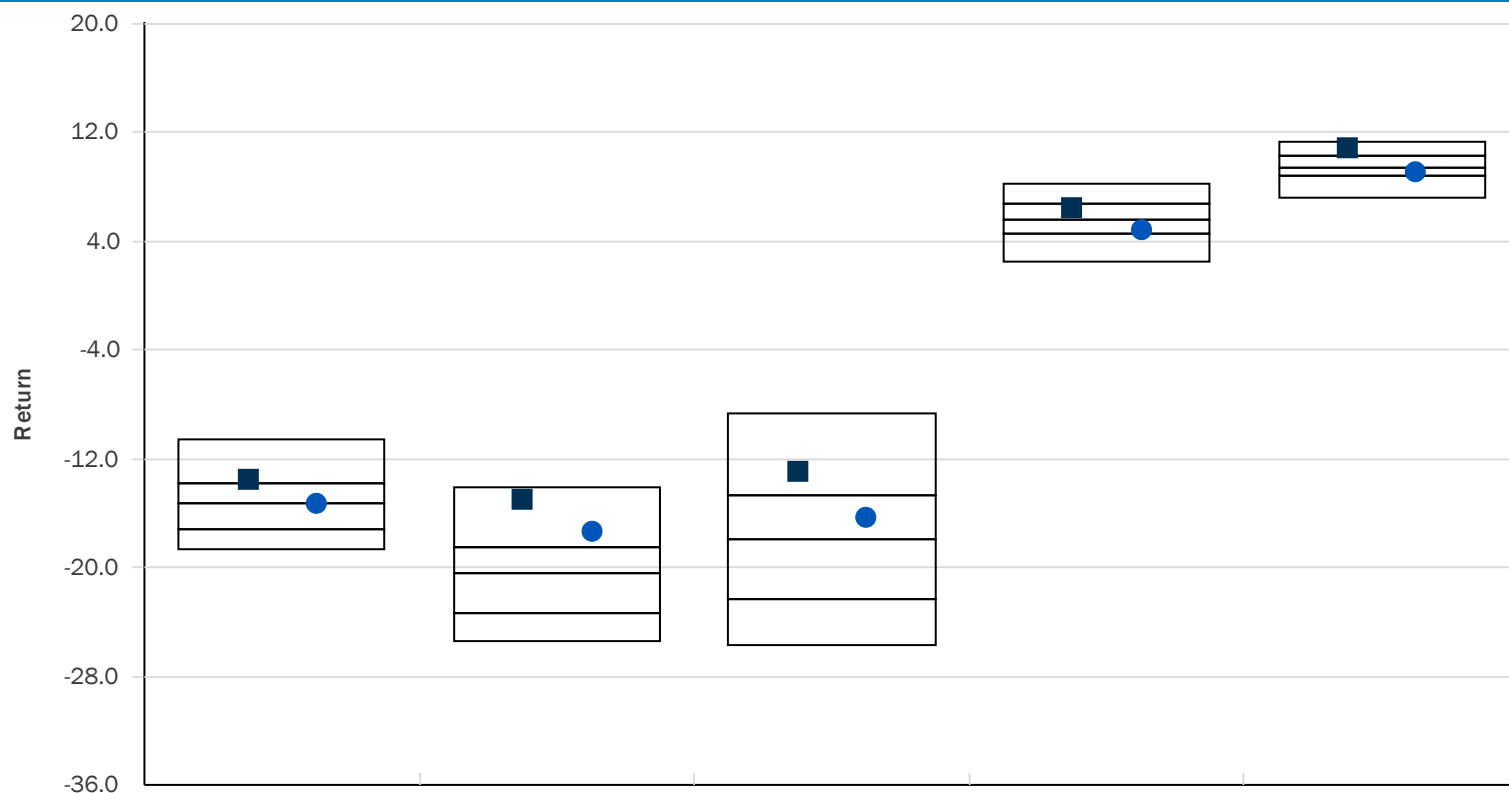
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# Harbor Small Cap Value (Earnest)

As of 6/30/22

Peer Group: Small Blend



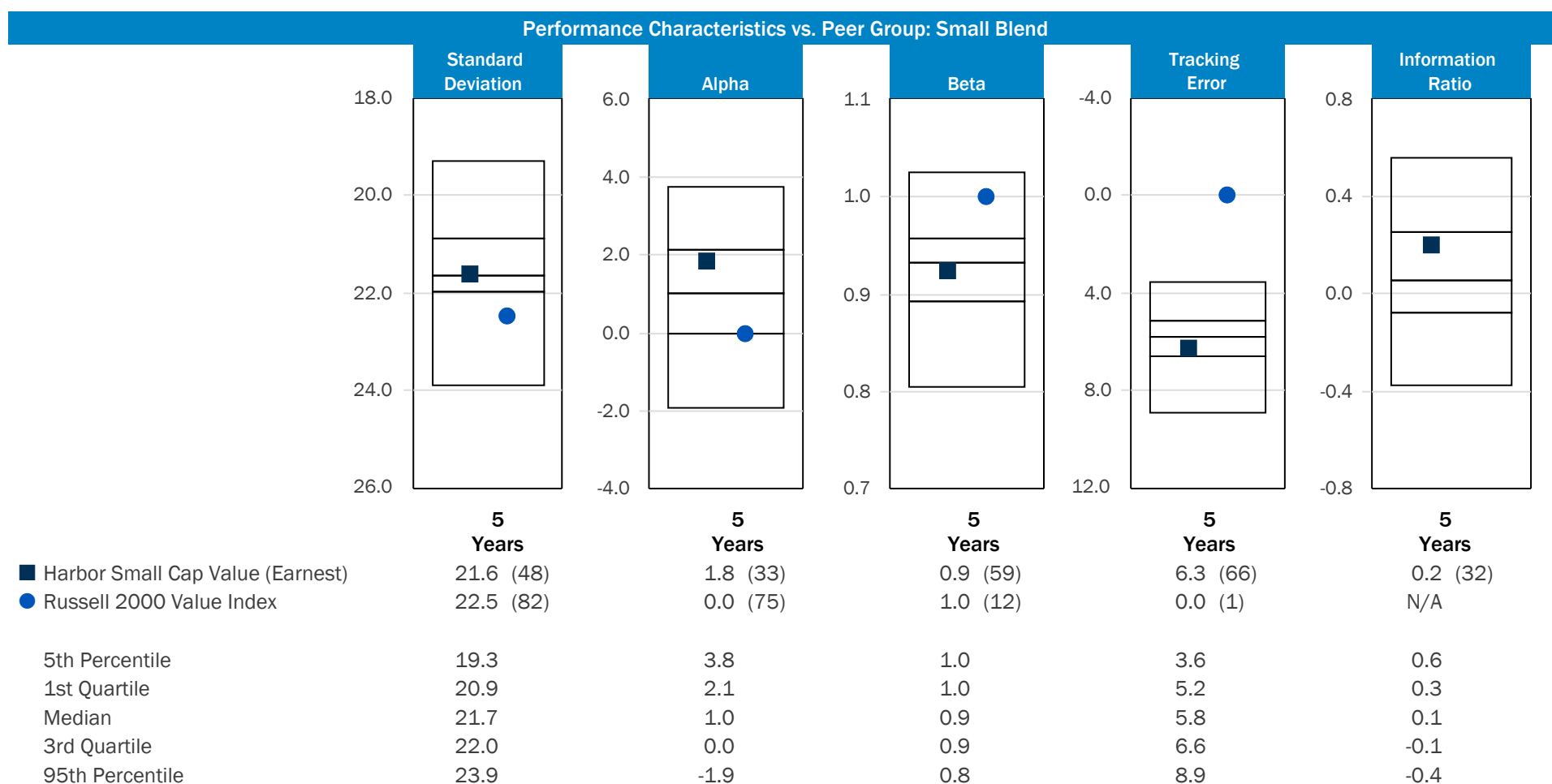
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Harbor Small Cap Value (Earnest)	-13.5 (21)	-15.0 (8)	-13.0 (19)	6.5 (31)	10.9 (12)
● Russell 2000 Value Index	-15.3 (50)	-17.3 (17)	-16.3 (35)	4.9 (69)	9.1 (66)
5th Percentile	-10.6	-14.1	-8.7	8.3	11.3
1st Quartile	-13.8	-18.5	-14.7	6.7	10.3
Median	-15.3	-20.5	-17.9	5.5	9.4
3rd Quartile	-17.1	-23.3	-22.3	4.6	8.8
95th Percentile	-18.7	-25.5	-25.7	2.6	7.2
Population	971	971	960	892	715

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Harbor Small Cap Value (Earnest)

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Harbor Small Cap Value (Earnest)	14.2	35.6	7.9	-3.7	23.5	21.7	-15.9	29.1	13.2	14.8	-15.0	6.0	6.5	10.9
Russell 2000 Value Index	18.1	34.5	4.2	-7.5	31.7	7.8	-12.9	22.4	4.6	28.3	-17.3	6.2	4.9	9.1

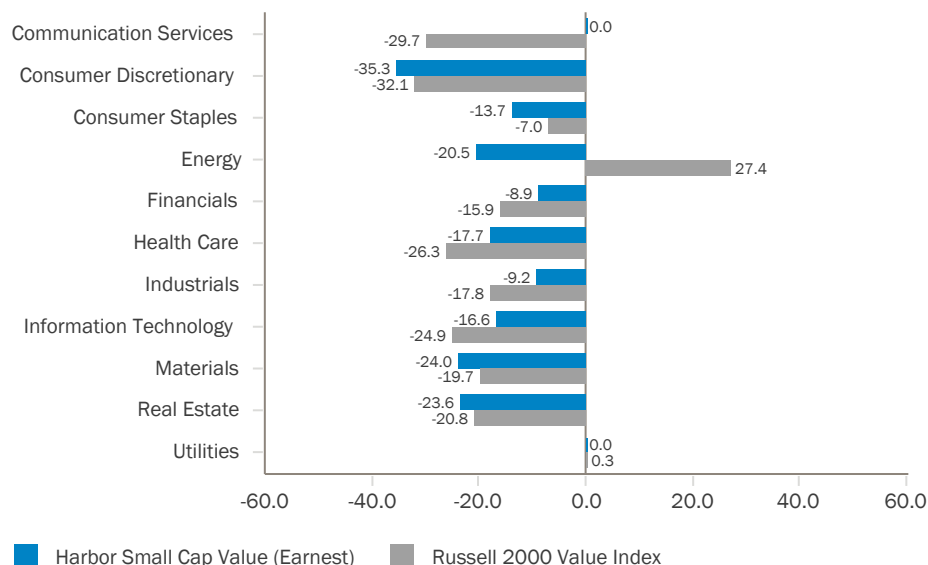


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# Harbor Small Cap Value (Earnest)

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Meridian Bioscience Inc	1.1	17.2	0.2
ManTech International Corp	1.6	11.2	0.2
Reinsurance Group of America Inc.	1.7	7.8	0.1
Parsons Corp	1.6	4.4	0.1
United Fire Group Inc	0.6	10.7	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Sabre Corp	2.0	-49.0	-1.0
CONMED Corp	2.7	-35.4	-1.0
Darling Ingredients Inc	3.6	-25.6	-0.9
Casella Waste Systems Inc	3.6	-17.1	-0.6
Scotts Miracle-Gro Co (The)	1.7	-35.3	-0.6

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	0.0	3.4	0.0	-29.7	0.0	0.5	0.5
Consumer Discretionary	4.3	7.4	-35.3	-32.1	-0.2	0.5	0.3
Consumer Staples	3.4	3.1	-13.7	-7.0	-0.3	0.1	-0.2
Energy	2.0	8.9	-20.5	27.4	-0.8	-2.1	-2.9
Financials	21.2	26.2	-8.9	-15.9	1.4	0.0	1.4
Health Care	13.7	9.0	-17.7	-26.3	1.2	-0.4	0.8
Industrials	25.6	15.1	-9.2	-17.8	2.2	-0.1	2.0
Information Technology	21.3	5.4	-16.6	-24.9	1.9	-1.4	0.5
Materials	3.6	4.5	-24.0	-19.7	-0.2	0.0	-0.1
Real Estate	5.0	11.6	-23.6	-20.8	-0.1	0.3	0.2
Utilities	0.0	5.3	0.0	0.3	0.0	-0.9	-0.9
Total	100.0	100.0	-14.9	-16.4	5.1	-3.6	1.5

# EuroPacific Growth Fund

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	107.6	69.5
P/E Ratio	16.0	12.5
P/B Ratio	3.4	2.4
Yield (%)	2.4	3.6

## Top Ten Holdings

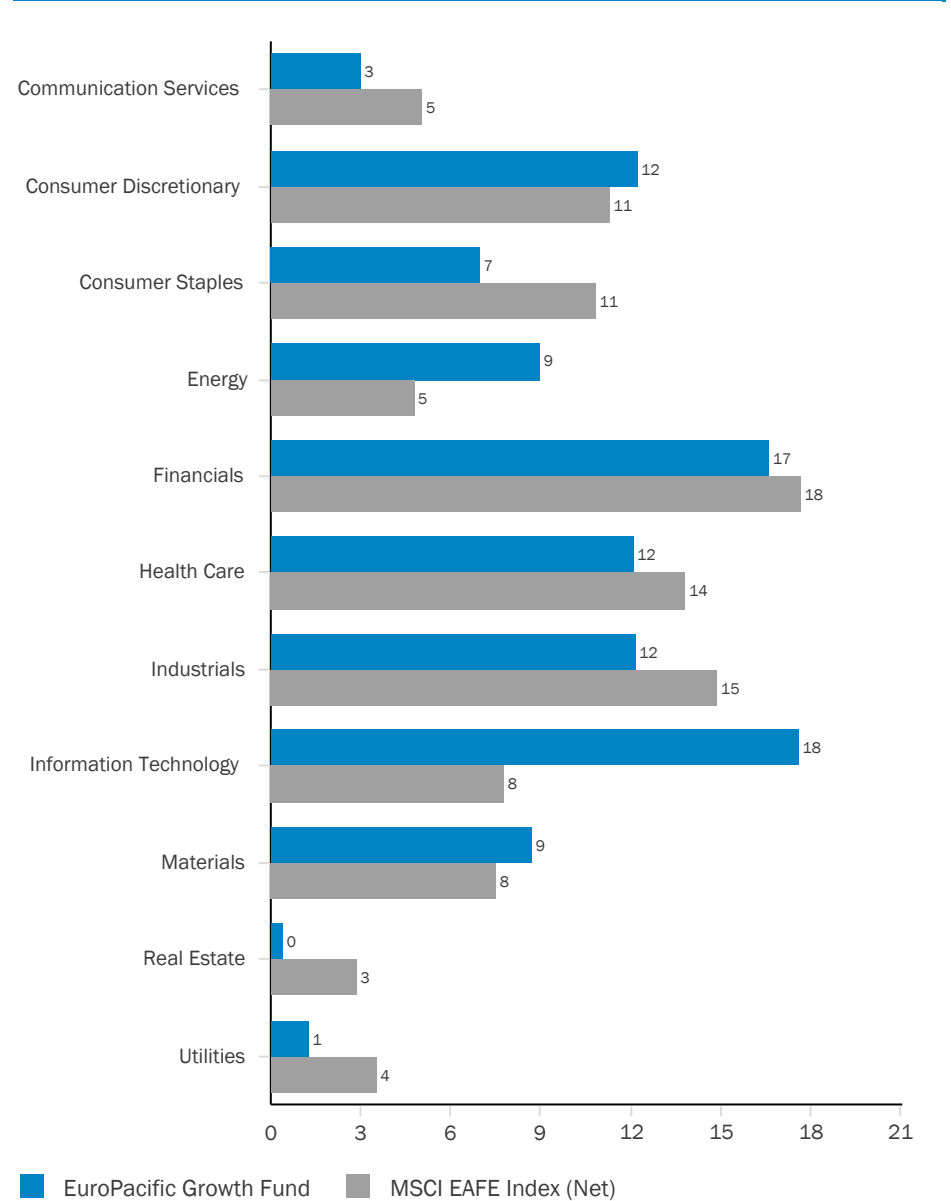
	Sector	% of Portfolio	Quarter Return
Reliance Indus	Energy	4.1	-5.3
ASML Holding NV	Information Technology	3.3	-29.2
Taiwan Semiconductor Manufacturing	Information Technology	2.8	-22.8
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.6	-15.4
AIA Group Ltd	Financials	2.2	4.4
Canadian Natural Resources Ltd	Energy	2.0	-12.5
Airbus SE	Industrials	2.0	-20.0
Daiichi Sankyo Co	Health Care	1.9	14.6
WuXi Biologics (Cayman) Inc	Health Care	1.4	10.2
H D F C Bank Ltd	Financials	1.4	-10.9

% of Portfolio 23.7

## Regional Allocation (%)

	Manager	Index
Canada	6.1	0.0
United States	1.5	0.2
Europe	47.0	64.5
Asia Pacific	15.9	34.4
<b>Developed Markets</b>	<b>70.5</b>	<b>99.1</b>
Americas	4.7	0.0
Europe	0.2	0.0
Asia Pacific	22.5	0.0
<b>Emerging Markets</b>	<b>27.4</b>	<b>0.0</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)

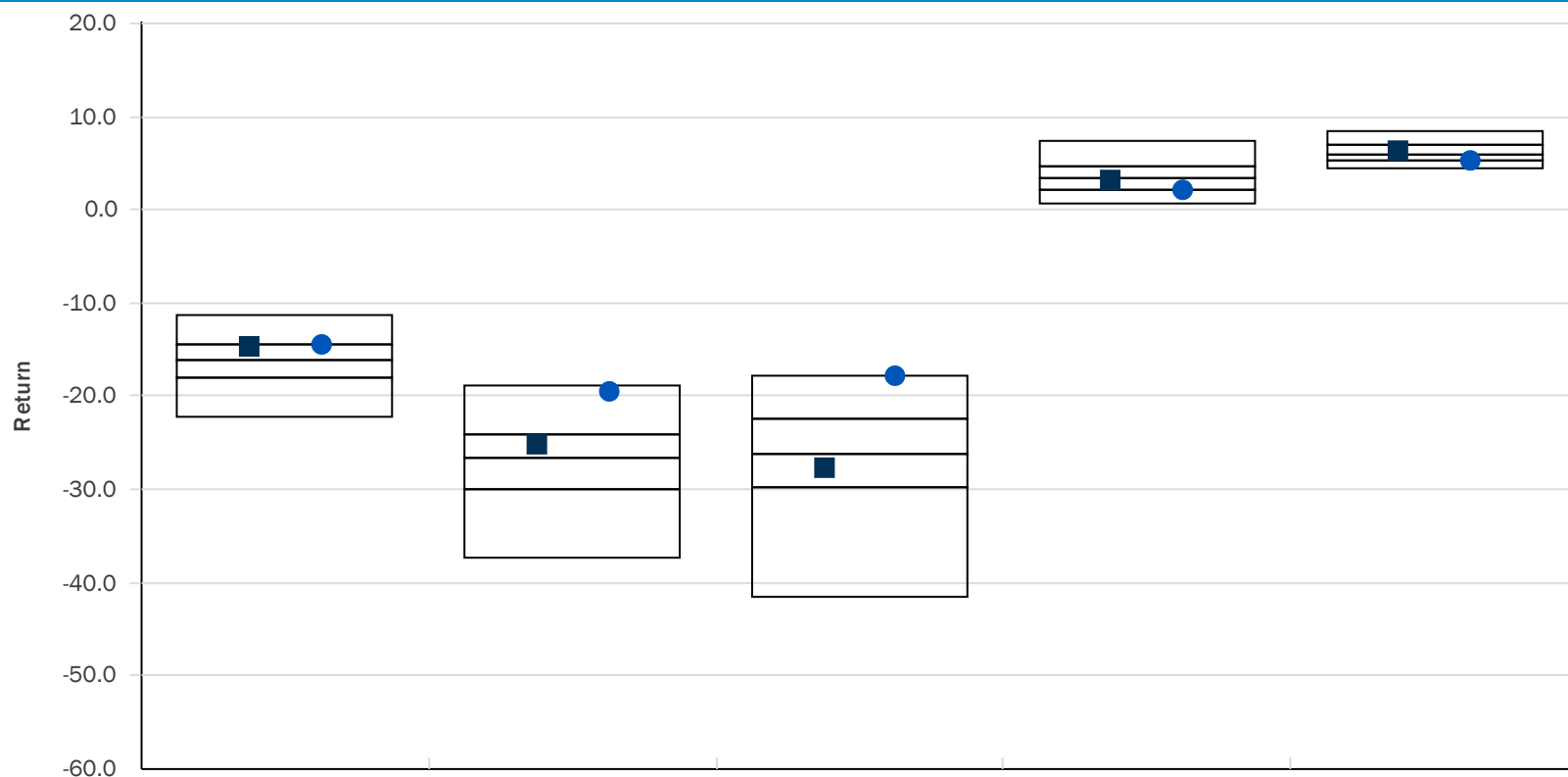


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# EuroPacific Growth Fund

As of 6/30/22

Peer Group: Foreign Large Growth



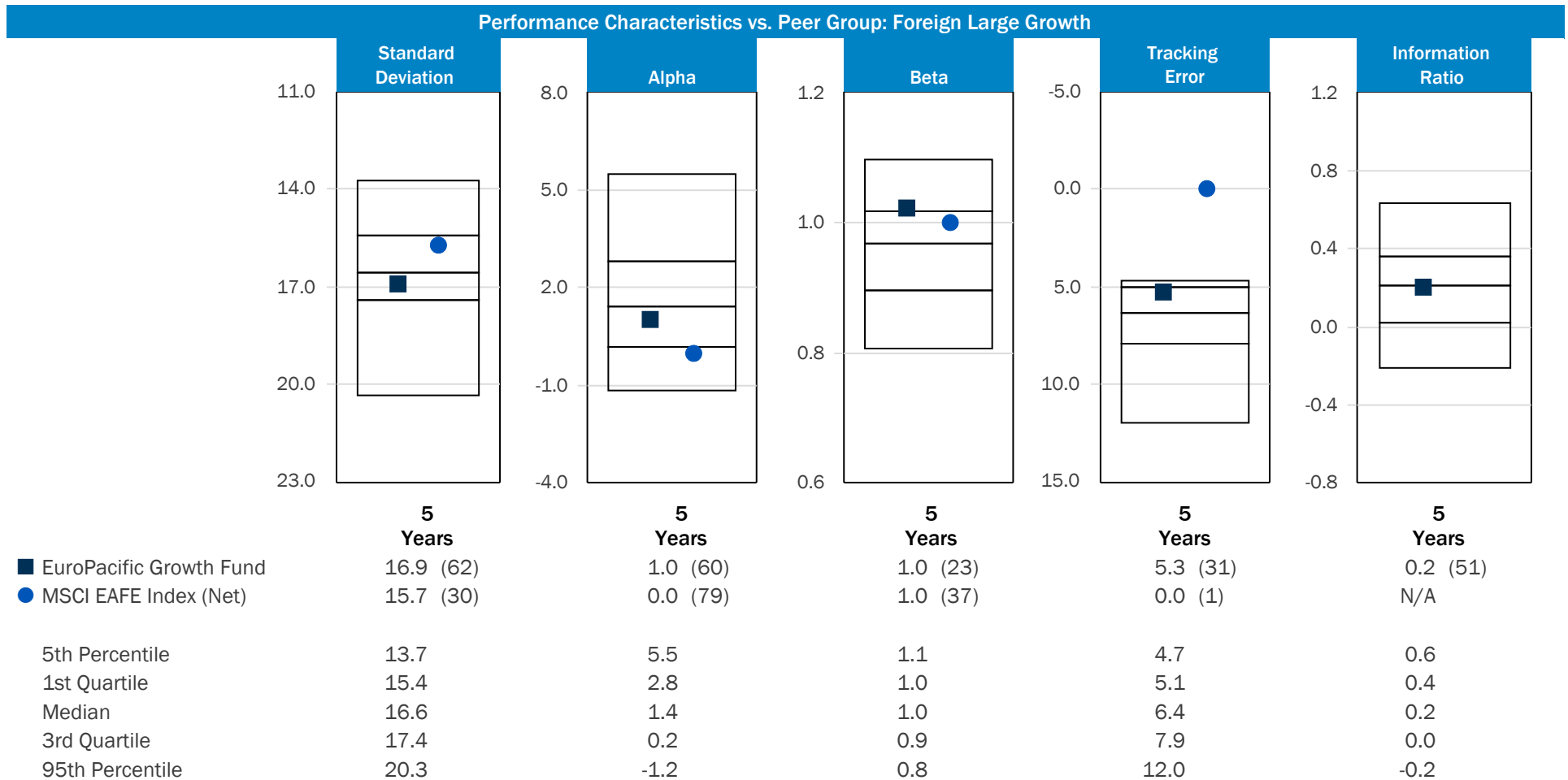
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ EuroPacific Growth Fund	-14.7 (30)	-25.1 (32)	-27.7 (62)	3.1 (56)	6.3 (37)
● MSCI EAFE Index (Net)	-14.5 (28)	-19.6 (9)	-17.8 (6)	2.2 (74)	5.4 (73)
5th Percentile	-11.2	-18.9	-17.8	7.3	8.5
1st Quartile	-14.4	-24.0	-22.4	4.7	7.0
Median	-16.1	-26.7	-26.2	3.4	5.9
3rd Quartile	-17.9	-30.1	-29.8	2.1	5.3
95th Percentile	-22.2	-37.4	-41.5	0.8	4.4
Population	686	683	676	575	469

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# EuroPacific Growth Fund

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
EuroPacific Growth Fund	19.6	20.6	-2.3	-0.5	1.0	31.2	-14.9	27.4	25.3	2.8	-25.1	1.5	3.1	6.3
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

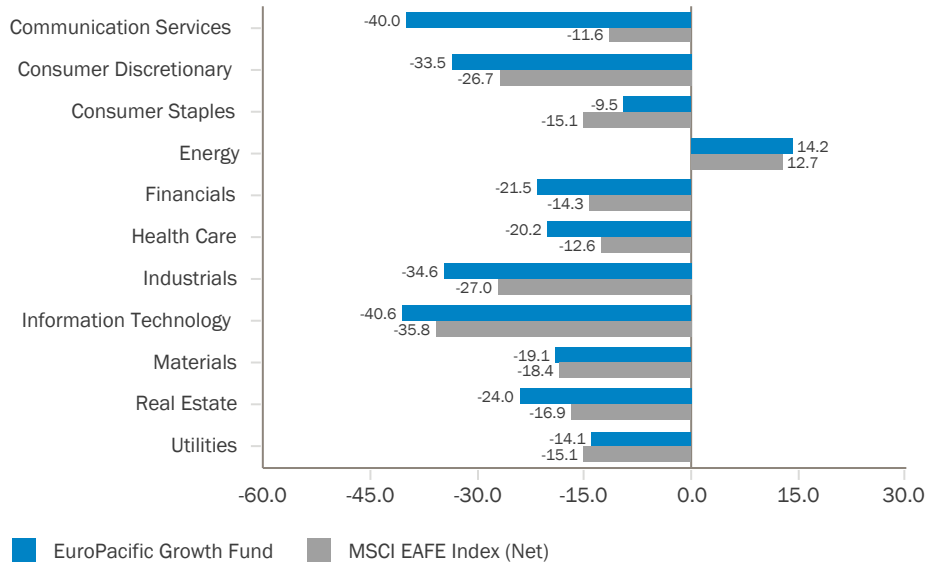


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# EuroPacific Growth Fund

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Daiichi Sankyo Co	1.2	14.6	0.2
Swedish Match AB	0.4	35.6	0.2
Gazprom PJSC	0.0	1,003.3	0.2
Kweichow Moutai Co Ltd	1.0	13.9	0.1
WuXi Biologics (Cayman) Inc	1.1	10.2	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
ASML Holding NV	2.1	-29.2	-1.1
Taiwan Semiconductor Manufacturing	3.0	-22.8	-0.7
MercadoLibre Inc	1.4	-46.5	-0.7
First Quantum Minerals Ltd	1.2	-45.4	-0.5
Sika AG, Baar	1.3	-30.5	-0.5

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.8	4.8	-40.0	-11.6	-1.3	-0.1	-1.3
Consumer Discretionary	12.9	11.9	-33.5	-26.7	-1.0	-0.1	-1.1
Consumer Staples	5.8	10.4	-9.5	-15.1	0.3	-0.2	0.2
Energy	7.8	4.1	14.2	12.7	0.1	0.9	1.0
Financials	15.9	17.6	-21.5	-14.3	-1.1	-0.1	-1.2
Health Care	11.1	12.9	-20.2	-12.6	-0.8	-0.1	-0.9
Industrials	12.3	15.4	-34.6	-27.0	-1.0	0.3	-0.8
Information Technology	20.0	8.6	-40.6	-35.8	-1.2	-2.0	-3.2
Materials	8.7	8.0	-19.1	-18.4	-0.1	-0.1	-0.2
Real Estate	0.5	2.9	-24.0	-16.9	0.0	-0.1	-0.1
Utilities	1.3	3.5	-14.1	-15.1	0.0	-0.1	-0.1
Total	100.0	100.0	-26.8	-19.2	-6.0	-1.6	-7.6

# Boston Partners International (John Hancock)

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	69.4	69.5
P/E Ratio	9.5	12.5
P/B Ratio	1.9	2.4
Yield (%)	3.6	3.6

## Top Ten Holdings

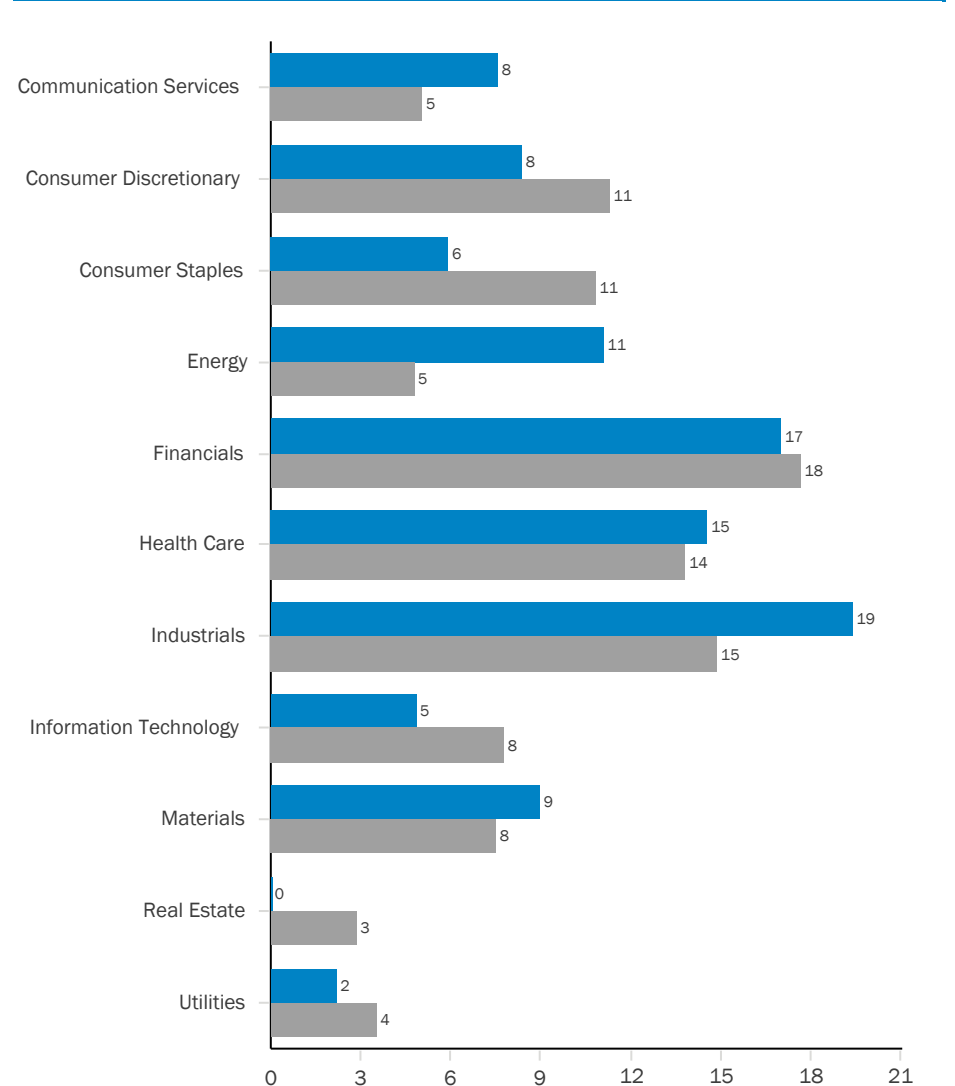
	Sector	% of Portfolio	Quarter Return
Cenovus Energy Inc	Energy	5.0	14.4
Sanofi	Health Care	4.2	1.9
BAE Systems PLC	Industrials	3.5	7.6
Coca-Cola Europacific Partners PLC	Consumer Staples	3.2	7.4
Novartis AG	Health Care	3.1	-4.3
Deutsche Telekom AG	Communication Services	2.9	9.2
TotalEnergies SE	Energy	2.8	4.3
Roche Holding AG	Health Care	2.6	-16.4
Svenska Handelsbanken	Financials	2.4	-8.3
Shell Plc	Energy	2.3	-5.9

% of Portfolio **32.0**

## Regional Allocation (%)

	Manager	Index
Canada	8.4	0.0
United States	2.0	0.2
Europe	65.1	64.5
Asia Pacific	15.4	34.4
<b>Developed Markets</b>	<b>90.9</b>	<b>99.1</b>
Europe	0.8	0.0
Asia Pacific	6.2	0.0
<b>Emerging Markets</b>	<b>6.9</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)



■ Boston Partners International (John Hancock)

■ MSCI EAFE Index (Net)

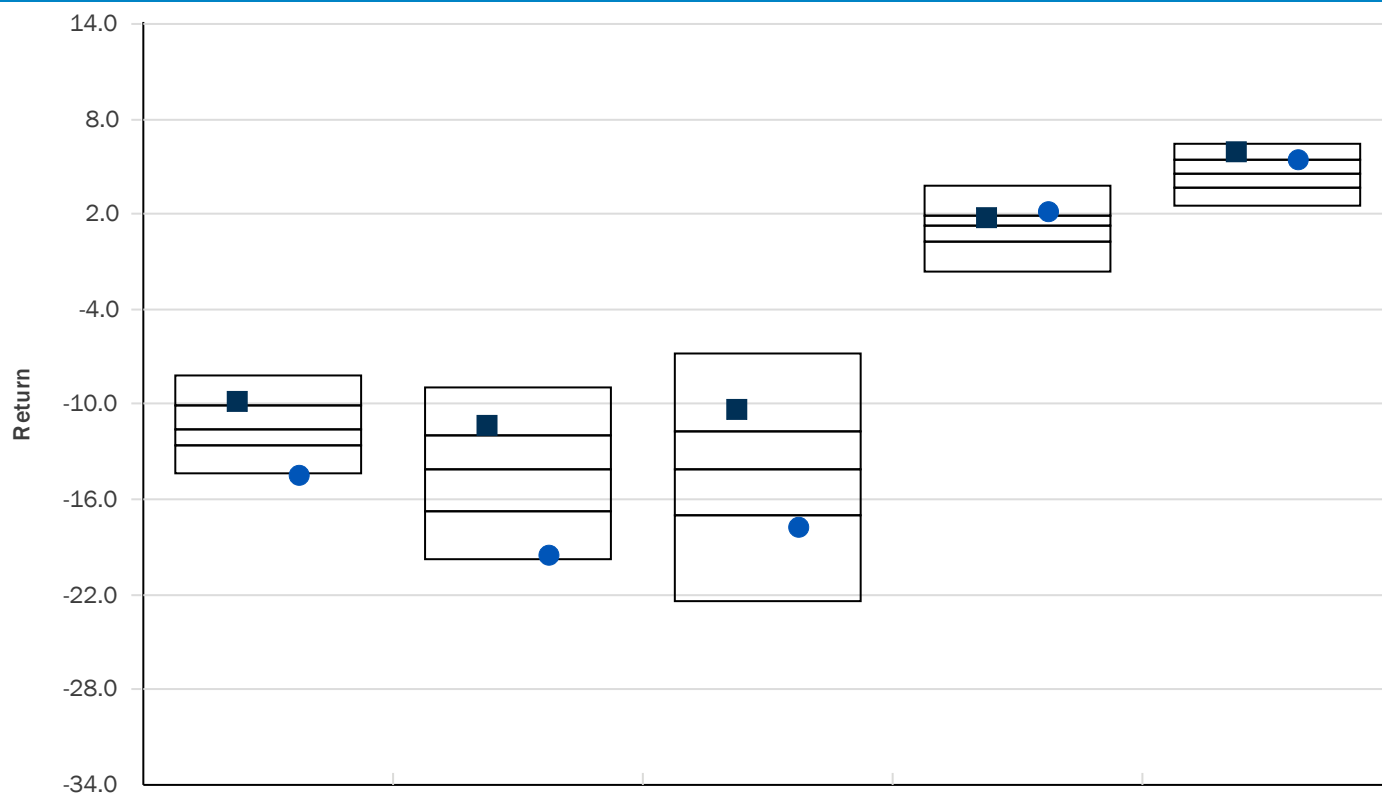
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# Boston Partners International (John Hancock)

As of 6/30/22

Peer Group: Foreign Large Value



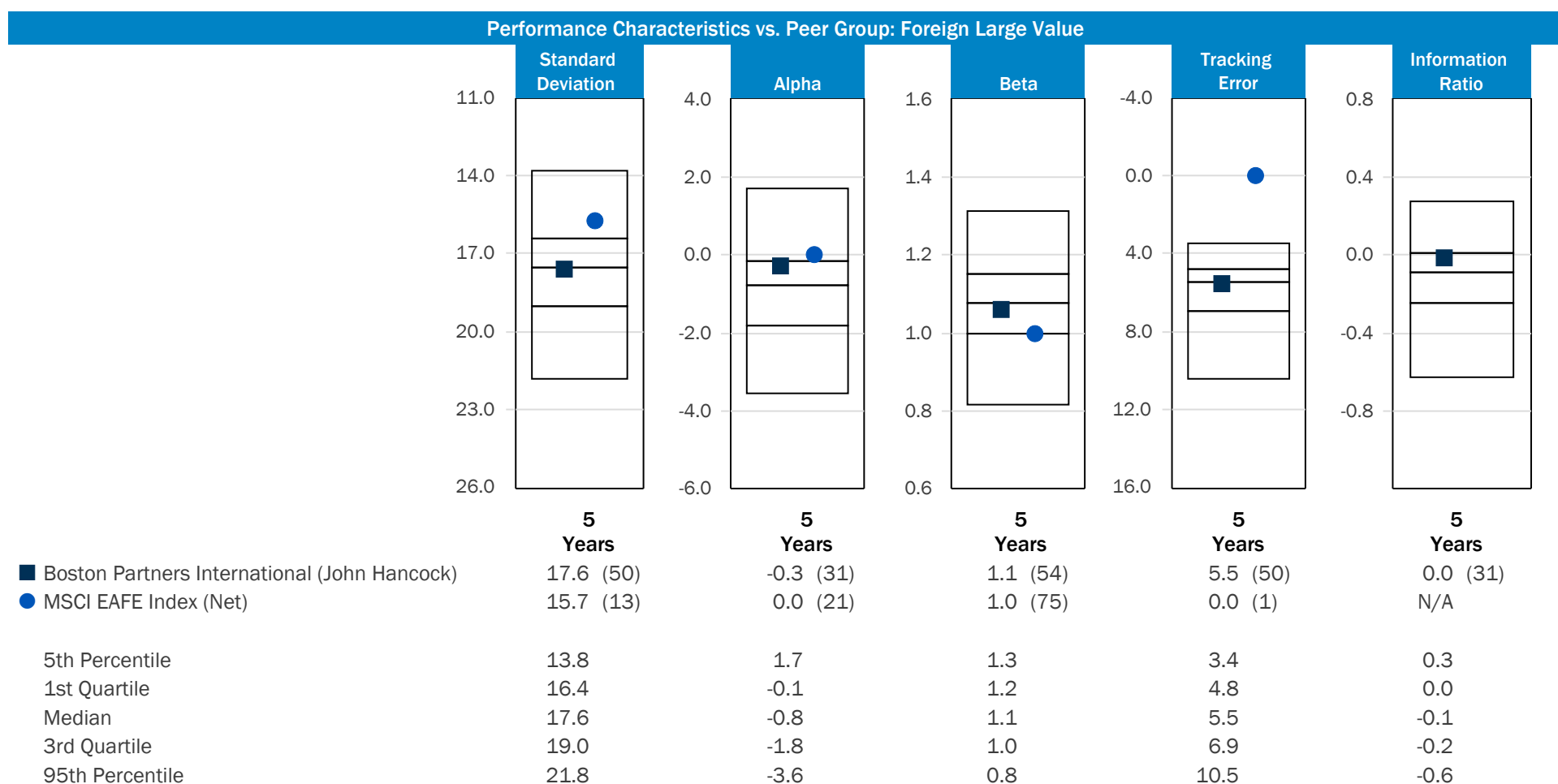
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Boston Partners International (John Hancock)	-9.9 (21)	-11.3 (22)	-10.3 (19)	1.8 (30)	5.9 (13)
● MSCI EAFE Index (Net)	-14.5 (96)	-19.6 (94)	-17.8 (82)	2.2 (18)	5.4 (25)
5th Percentile	-8.2	-8.9	-6.7	3.7	6.4
1st Quartile	-10.0	-11.9	-11.7	1.9	5.4
Median	-11.6	-14.1	-14.1	1.3	4.5
3rd Quartile	-12.6	-16.7	-17.0	0.2	3.7
95th Percentile	-14.4	-19.7	-22.4	-1.6	2.5
Population	513	513	505	432	347

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Boston Partners International (John Hancock)

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Boston Partners International (John Hancock)	16.9	29.8	-5.0	1.9	-0.2	25.5	-18.6	15.6	4.8	13.0	-11.3	3.9	1.8	5.9
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

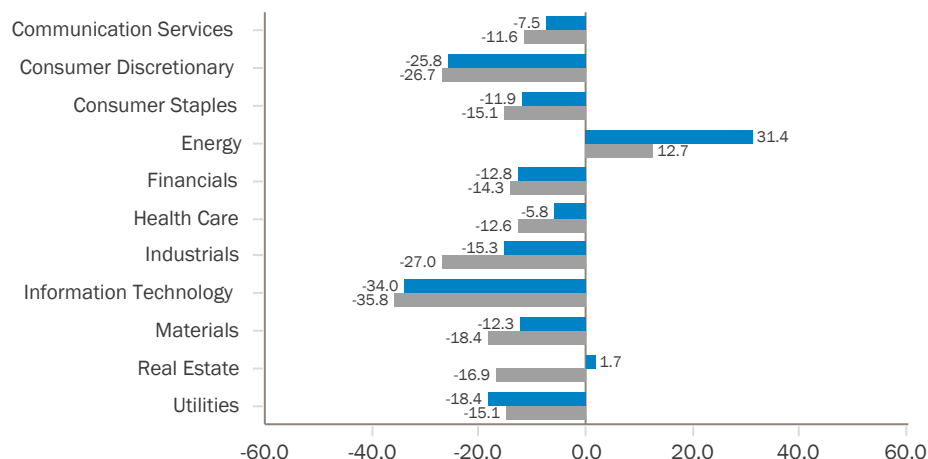


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# Boston Partners International (John Hancock)

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



■ Boston Partners International (John Hancock)

■ MSCI EAFE Index (Net)

## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Genovus Energy Inc	3.9	14.4	0.6
BAE Systems PLC	2.7	7.6	0.2
Deutsche Telekom AG	1.8	9.2	0.2
Coca-Cola Europacific Partners PLC	2.5	7.4	0.2
TotalEnergies SE	1.6	4.3	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Siemens AG	1.6	-27.3	-0.6
Samsung Electronics Co Ltd	2.2	-22.9	-0.5
Rexel SA	1.8	-26.2	-0.5
Roche Holding AG	1.0	-16.4	-0.4
Stellantis NV	1.6	-24.0	-0.4

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	6.7	4.8	-7.5	-11.6	0.3	0.1	0.4
Consumer Discretionary	8.6	11.9	-25.8	-26.7	0.1	0.3	0.4
Consumer Staples	6.7	10.4	-11.9	-15.1	0.2	-0.2	-0.1
Energy	9.8	4.1	31.4	12.7	1.4	1.6	3.0
Financials	19.0	17.6	-12.8	-14.3	0.3	0.2	0.5
Health Care	12.3	12.9	-5.8	-12.6	0.7	0.0	0.7
Industrials	19.0	15.4	-15.3	-27.0	2.3	-0.3	2.1
Information Technology	5.4	8.6	-34.0	-35.8	0.1	0.6	0.7
Materials	9.1	8.0	-12.3	-18.4	0.5	0.0	0.5
Real Estate	0.5	2.9	1.7	-16.9	0.1	0.0	0.0
Utilities	2.8	3.5	-18.4	-15.1	-0.1	0.0	-0.1
Total	100.0	100.0	-11.1	-19.2	5.9	2.1	8.1

# DFA Emerging Markets Value

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	32.8	98.6
P/E Ratio	6.8	10.6
P/B Ratio	1.6	2.5
Yield (%)	5.3	3.2

## Top Ten Holdings

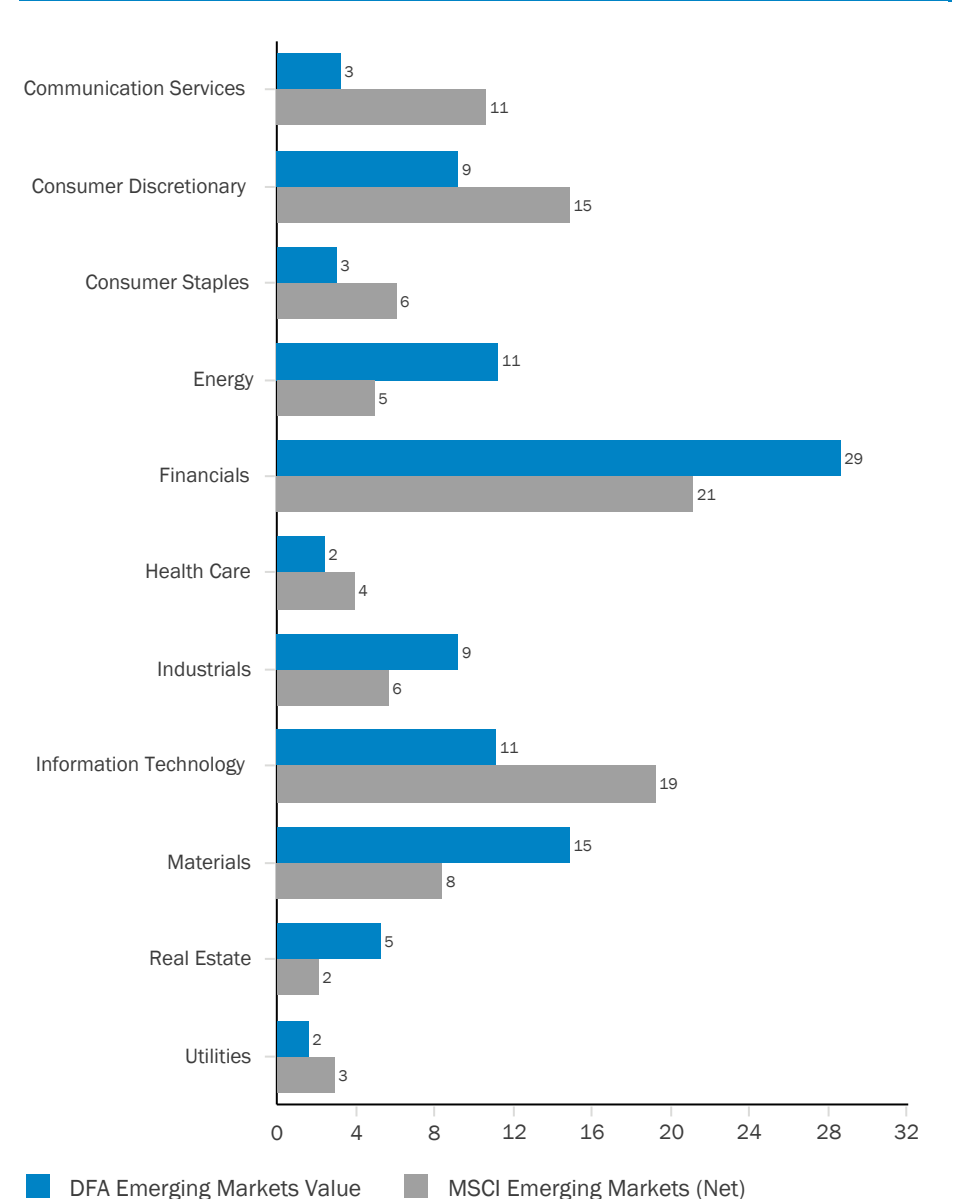
	Sector	% of Portfolio	Quarter Return
Reliance Indus	Energy	3.5	-5.3
China Construction Bank Corp	Financials	2.7	-3.4
Ping An Insurance Group	Financials	1.5	-0.7
Hon Hai Precision Industry Co Ltd	Information Technology	1.3	-0.9
Baidu Inc	Communication Services	1.2	12.4
Alibaba Group Holding Ltd	Consumer Discretionary	1.1	-0.4
Industrial and Commercial Bank of China Limited	Financials	1.1	-3.3
Samsung Electronics Co Ltd	Information Technology	1.1	-22.9
Vale SA	Materials	1.0	-26.4
Petroleo Brasileiro S.A.- Petrobras	Energy	1.0	-7.6

% of Portfolio 15.5

## Regional Allocation (%)

	Manager	Index
United States	0.0	0.2
Europe	0.0	0.1
Asia Pacific	5.5	2.9
<b>Developed Markets</b>	<b>5.5</b>	<b>3.2</b>
Americas	7.7	7.8
Europe	2.6	1.4
Asia Pacific	75.5	76.7
<b>Emerging Markets</b>	<b>85.8</b>	<b>85.9</b>
<b>All Countries</b>	<b>0.0</b>	<b>0.0</b>
Other	8.7	10.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

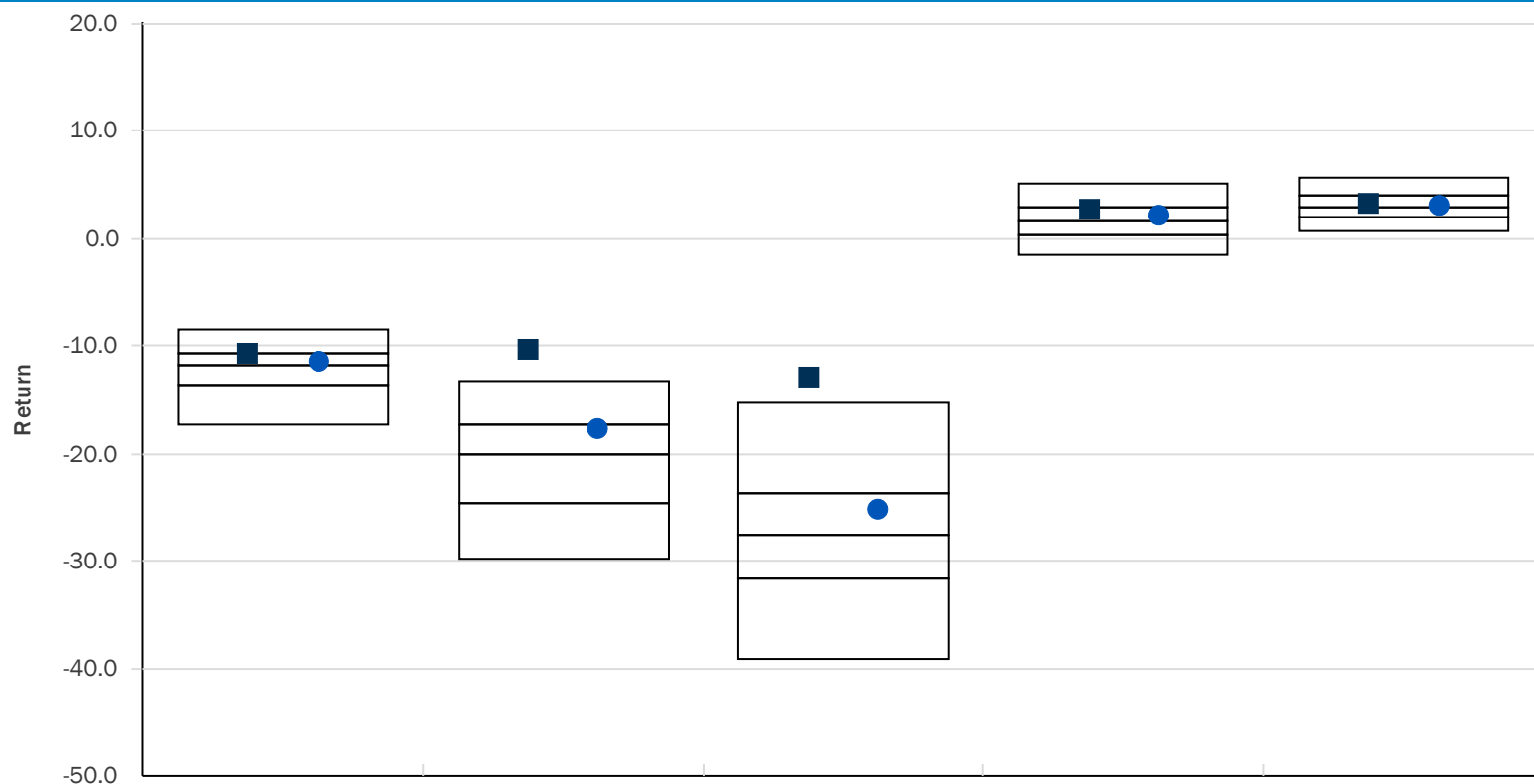
## Sector Allocation (%)



# DFA Emerging Markets Value

As of 6/30/22

Peer Group: Diversified Emerging Mkts



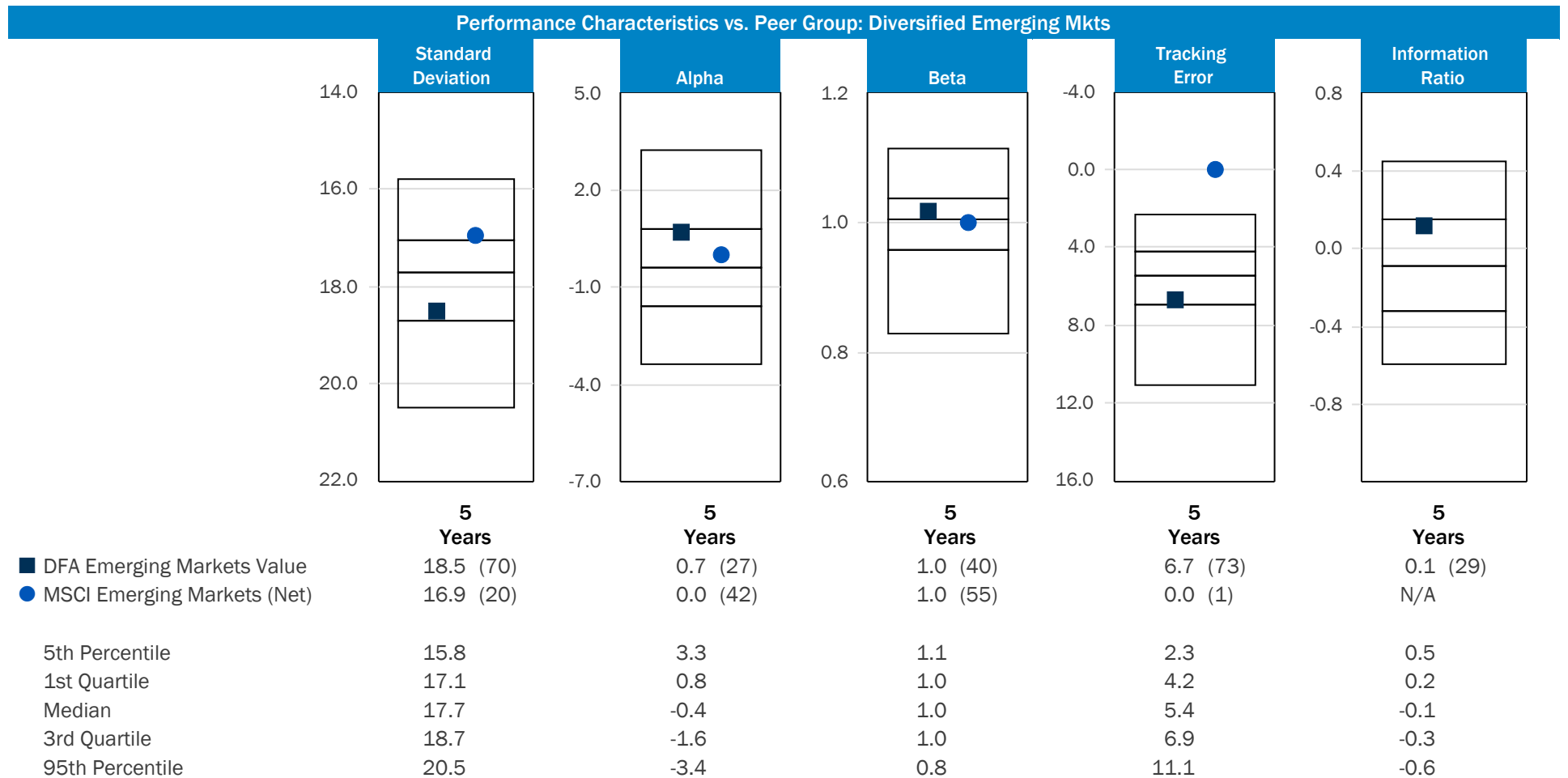
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ DFA Emerging Markets Value	-10.7 (25)	-10.2 (2)	-12.9 (3)	2.7 (29)	3.2 (43)
● MSCI Emerging Markets (Net)	-11.4 (42)	-17.6 (30)	-25.3 (36)	2.2 (40)	3.1 (46)
5th Percentile	-8.6	-13.2	-15.3	5.2	5.7
1st Quartile	-10.8	-17.4	-23.8	2.8	4.0
Median	-11.8	-20.1	-27.6	1.6	2.9
3rd Quartile	-13.6	-24.7	-31.7	0.4	1.9
95th Percentile	-17.3	-29.7	-39.2	-1.5	0.7
Population	1,170	1,148	1,124	915	653

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# DFA Emerging Markets Value

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
DFA Emerging Markets Value	19.4	-3.8	-4.4	-18.8	19.8	33.8	-11.9	9.6	2.7	12.4	-10.2	1.9	2.7	3.2
MSCI Emerging Markets (Net)	18.2	-2.6	-2.2	-14.9	11.2	37.3	-14.6	18.4	18.3	-2.5	-17.6	0.6	2.2	3.1

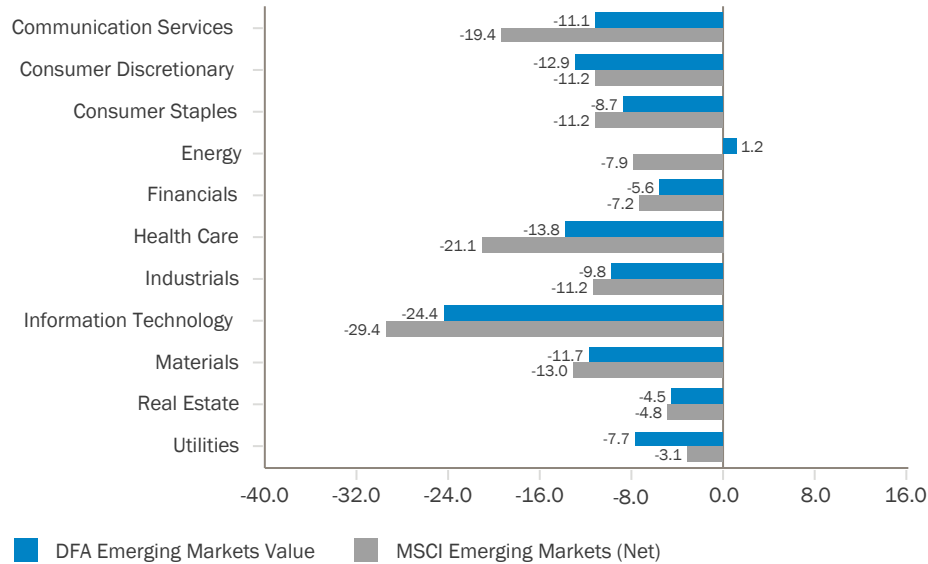


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# DFA Emerging Markets Value

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Gazprom PJSC	0.0	1,003.3	0.4
Geely Automobile Holdings Ltd	0.2	46.0	0.1
Baidu Inc	0.4	12.4	0.1
Mahindra & Mahindra Ltd	0.2	30.2	0.1
GCL Technology Holdings Limited	0.2	40.6	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
SK Hynix Inc	0.6	-27.9	-0.4
Vale SA	0.3	-26.4	-0.4
MTN Group Ltd	0.5	-37.9	-0.3
Hindalco Industries Ltd	0.4	-42.9	-0.2
KB Financial Group Inc	0.6	-23.8	-0.2

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	3.3	10.4	-11.1	-19.4	0.3	0.3	0.6
Consumer Discretionary	8.8	12.8	-12.9	-11.2	-0.2	-0.2	-0.5
Consumer Staples	3.0	5.9	-8.7	-11.2	0.1	-0.1	-0.1
Energy	10.7	5.2	1.2	-7.9	0.9	0.4	1.3
Financials	28.5	21.2	-5.6	-7.2	0.4	0.7	1.1
Health Care	2.4	3.8	-13.8	-21.1	0.2	0.1	0.3
Industrials	8.9	5.3	-9.8	-11.2	0.1	0.2	0.3
Information Technology	12.2	21.6	-24.4	-29.4	0.7	1.4	2.1
Materials	15.6	9.1	-11.7	-13.0	0.2	0.1	0.3
Real Estate	5.0	2.1	-4.5	-4.8	0.0	0.3	0.3
Utilities	1.6	2.5	-7.7	-3.1	-0.1	-0.1	-0.2
Total	100.0	100.0	-9.9	-15.5	2.5	3.0	5.6

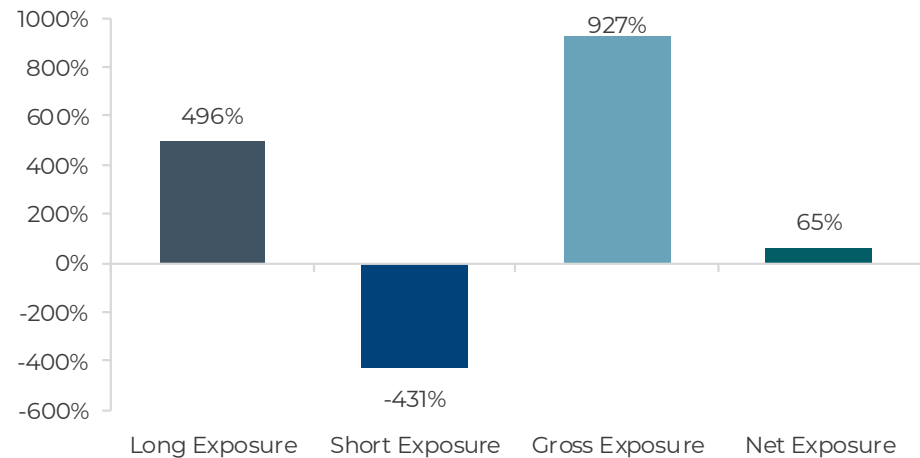
# Hedge Fund Overview: HBK

## As of 6/30/2022

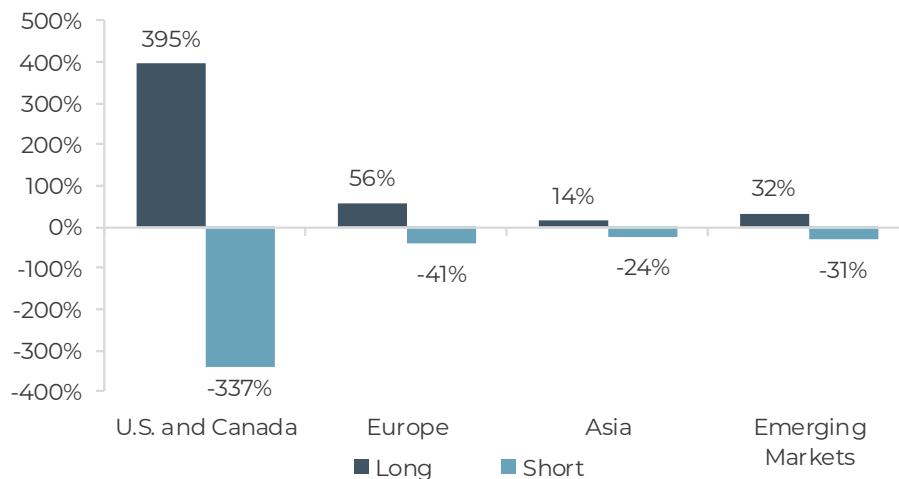
### Organizational Overview

Strategy Type	Multi-Strategy - Relative Value
Location of Headquarters	Dallas, TX
Year Founded	1991
Firm Assets Under Management (\$, B)	\$7.1
Fund Assets Under Management (\$, B)	\$5.7

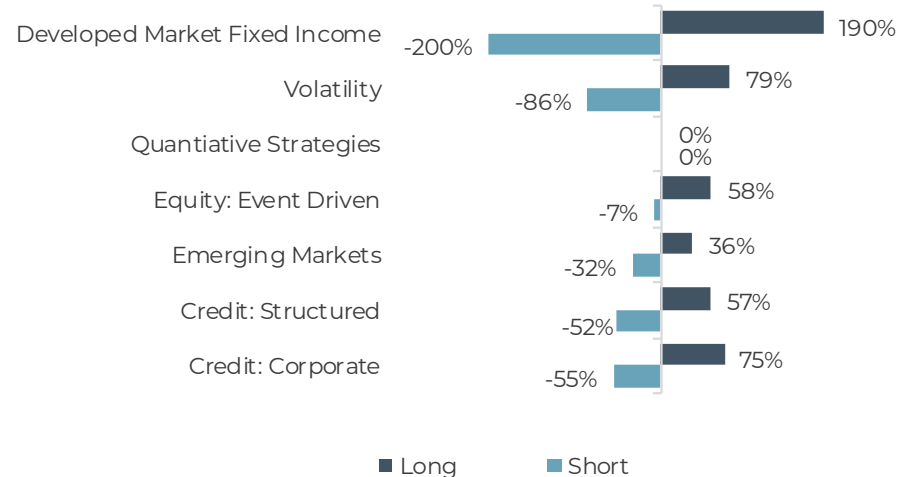
### Fund Exposure



### Regional Allocation (Long/Short)



### Sector Allocation (Long/Short)



Note: All data provided by the investment manager.

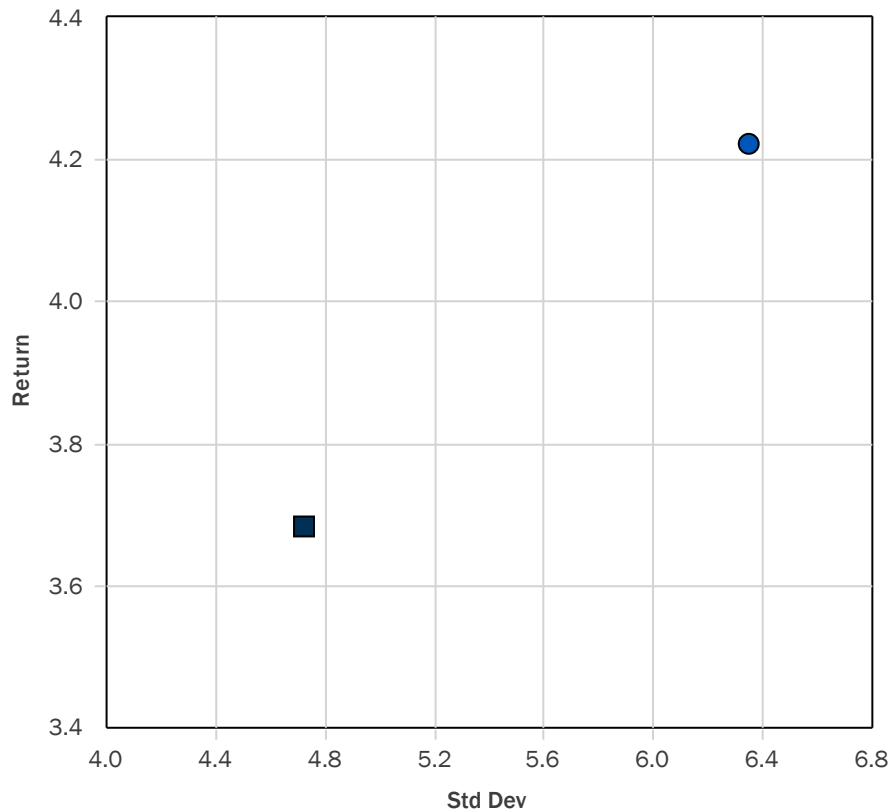


# HBK Master Fund II[CE]

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
HBK Master Fund II[CE]	7.3	7.6	3.1	-2.7	8.0	5.1	2.3	4.0	7.0	9.3	-2.8	4.7	4.4	4.4
HFRI Fund Weighted Composite Index	6.4	9.1	3.0	-1.1	5.4	8.6	-4.7	10.4	11.8	10.2	-5.9	6.1	5.0	5.0

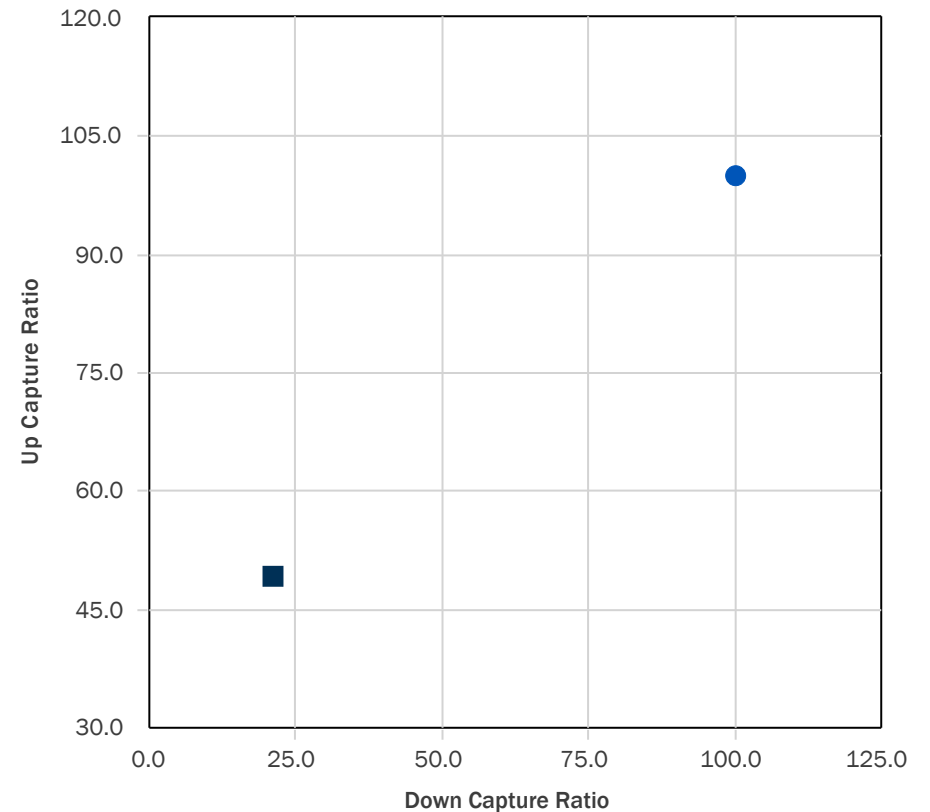
Risk vs. Return - 8.25 Years



■ HBK Master Fund II[CE]

● HFRI Fund Weighted Composite Index

Market Capture - 8.25 Years



■ HBK Master Fund II[CE]

● HFRI Fund Weighted Composite Index

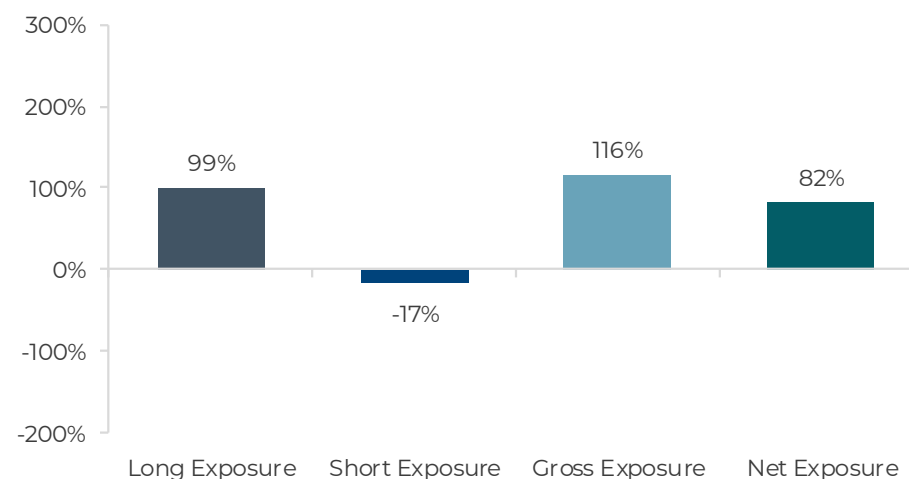
# Hedge Fund Overview: Davidson Kempner Partners Fund

## As of 6/30/2022

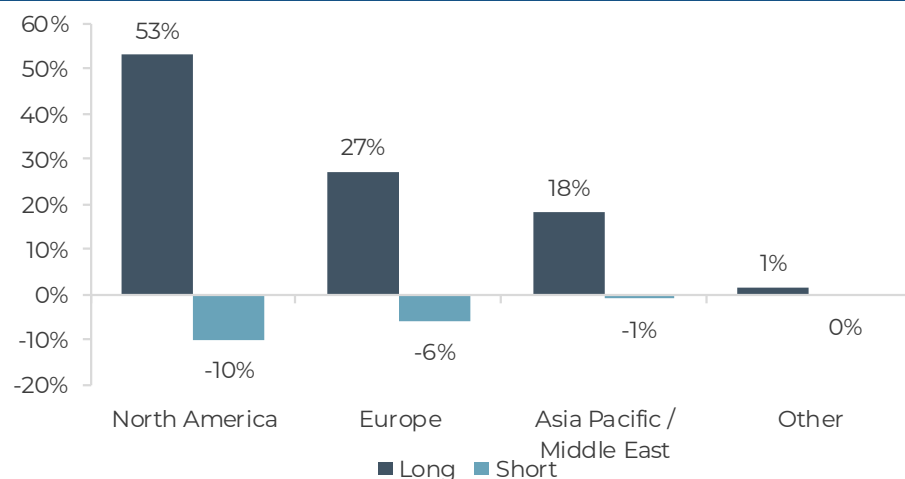
### Organizational Overview

Strategy Type	Multi-Strategy
Location of Headquarters	New York, NY
Year Founded	1983
Firm Assets Under Management (\$, B)	\$38.7
Fund Assets Under Management (\$, B)	\$24.6

### Fund Exposure

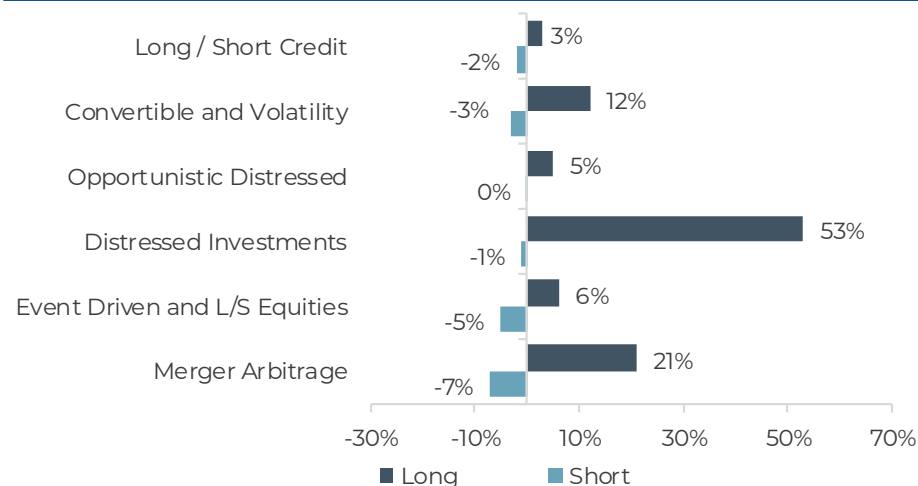


### Regional Exposure (Long/Short)



Note: All data provided by the investment manager.

### Strategy Exposure (Long/Short)

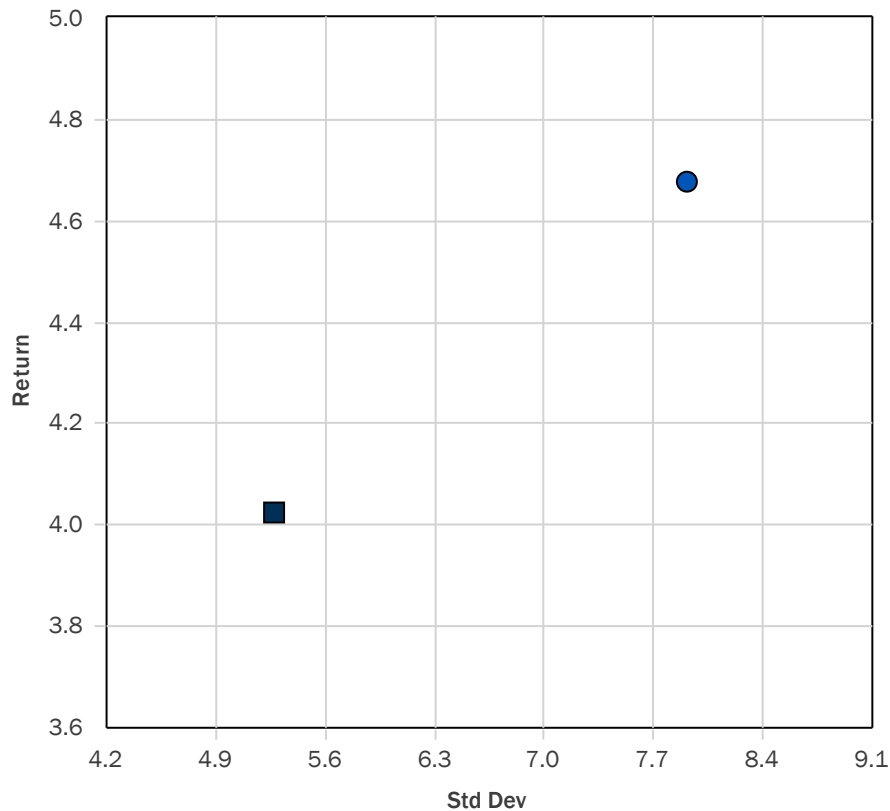


# Davidson Kempner Partners Fund[CE]

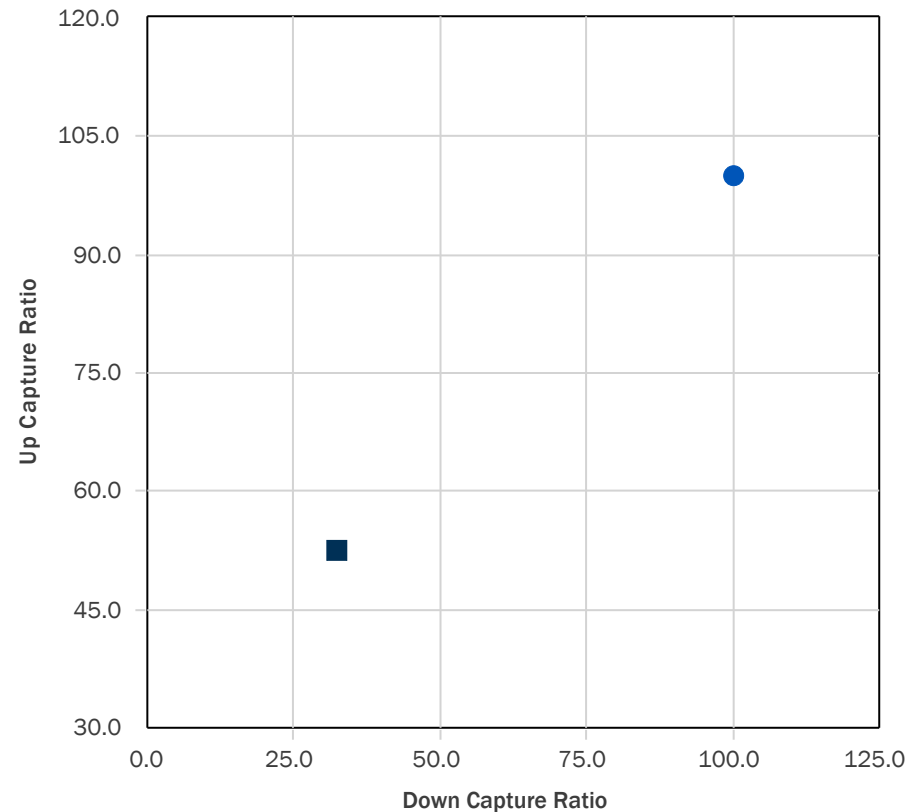
As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Davidson Kempner Partners Fund[CE]	7.9	9.5	4.8	1.4	7.0	6.4	1.8	6.7	6.5	5.9	-2.9	3.9	4.0	5.1
HFRI Fund Weighted Composite Index	6.4	9.1	3.0	-1.1	5.4	8.6	-4.7	10.4	11.8	10.2	-5.9	6.1	5.0	5.0

Risk vs. Return - 4.58 Years



Market Capture - 4.58 Years



■ Davidson Kempner Partners Fund[CE] ● HFRI Fund Weighted Composite Index

■ Davidson Kempner Partners Fund[CE] ● HFRI Fund Weighted Composite Index

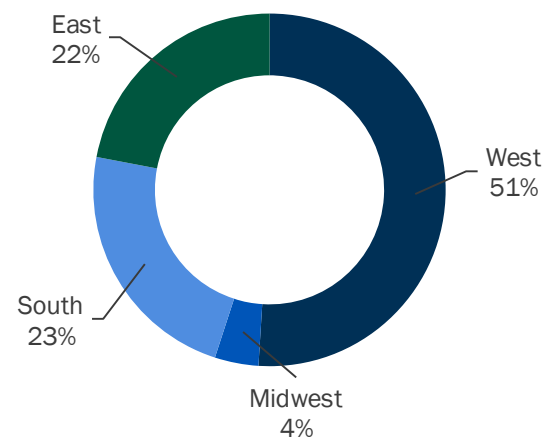
# Real Estate Overview: Principal U.S. Property

As of 3/31/2022

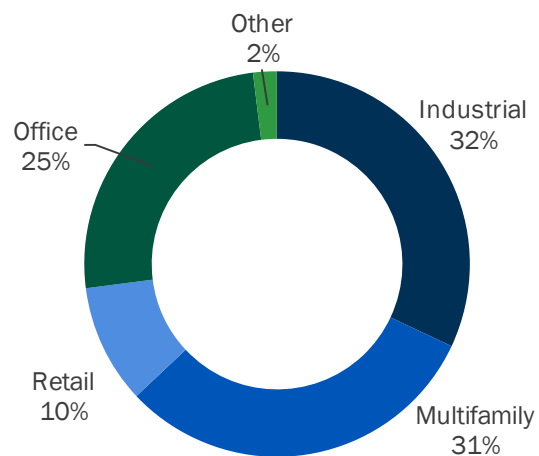
## Portfolio Characteristics

Gross Asset Value (\$,B):	\$13.3
Portfolio Leverage:	20.7%
Current Occupancy:	95.1%
Properties Held:	146

## Geographic Exposure



## Property Type

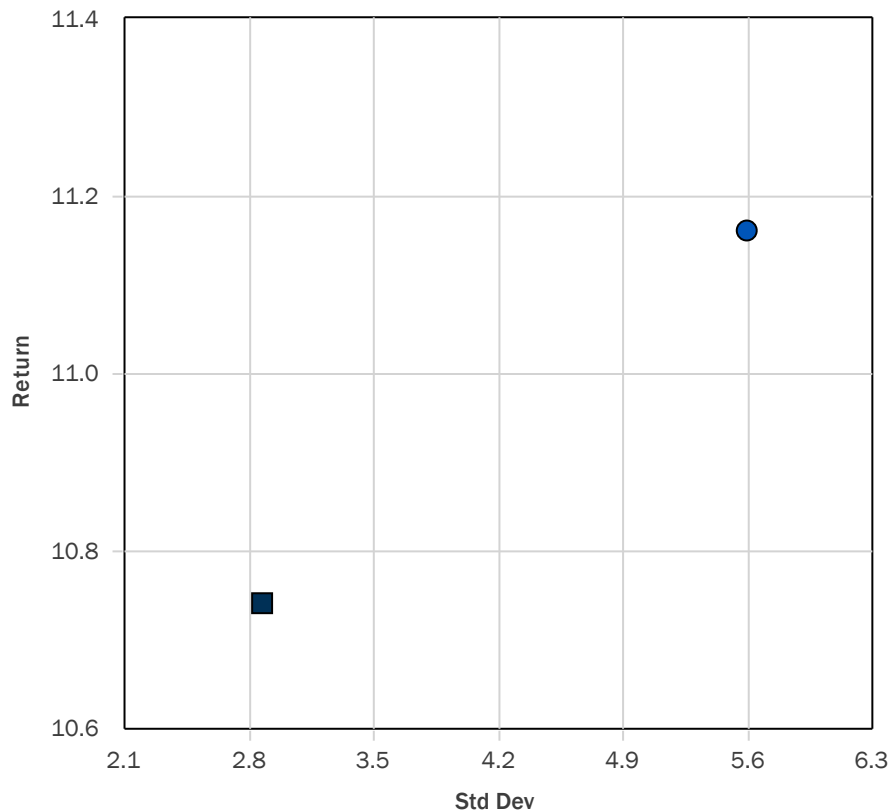


# Principal US Real Estate

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Principal US Real Estate	11.5	13.4	12.6	13.4	8.8	7.9	8.0	5.6	0.7	22.4	10.4	12.0	10.0	10.7
NCREIF Open-End Diversified Core Index	10.9	13.9	12.5	15.0	8.8	7.6	8.3	5.3	1.2	22.2	12.5	12.7	10.5	11.2

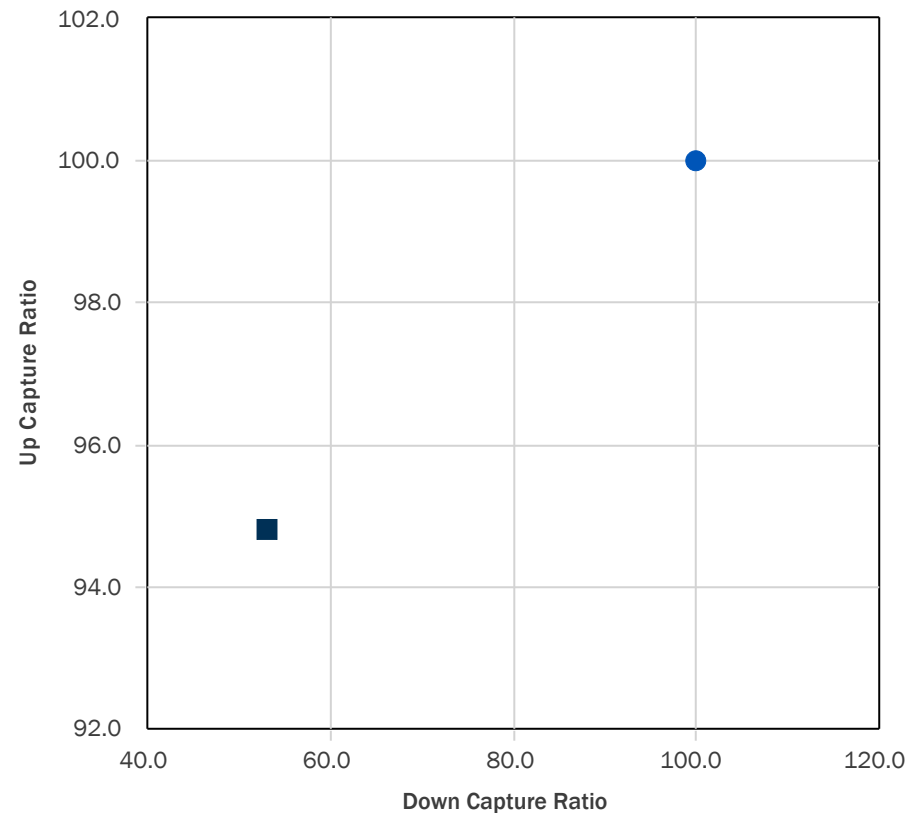
Risk vs. Return - 10 Years



Principal US Real Estate

NCREIF Open-End Diversified Core Index

Market Capture - 10 Years



Principal US Real Estate

NCREIF Open-End Diversified Core Index

# Fixed Income Overview: MetWest Total Return

As of 06/30/22

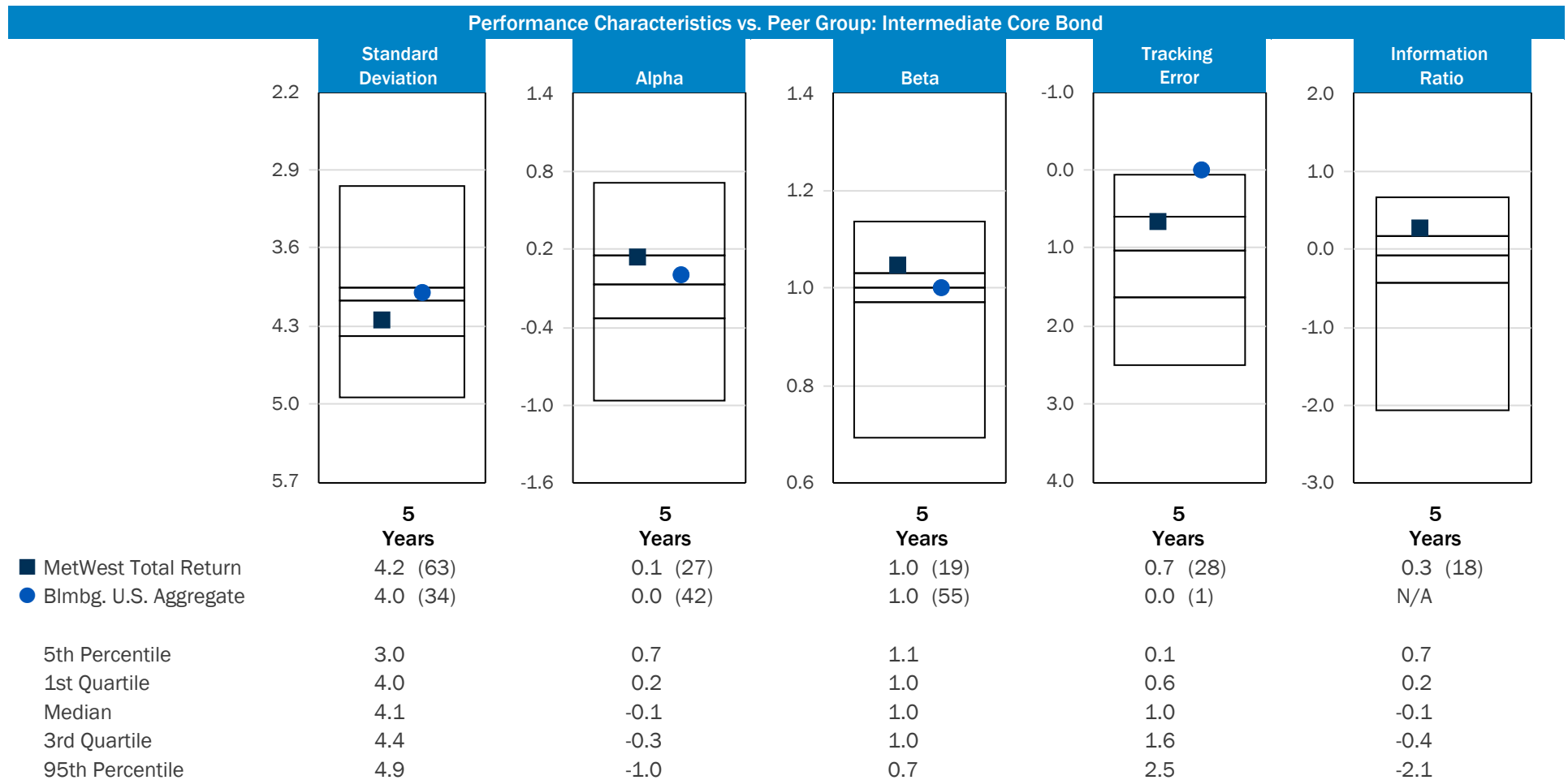
Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark		MetWest Total Return	Blmbg. U.S. Aggregate
Duration	6.5	6.6	0-1 Years	-8	0
Average Maturity	8.8	8.8	1-3 Years	22	20
Average Quality	AA	AA+	3-5 Years	23	17
Yield To Maturity	3.5	2.9	5-10 Years	46	43
			10-20 Years	9	6
			20+ Years	8	13

Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	MetWest Total Return	Blmbg. U.S. Aggregate		MetWest Total Return	Blmbg. U.S. Aggregate
Government	27	44	AAA/Government Guaranteed	62	72
Municipals	0	1	AA	5	3
Bank Loan	2	0	A	12	11
Investment Grade Corporate	19	25	BBB	15	14
High Yield Corporate	2	0	Below Investment Grade	7	0
ABS	4	0	Not Rated / Other	0	0
Agency RMBS	29	28			
Non Agency RMBS	2	0			
CMBS	2	2			
Collateralized Obligations	5	0			
Other Sector	8	0			

# MetWest Total Return

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
MetWest Total Return	11.5	0.5	6.0	0.3	2.5	3.4	0.2	9.1	9.1	-1.1	-11.7	-0.8	1.1	2.3
Blmbg. U.S. Aggregate	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5	-1.5	-10.3	-0.9	0.9	1.5



Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.

# Fixed Income Overview: Dodge & Cox Income

As of 06/30/22

Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark		Dodge & Cox Income	Blmbg. U.S. Aggregate
Duration	5.0	6.6	0-1 Years	3	0
Average Maturity	9.5	8.8	1-3 Years	10	20
Average Quality	A	AA+	3-5 Years	15	17
Yield To Maturity	3.5	2.9	5-10 Years	53	43
			10-20 Years	9	6
			20+ Years	11	13

Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	Dodge & Cox Income	Blmbg. U.S. Aggregate		Dodge & Cox Income	Blmbg. U.S. Aggregate
Government	13	44	AAA/Government Guaranteed	53	72
Municipals	2	1	AA	3	3
Bank Loan	0	0	A	6	11
Investment Grade Corporate	32	25	BBB	27	14
High Yield Corporate	7	0	Below Investment Grade	11	0
ABS	6	0	Not Rated / Other	0	0
Agency RMBS	33	28			
Non Agency RMBS	0	0			
CMBS	0	2			
Collateralized Obligations	6	0			
Other Sector	0	0			

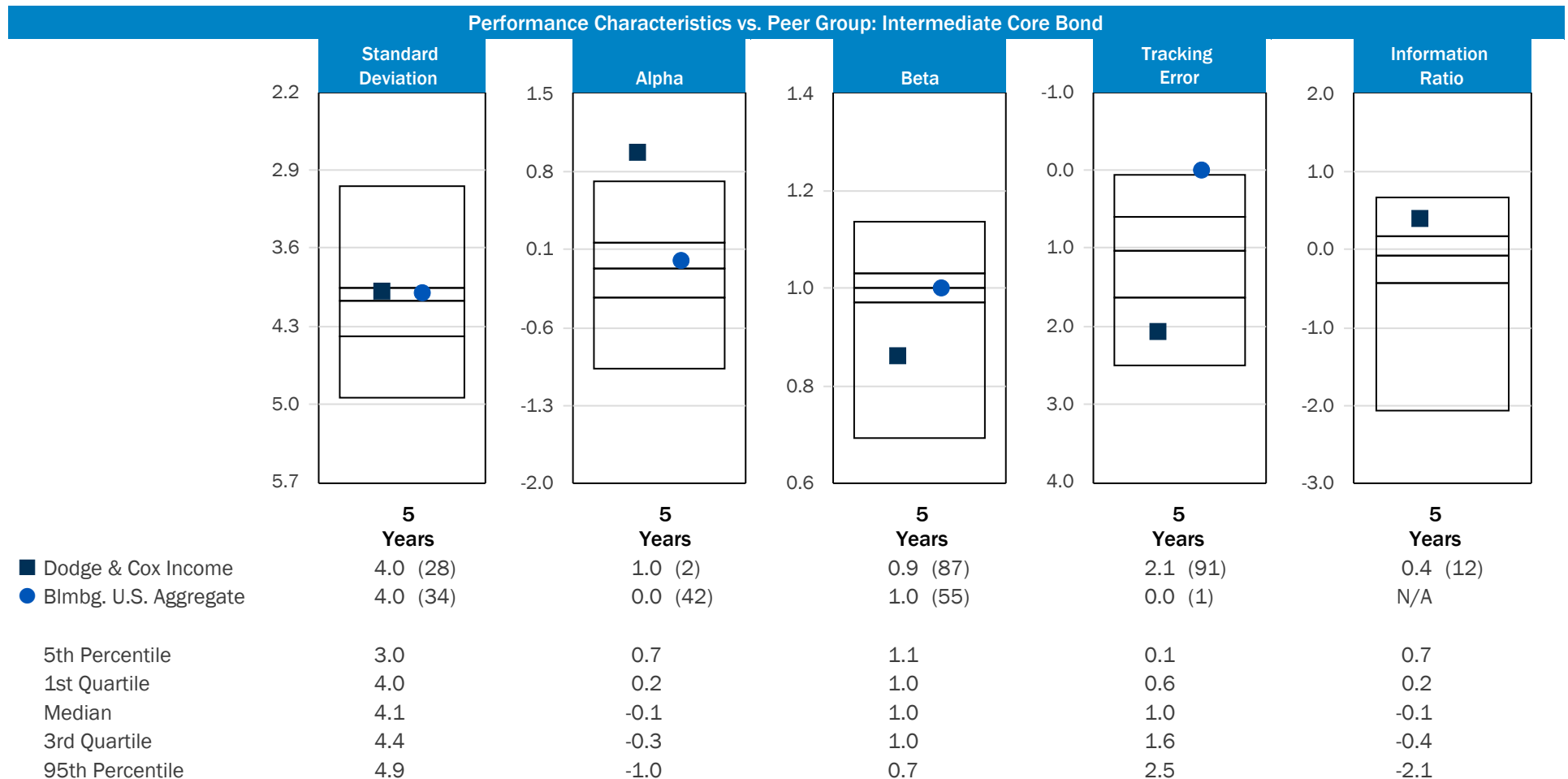
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# Dodge & Cox Income

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Dodge & Cox Income	7.9	0.6	5.5	-0.6	5.6	4.4	-0.3	9.7	9.5	-0.9	-9.7	0.3	1.7	2.6
Blmbg. U.S. Aggregate	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5	-1.5	-10.3	-0.9	0.9	1.5



Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.

# Bi-State Development Agency Division 788 A.T.U. AFL-CIO Pension Plan

## Investment Manager Fees

Style	Manager	Market Value (\$,M)	Management Fee	Projected Annual Fee (\$)	Average Expense Ratio for Style
Large Cap Value Equity	Dodge & Cox Stock	\$21.6	0.52%	\$112,242	0.81%
Large Cap Core Equity	Piedmont Market Plus	\$10.9	0.35%	\$38,101	0.80%
Large Cap Growth Equity	Edgewood Growth	\$13.9	1.00%	\$138,660	0.83%
Mid Cap Growth Equity	Artisan Mid Cap	\$6.1	0.95%	\$57,551	0.95%
Small Cap Value Equity	Harbor Small Cap Value	\$8.6	0.79%	\$67,798	1.04%
International Equity	EuroPacific Growth Fund	\$14.9	0.46%	\$68,765	0.92%
International Equity	John Hancock	\$16.1	0.86%	\$138,305	0.94%
Emerging Markets Equity	DFA Emerging Markets Value	\$8.2	0.45%	\$37,107	1.09%
Real Estate	Principal US Real Estate	\$8.9	1.10%	\$97,471	0.95%
Hedge Fund	HBK Master Fund II	\$7.6	1.50%	\$114,135	1.63%
Hedge Fund	Davidson Kempner Partners Fund	\$8.7	1.50%	\$130,290	1.63%
Fixed Income	MetWest Total Return	\$13.4	0.45%	\$60,359	0.51%
Fixed Income	Dodge & Cox Income	\$15.8	0.42%	\$66,394	0.51%
Money Market	First American Treasury Obligation	\$1.9	0.45%	\$8,681	0.39%
<b>Total Manager Fees</b>		<b>\$156.6</b>	<b>0.73%</b>	<b>\$1,135,858</b>	<b>0.90%</b>

Notes: Hedge Fund managers also have an incentive fee structure.  
Average expense ratio shown using Morningstar peer group data.

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Updated 09/02/21

Q2

# Second Quarter 2022 Performance Report

Bi-State Development Agency  
OPEB Retirement Trust

Scott R. Meggenberg  
Principal

Brian P. Thrasher  
Vice President



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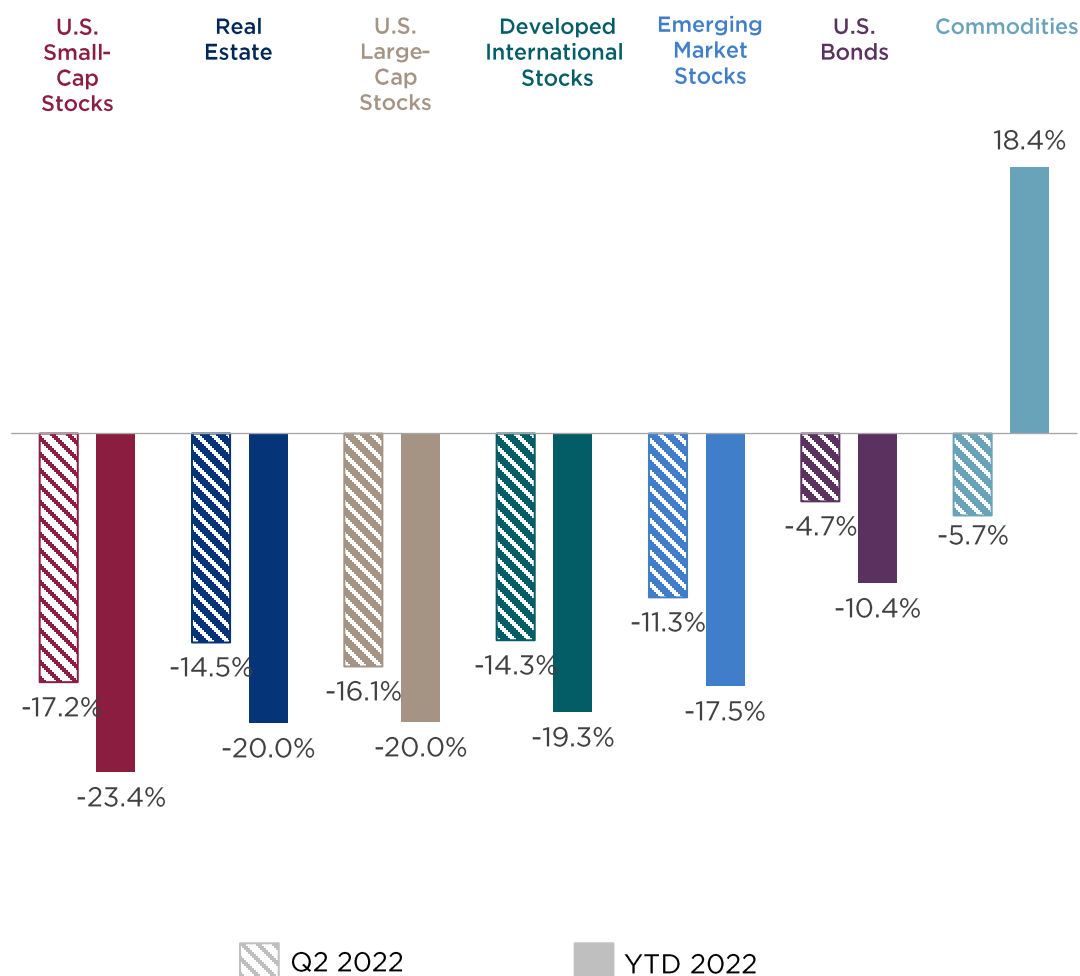
# Second Quarter 2022 Capital Markets Exhibits

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## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

Q2 2022				YTD 2022				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

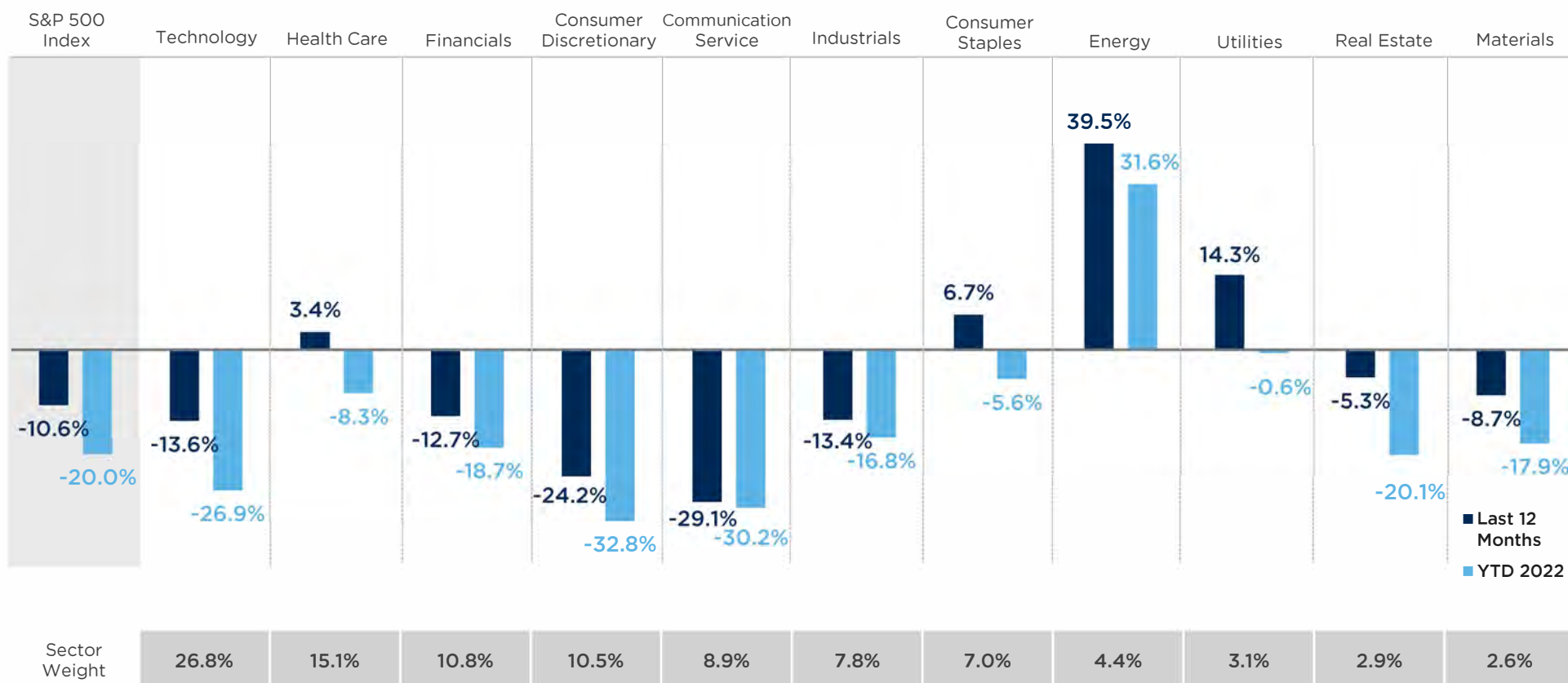
Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.



## DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

Returns by S&P 500 Sector



Source: Bloomberg. All calculations are cumulative, not annualized, total returns and include dividends for the stated period. Past performance is not indicative of future returns.

## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

## INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today's inflation has been driven by constrained supply.

### Estimated Impact to Consumer Price Index (CPI) – May 2022

**41%**

#### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

**24%**

#### COVID-19 Pandemic

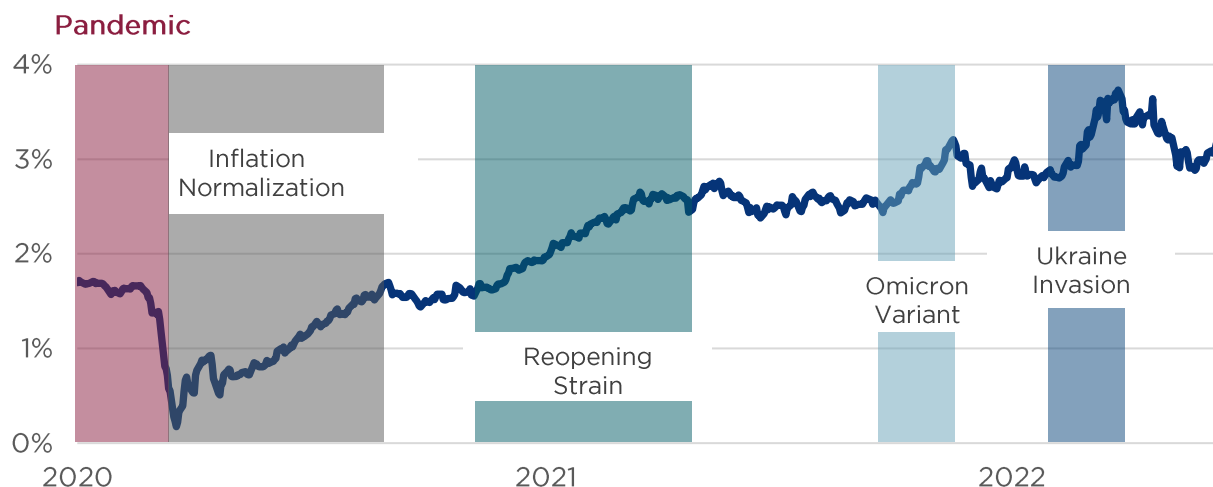
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

**35%**

#### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

### Inflation Waves: Five-Year Inflation Expectations



#### OBSERVATIONS

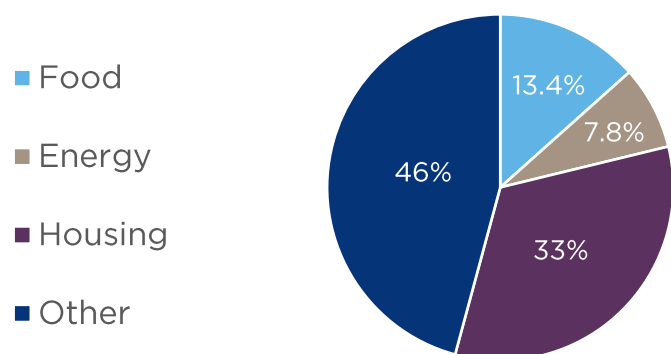
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody's Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

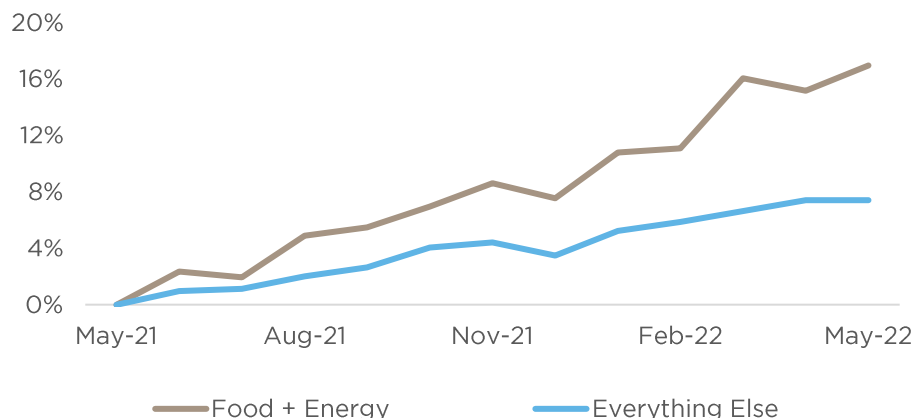
## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

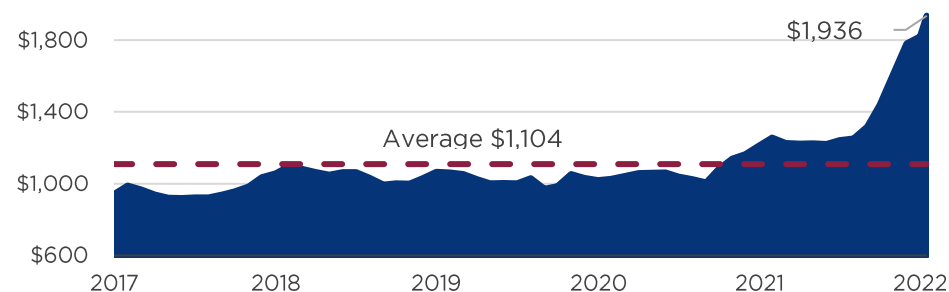
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### FOOD AND ENERGY PRICES HAVE SOARED



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



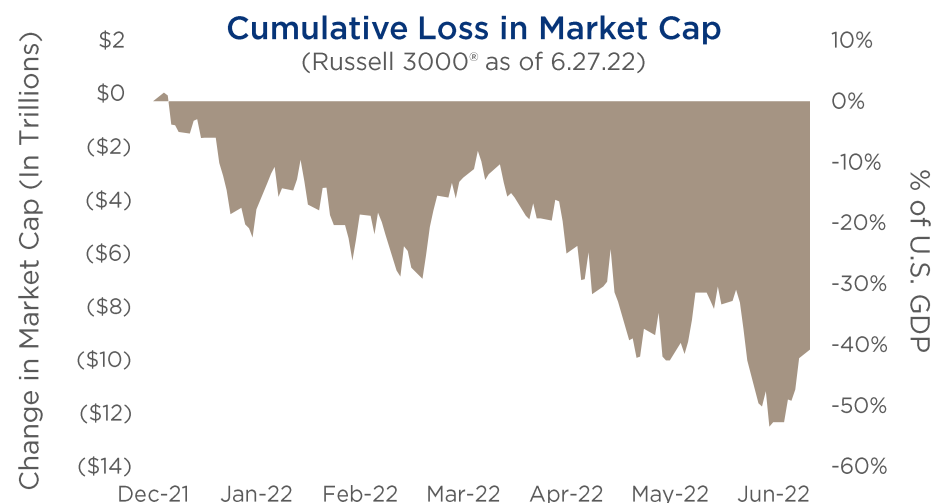
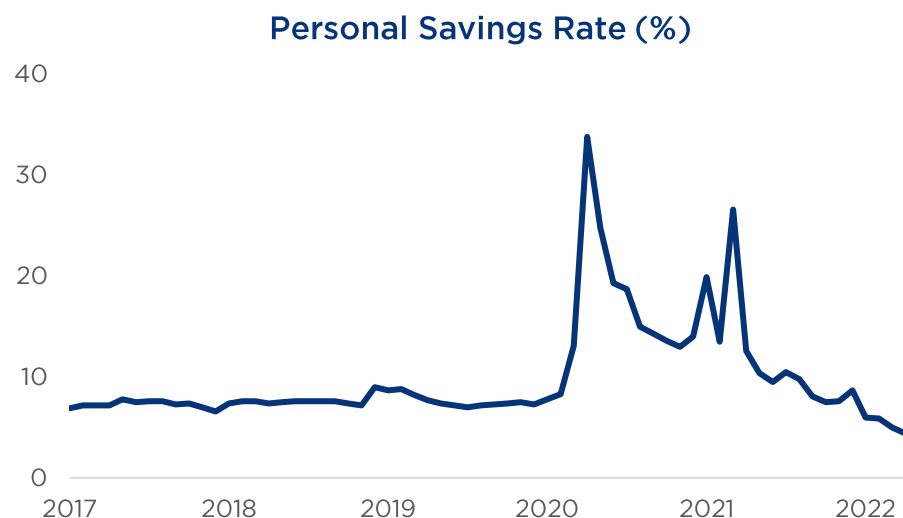
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve's direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

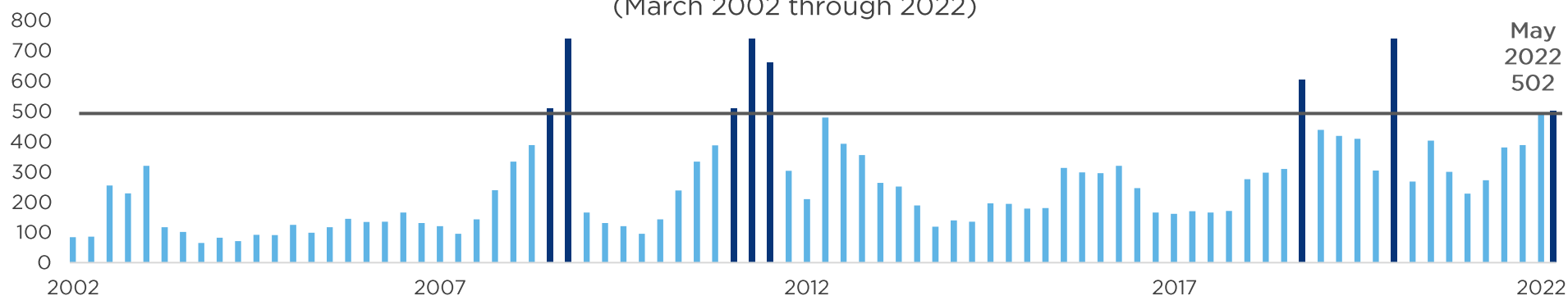
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

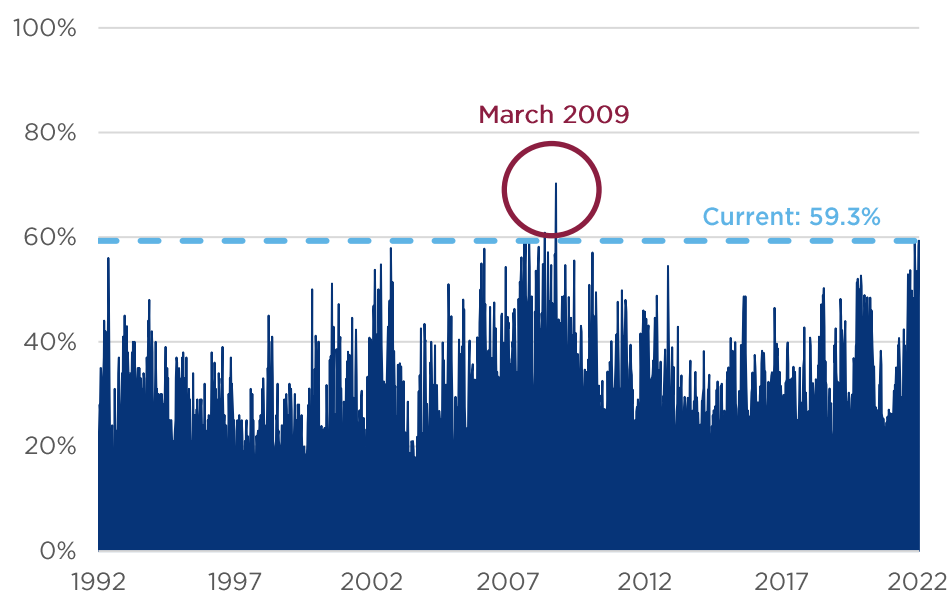
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research

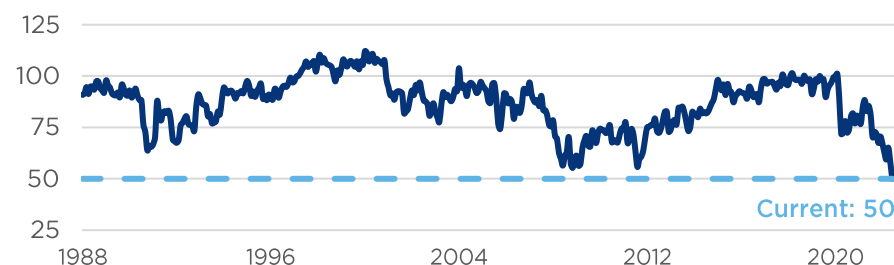
## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.

### Percentage of Bearish Investors



### Consumer Sentiment



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research



# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.

# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDED BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



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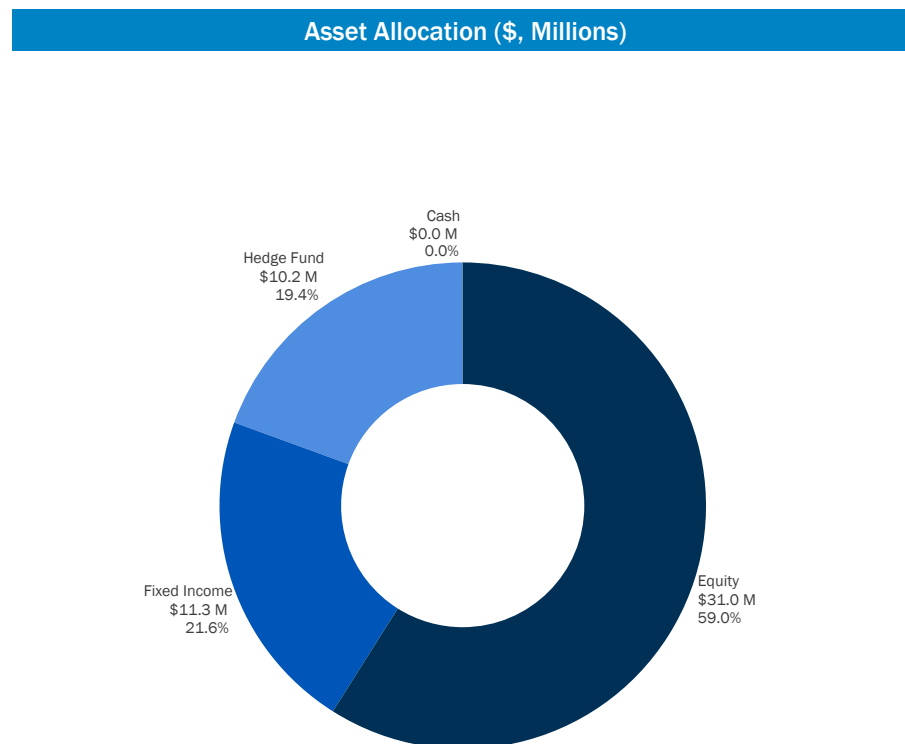
# OPEB Retirement Trust Portfolio Review

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# Total Portfolio Overview

## Summary of Asset Changes

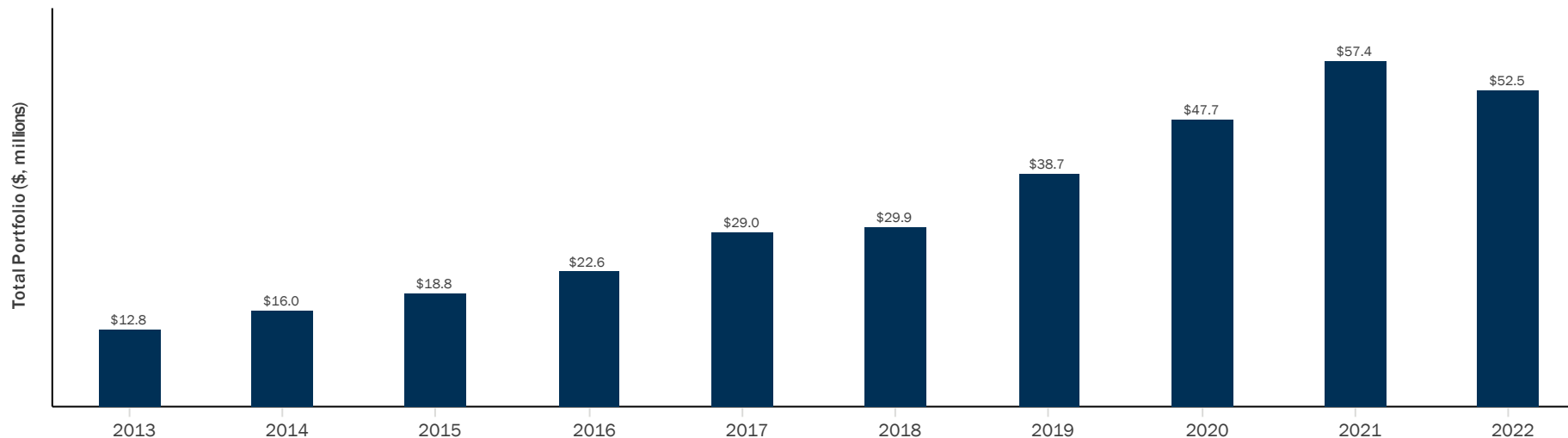
	Portfolio Activity (\$, Millions)		
	Quarter	YTD	Since Inception
Total Portfolio			
Beginning Market Value	\$54.9	\$57.4	\$12.8
Net Cash Flow	\$3.0	\$3.0	\$26.3
Investment Earnings	(\$5.4)	(\$7.9)	\$13.4
Ending Market Value	\$52.5	\$52.5	\$52.5



# Total Portfolio Historical Overview

Summary of Asset Changes as of June 30, 2022

## Growth of Total Portfolio



## Cash Flows (\$, millions)

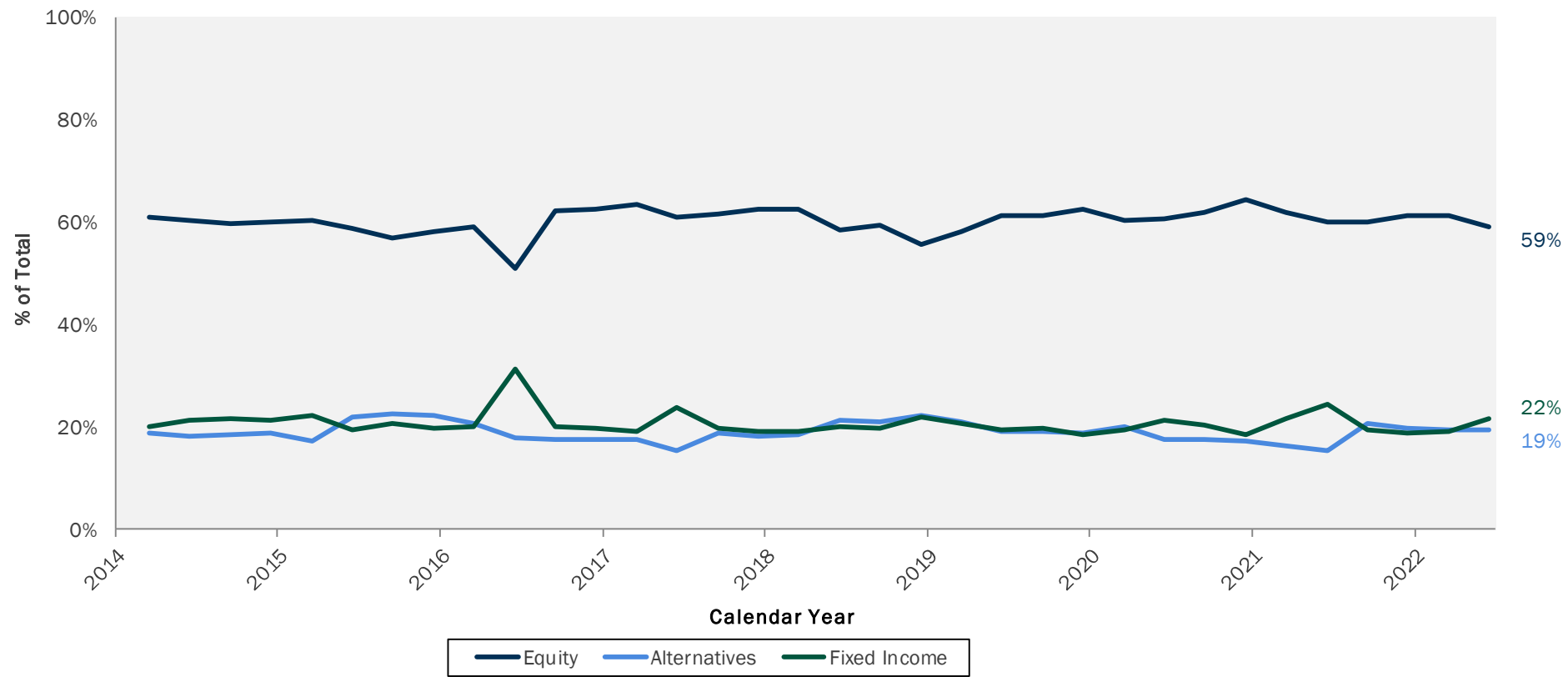
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD
<b>Total Portfolio</b>											
Beginning Market Value	-	-	\$12.8	\$16.0	\$18.8	\$22.6	\$29.0	\$29.9	\$38.7	\$47.7	\$57.4
Net Cash Flows	-	-	\$2.6	\$2.9	\$3.0	\$3.0	\$2.9	\$3.0	\$3.0	\$3.0	\$3.0
Investment Earnings	-	-	\$0.6	(\$0.1)	\$0.8	\$3.5	(\$2.1)	\$5.7	\$6.0	\$6.7	(\$7.9)
Ending Market Value	-	-	\$16.0	\$18.8	\$22.6	\$29.0	\$29.9	\$38.7	\$47.7	\$57.4	\$52.5

Bi State Development OPEB Retirement Trust

Total Portfolio Asset Allocation

As of June 30, 2022

Total Portfolio Allocation



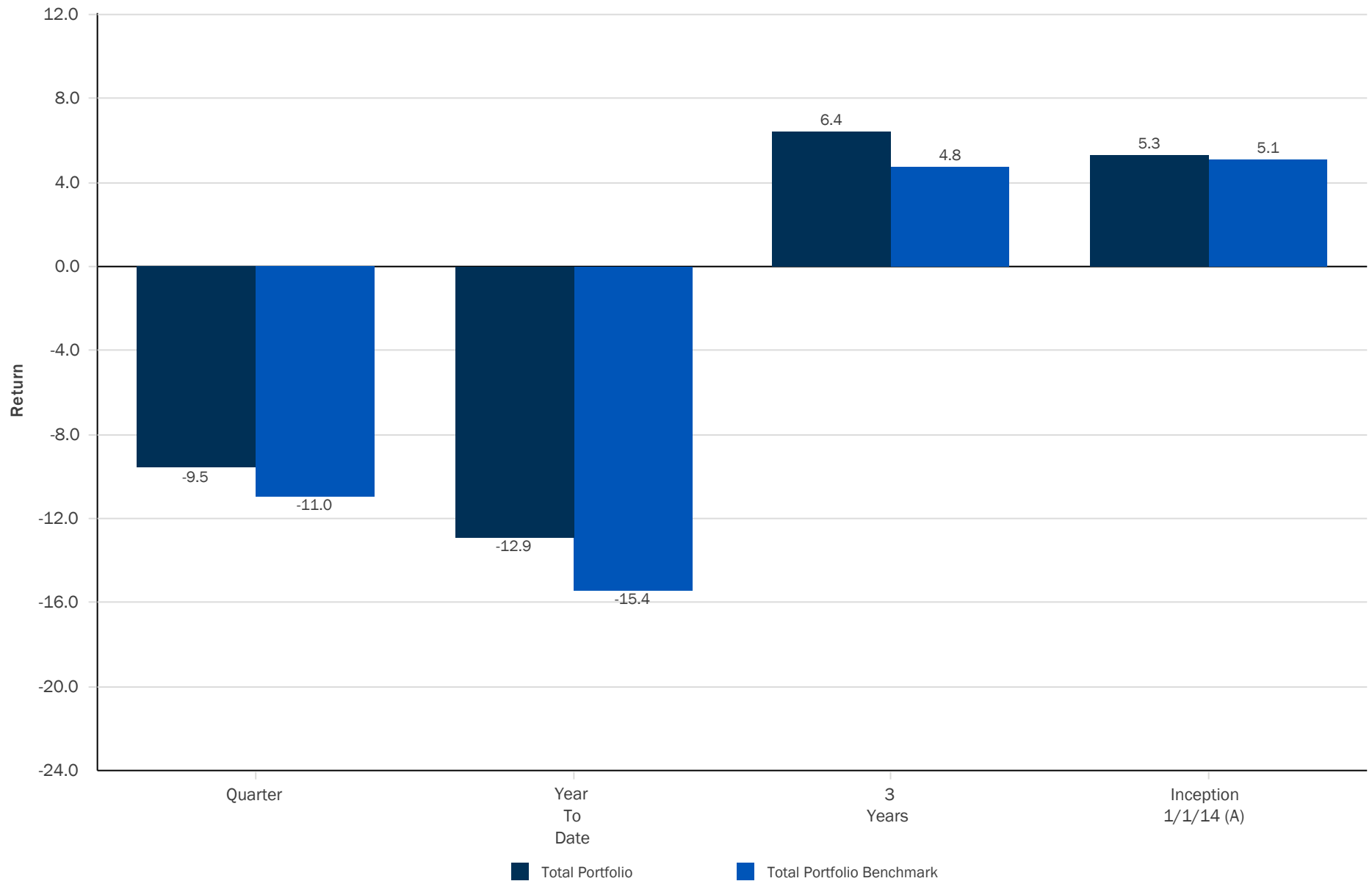
# Total Portfolio Overview

Periods Ended June 30, 2022

	Market Value 06/30/2022	% of Total	Total Portfolio Target	Range (%)
Total Portfolio	\$52,491,810	100.0	100.0	
Combined Equity	\$30,951,621	59.0	60.0	
Combined Domestic Equity	\$18,405,900	35.1	36.0	
Vanguard Institutional Index	\$12,035,740	22.9	24.0	19.0 - 29.0
DFA Targeted Value Small Cap	\$3,542,544	6.7	6.0	1.0 - 11.0
Artisan Mid Cap	\$2,827,616	5.4	6.0	1.0 - 11.0
Combined International Equity	\$12,545,721	23.9	24.0	
Boston Partners International (John Hancock)	\$6,225,454	11.9	12.0	5.0 - 17.0
GQG Partners	\$6,320,268	12.0	12.0	5.0 - 17.0
Combined Alternative	\$10,195,575	19.4	20.0	
Blackstone Park	\$4,557,899	8.7	10.0	5.0 - 15.0
Blackstone Partners	\$5,637,676	10.7	10.0	5.0 - 15.0
Combined Fixed Income	\$11,344,614	21.6	20.0	
TCW MetWest Low Duration	\$11,332,813	21.6	20.0	15.0 - 25.0
Cash	\$11,801	0.0	0.0	0.0 - 5.0

# Total Portfolio Overview

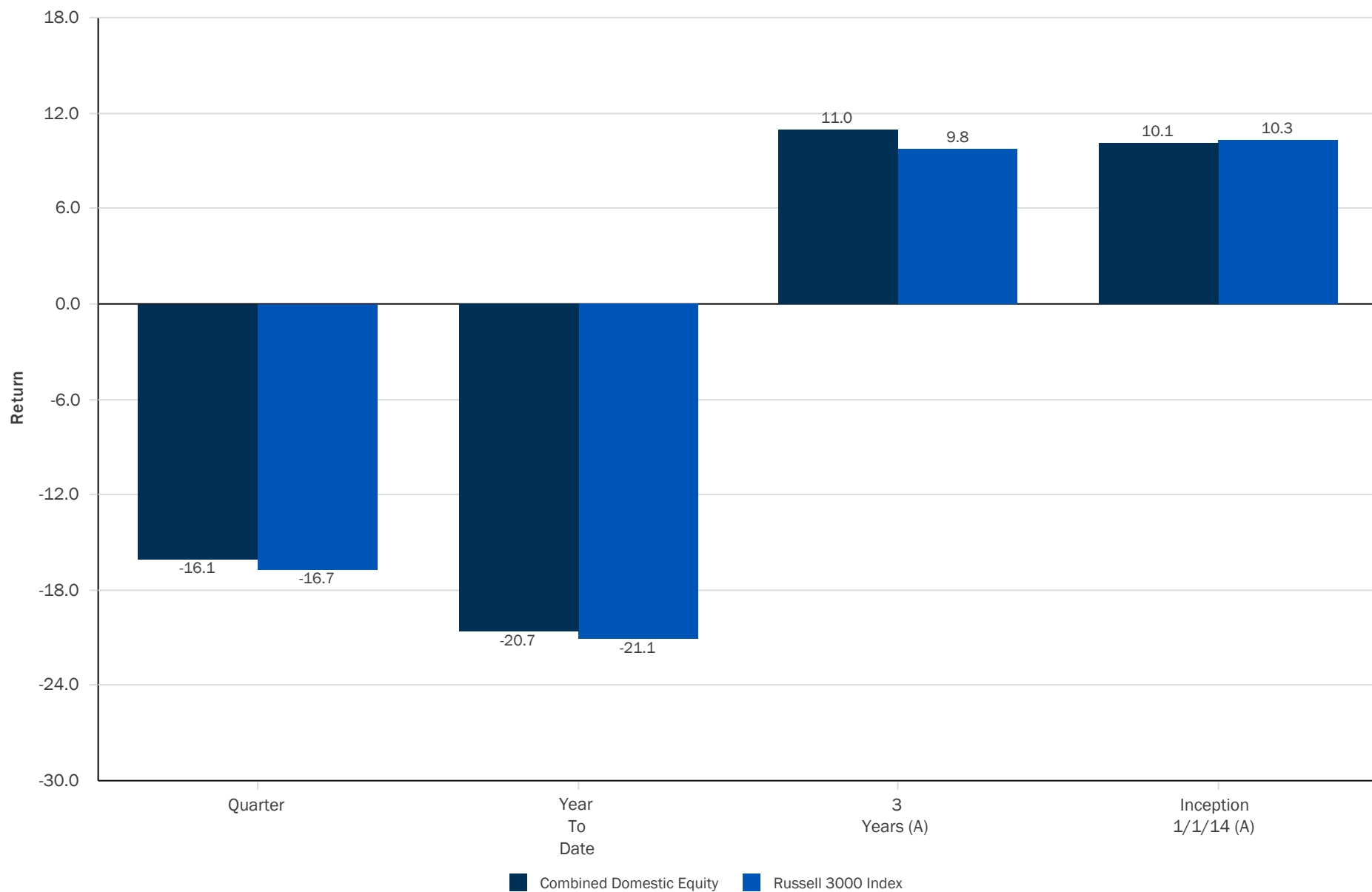
As of June 30, 2022





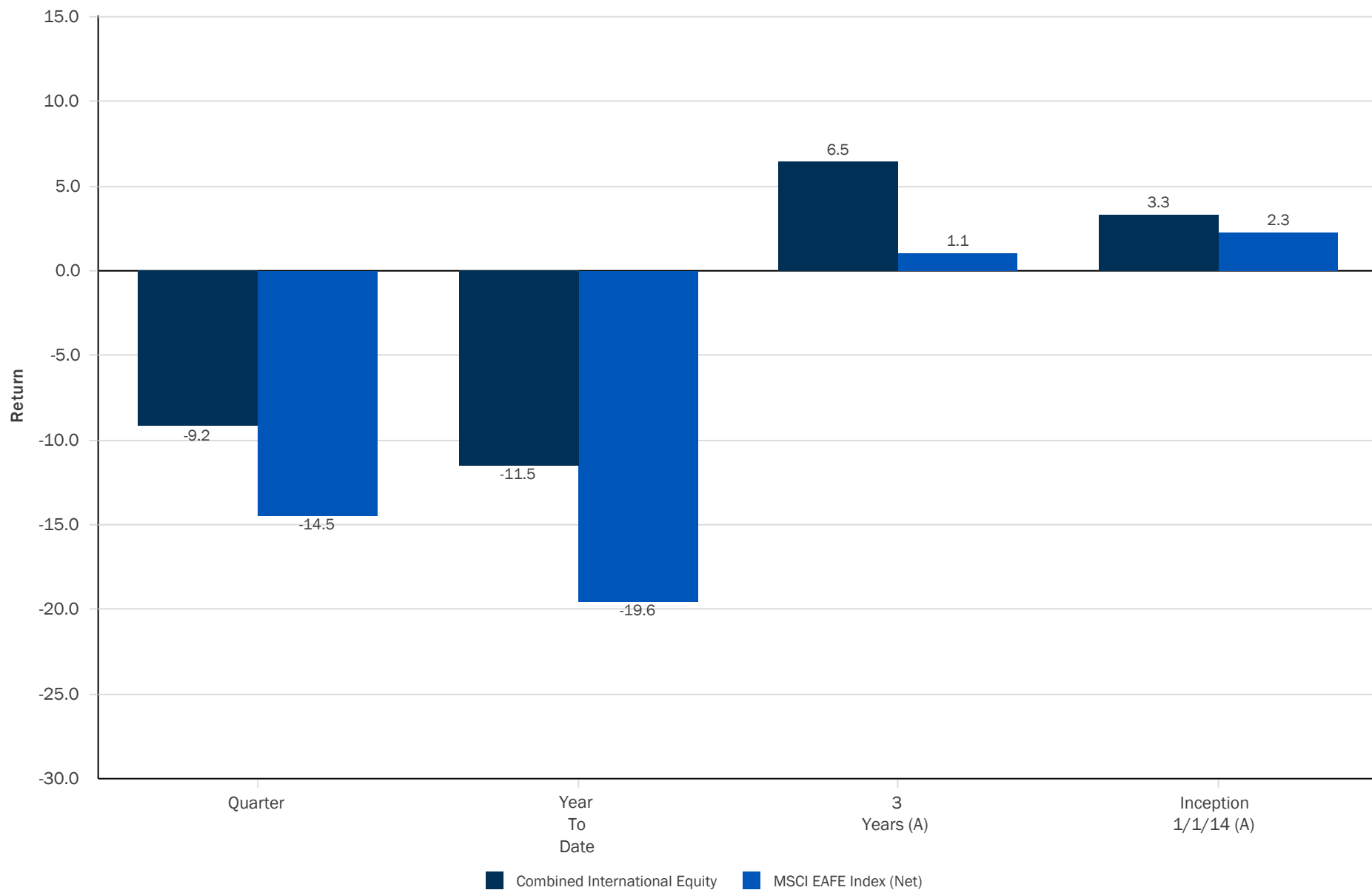
# Domestic Equity Overview

As of June 30, 2022



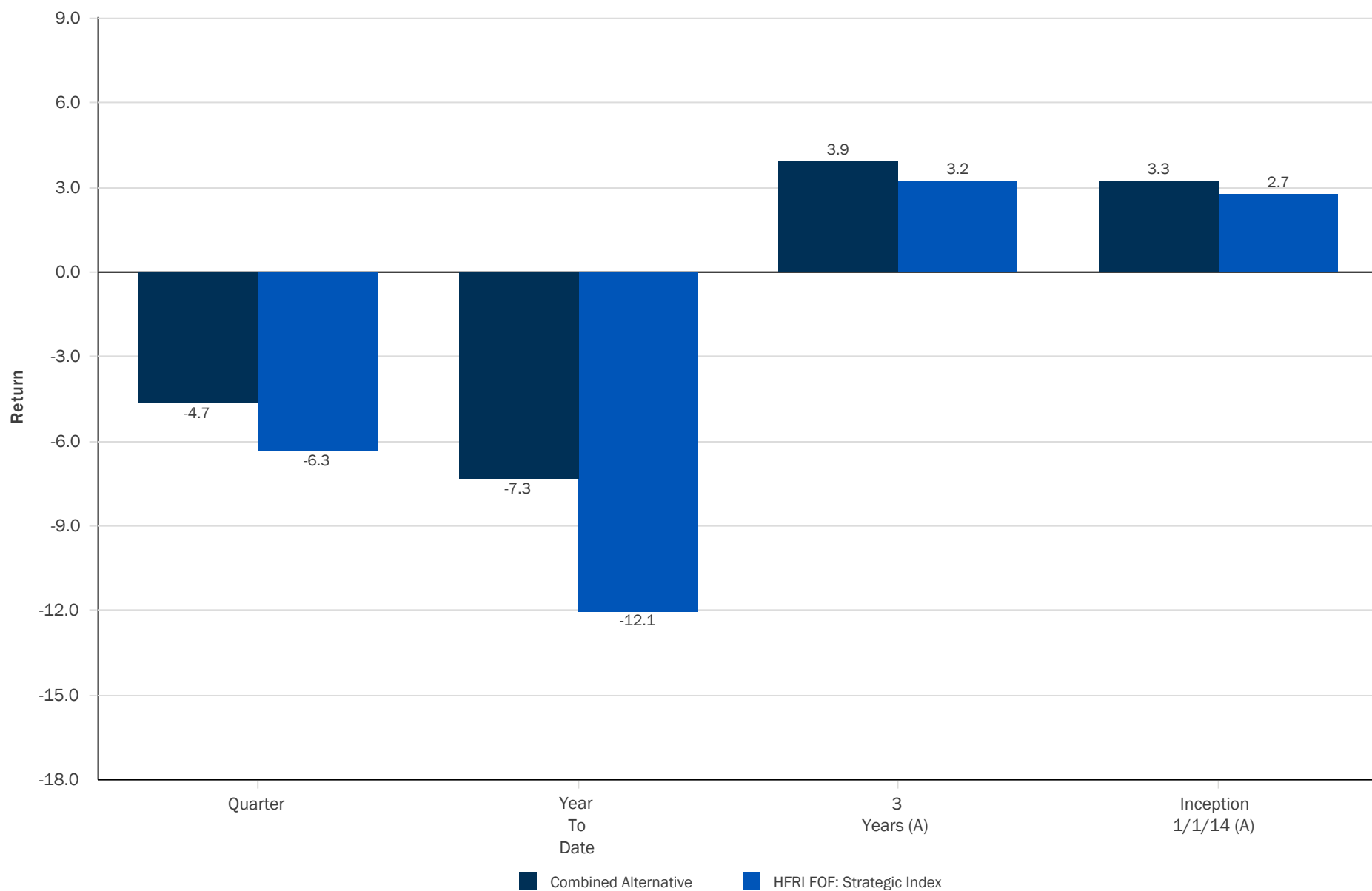
# International Equity Overview

As of June 30, 2022



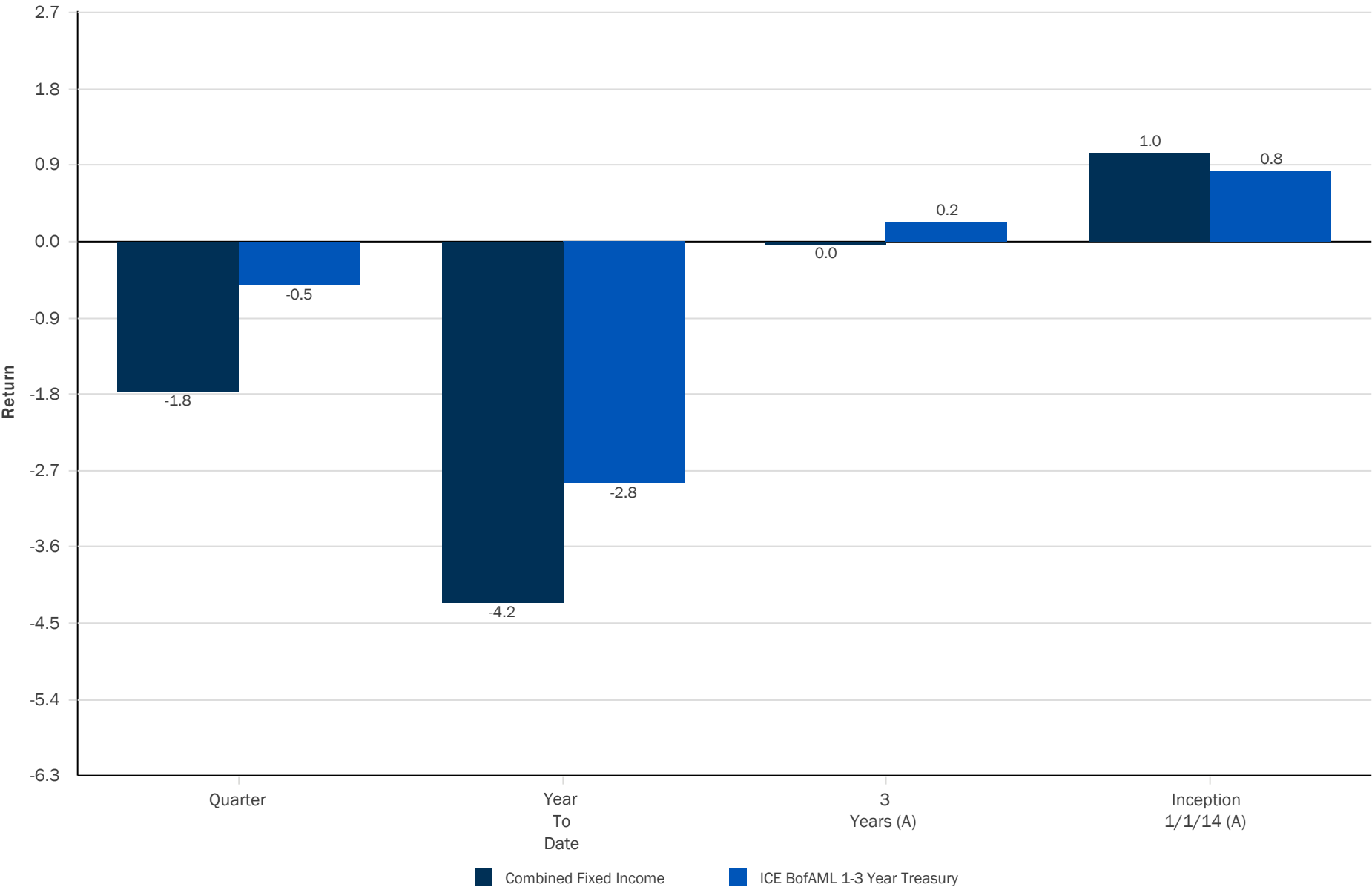
# Alternatives Overview

As of June 30, 2022



# Fixed Income Overview

As of June 30, 2022



# Manager Performance Review

As of June 30, 2022

	Manager Performance						Inception Date
	Quarter	YTD	Three Years	Five Years	Ten Years	Since Inception	
U.S. Equity							
Vanguard Institutional Index	-16.1	-20.0	10.6	11.3	12.9	10.9	01/01/2014
S&P 500	-16.1	-20.0	10.6	11.3	13.0	10.9	
DFA Targeted Value Small Cap	-12.9	-13.0	10.4	7.1	10.8	6.7	01/01/2014
Russell 2000 Value Index	-15.3	-17.3	6.2	4.9	9.1	5.9	
Artisan Mid Cap	-22.5	-34.5	5.8	9.7	11.2	8.2	01/01/2014
Russell 2000 Growth Index	-19.3	-29.5	1.4	4.8	9.3	5.8	
Non-U.S. Equity							
GQG Partners	-9.2	-12.4	6.9	8.9	-	-7.3	05/01/2021
MSCI AC World ex USA (Net)	-13.7	-18.4	1.4	2.5	4.8	-15.1	
Boston Partners International (John Hancock)	-9.9	-11.3	3.9	1.8	5.9	1.0	09/01/2018
MSCI EAFE Index (Net)	-14.5	-19.6	1.1	2.2	5.4	1.0	
Hedge Funds							
Blackstone Park[CE]	-8.6	-19.1	1.0	2.0	3.9	1.9	02/01/2015
HFRI FOF: Strategic Index	-6.3	-12.1	3.2	3.1	3.8	2.7	
Blackstone Partners[CE]	-1.3	-1.1	4.4	4.7	5.4	4.7	02/01/2019
HFRI Fund of Funds Composite Index	-3.6	-6.3	4.1	3.7	3.8	4.6	
Fixed Income							
TCW MetWest Low Duration	-1.8	-4.3	0.1	1.1	1.6	1.2	01/01/2014
ICE BofAML 1-3 Year Treasury	-0.5	-2.8	0.2	0.9	0.8	0.8	

---

# Historical Benchmark Composition

OPEB Total Portfolio BM As of June 30, 2022

---

Passive Portfolios	Weight (%)
<b>Jan-2014</b>	
Russell 3000 Index	36.00
MSCI EAFE Index (Net)	24.00
HFRI FOF: Strategic Index	20.00
ICE BofAML 1-3 Year Treasury	20.00

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# Manager Performance Review

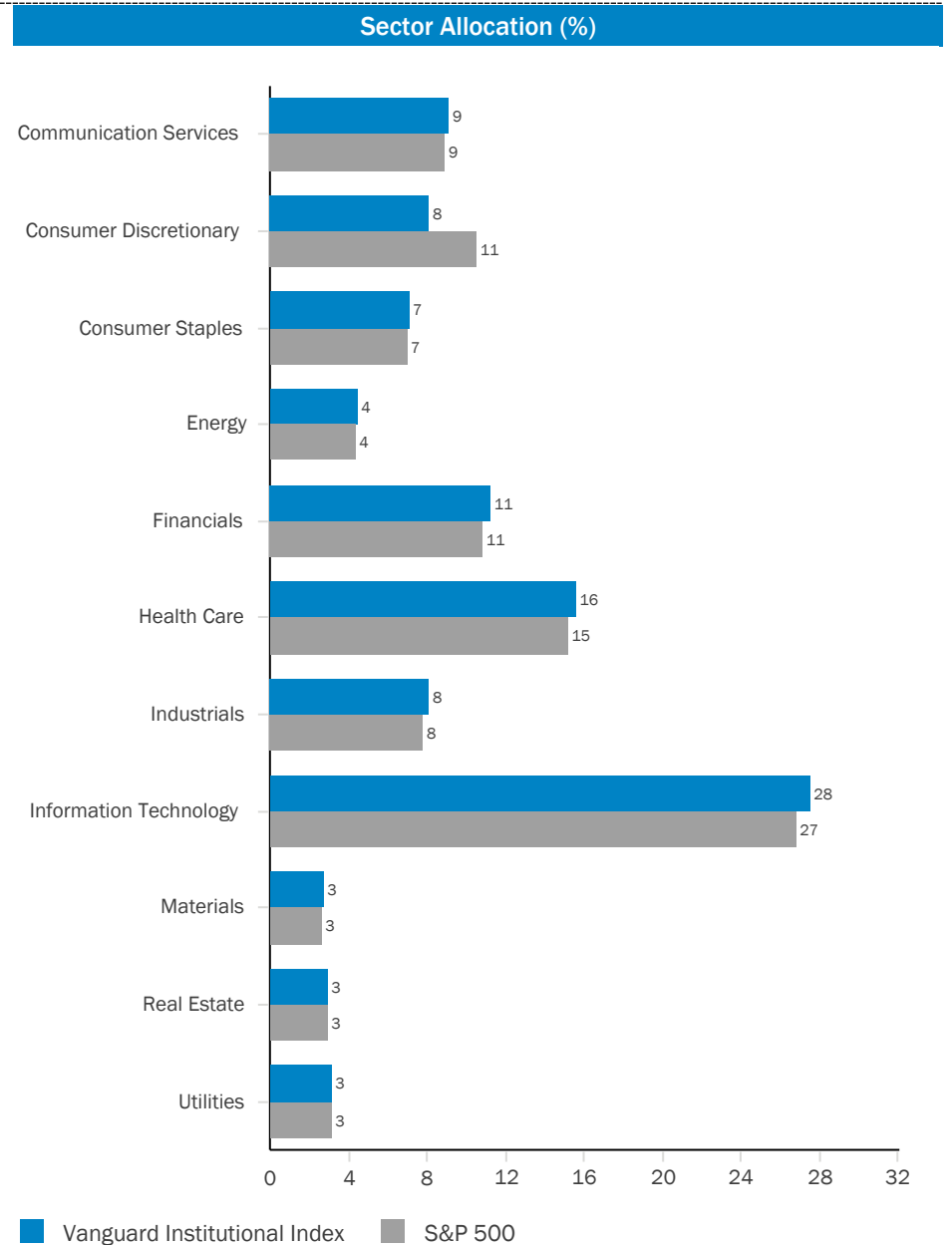
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# Vanguard Institutional Index

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	462.6	477.9
P/E Ratio	18.2	18.6
P/B Ratio	3.9	3.9
Yield (%)	1.8	1.7

Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Apple Inc	Information Technology	6.8	-21.6
Microsoft Corp	Information Technology	6.2	-16.5
Alphabet Inc Class A	Communication Services	2.1	-21.6
Alphabet Inc	Communication Services	2.0	-21.7
Tesla Inc	Consumer Discretionary	1.8	-37.5
Berkshire Hathaway Inc	Financials	1.6	-22.6
Unitedhealth Group Inc	Health Care	1.6	1.1
Johnson & Johnson	Health Care	1.5	0.8
NVIDIA Corporation	Information Technology	1.2	-44.4
Meta Platforms Inc	Communication Services	1.2	-27.5
% of Portfolio		26.0	

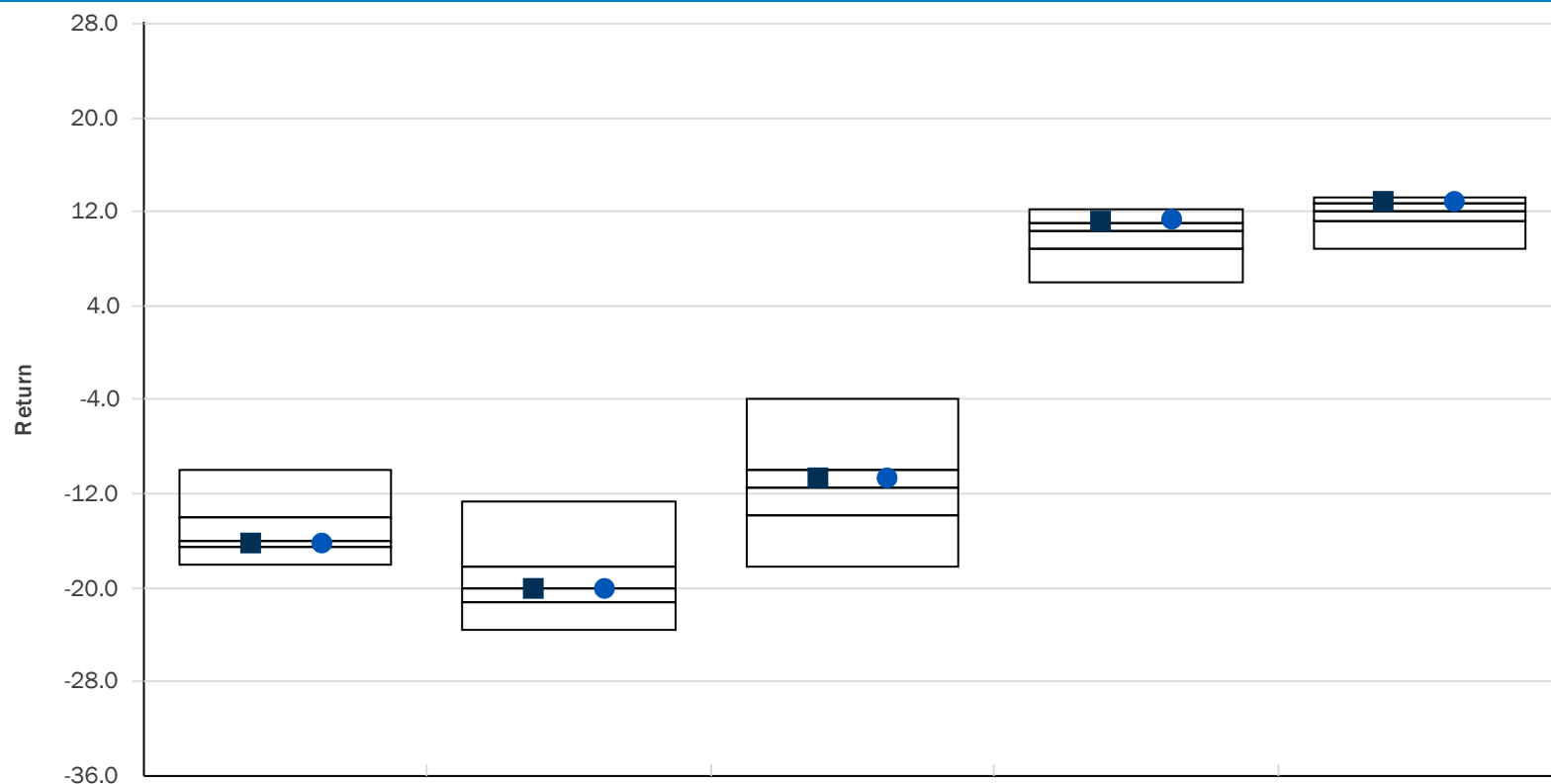




# Vanguard Institutional Index

As of 6/30/22

Peer Group: Large Blend



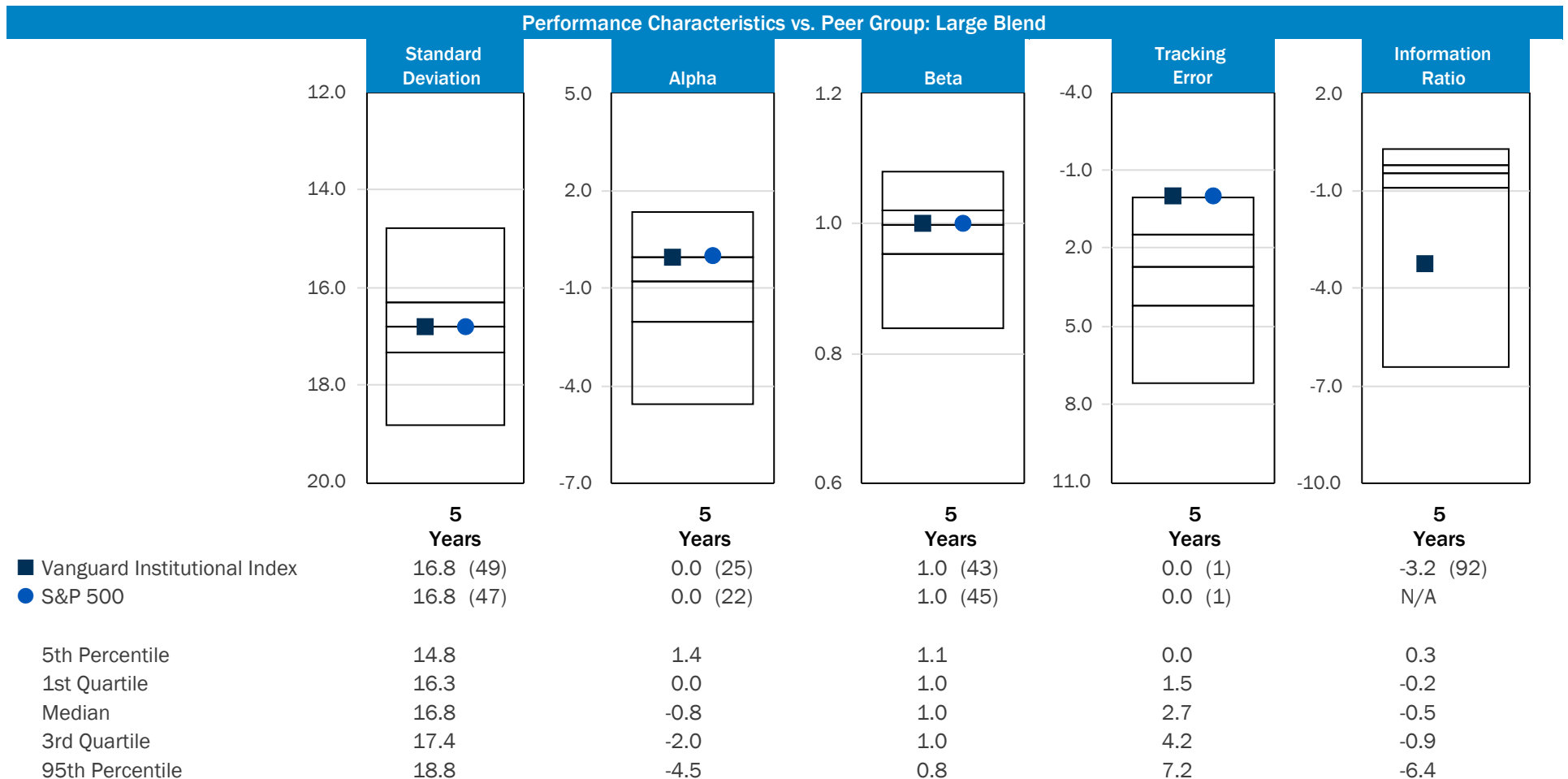
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Vanguard Institutional Index	-16.1 (58)	-20.0 (48)	-10.7 (34)	11.3 (18)	12.9 (13)
● S&P 500	-16.1 (56)	-20.0 (46)	-10.6 (31)	11.3 (15)	13.0 (11)
5th Percentile	-10.0	-12.6	-3.9	12.1	13.3
1st Quartile	-13.9	-18.3	-9.9	11.1	12.7
Median	-15.9	-20.0	-11.5	10.3	12.1
3rd Quartile	-16.5	-21.2	-13.8	8.9	11.2
95th Percentile	-18.0	-23.6	-18.2	6.0	8.9
Population	2,147	2,126	2,082	1,812	1,494

Parenttheses contain percentile rankings.  
Calculation based on monthly periodicity.

# Vanguard Institutional Index

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Vanguard Institutional Index	16.0	32.3	13.6	1.4	11.9	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	12.9
S&P 500	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4	28.7	-20.0	10.6	11.3	13.0



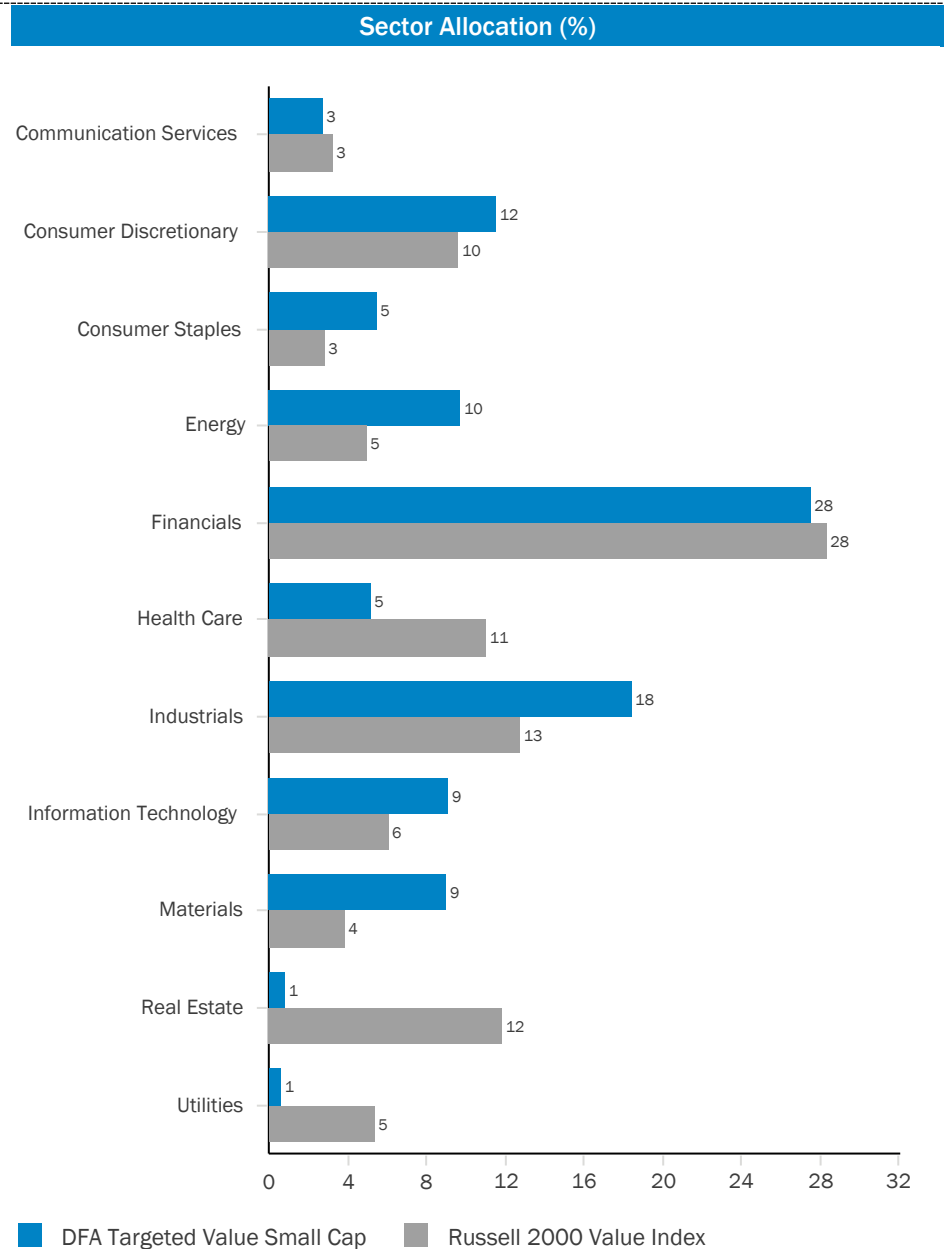
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# DFA Targeted Value Small Cap

As of 06/30/22

Portfolio Statistics		
	Portfolio	Benchmark
Market Cap (\$, B) \$B	4.6	2.2
P/E Ratio	8.7	9.7
P/B Ratio	1.6	1.5
Yield (%)	1.8	2.2

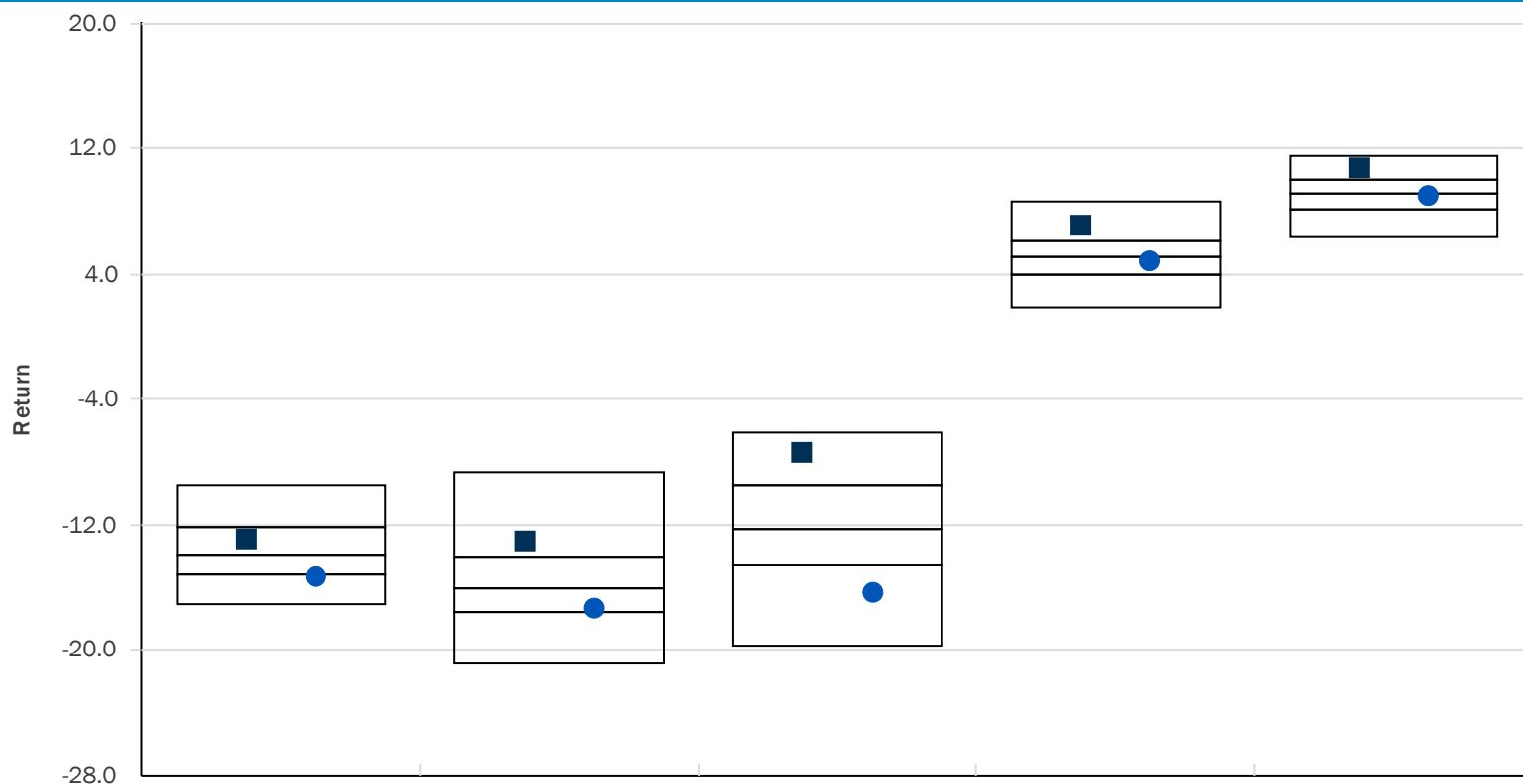
Top Ten Holdings			
	Sector	% of Portfolio	Quarter Return
Marathon Oil Corp	Energy	0.9	-10.2
Reliance Steel & Aluminum Co	Materials	0.8	-6.9
First Horizon Corp	Financials	0.8	-6.3
Steel Dynamics Inc	Materials	0.7	-20.3
Arrow Electronics Inc	Information Technology	0.7	-5.5
M&T Bank Corp	Financials	0.7	-5.3
AutoNation Inc	Consumer Discretionary	0.7	12.2
Bunge Ltd	Consumer Staples	0.7	-17.8
HF Sinclair Corp	Energy	0.6	14.3
Popular Inc	Financials	0.6	-5.2
% of Portfolio		7.2	



# DFA Targeted Value Small Cap

As of 6/30/22

Peer Group: Small Value



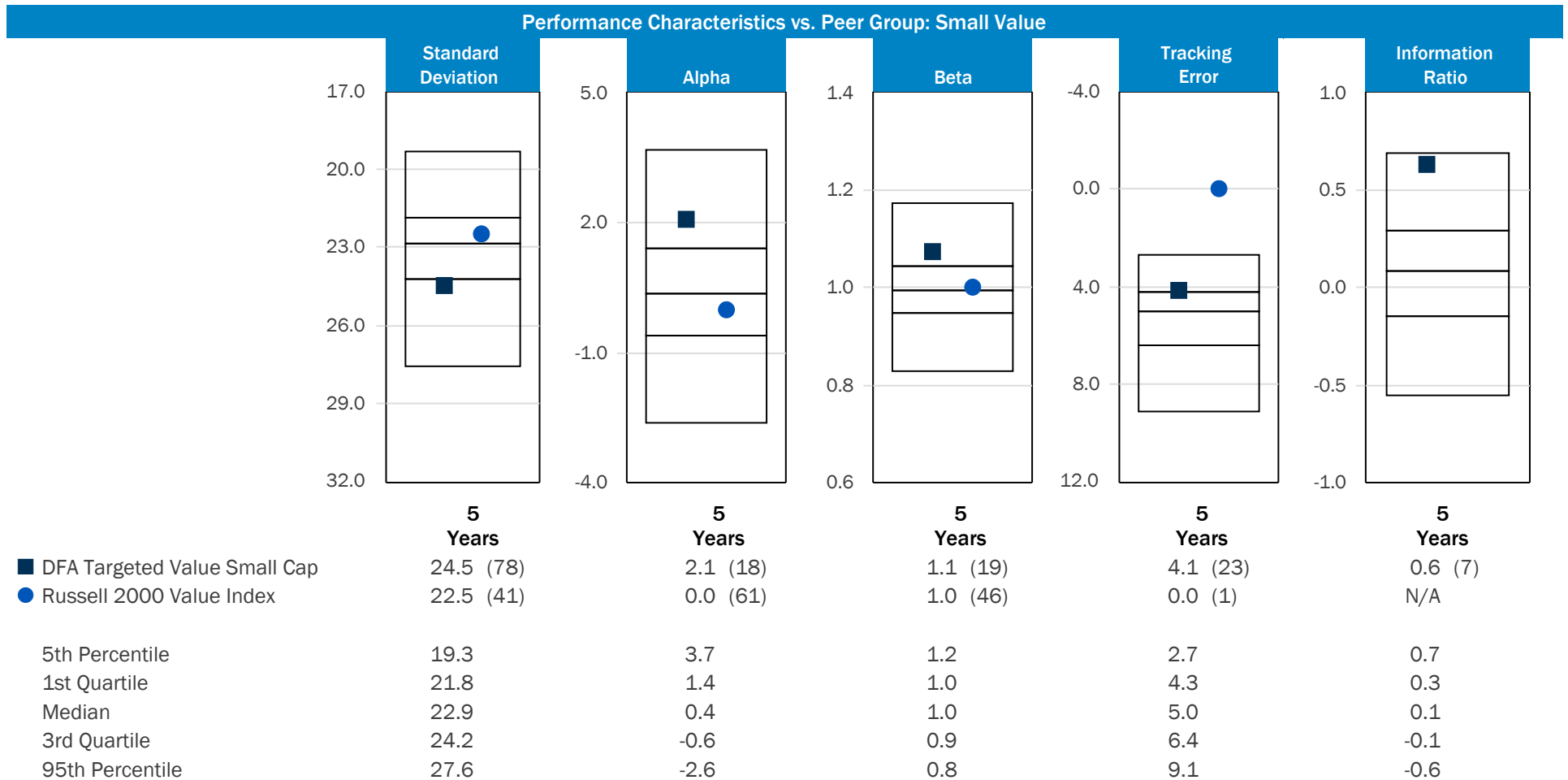
	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ DFA Targeted Value Small Cap	-12.9 (38)	-13.0 (17)	-7.3 (9)	7.1 (17)	10.8 (14)
● Russell 2000 Value Index	-15.3 (78)	-17.3 (70)	-16.3 (85)	4.9 (58)	9.1 (54)
5th Percentile	-9.5	-8.6	-6.1	8.6	11.6
1st Quartile	-12.1	-14.0	-9.5	6.2	10.0
Median	-13.9	-16.0	-12.3	5.1	9.2
3rd Quartile	-15.2	-17.5	-14.5	4.0	8.2
95th Percentile	-17.0	-20.8	-19.7	1.9	6.4
Population	663	654	652	580	537

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# DFA Targeted Value Small Cap

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
DFA Targeted Value Small Cap	19.2	43.0	2.9	-5.7	26.9	9.6	-15.8	21.5	3.8	38.8	-13.0	10.4	7.1	10.8
Russell 2000 Value Index	18.1	34.5	4.2	-7.5	31.7	7.8	-12.9	22.4	4.6	28.3	-17.3	6.2	4.9	9.1

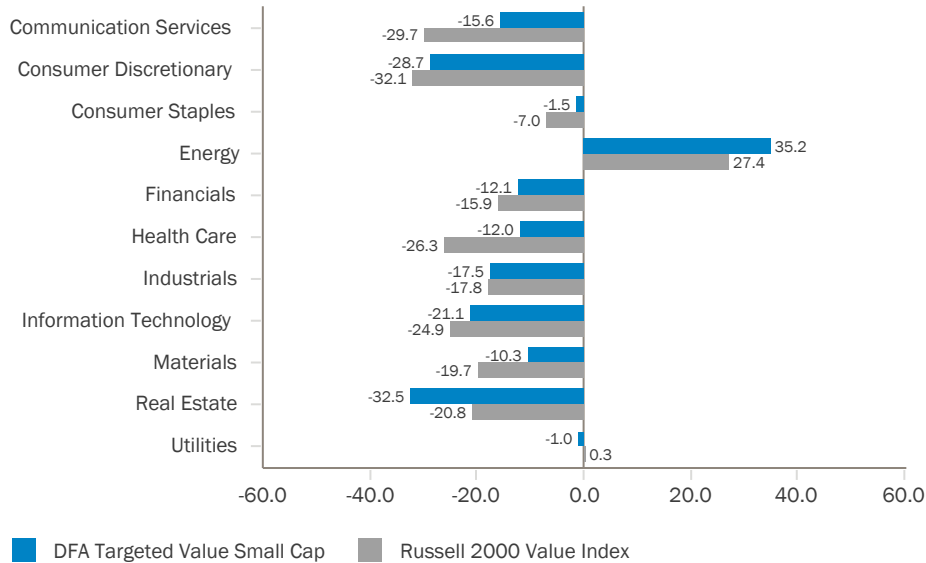


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# DFA Targeted Value Small Cap

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
AutoNation Inc	0.6	12.2	0.1
HF Sinclair Corp	0.5	14.3	0.1
Scorpio Tankers Inc	0.0	62.0	0.1
Post Holdings Inc	0.3	18.9	0.1
Penske Automotive Group Inc	0.4	12.2	0.0

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

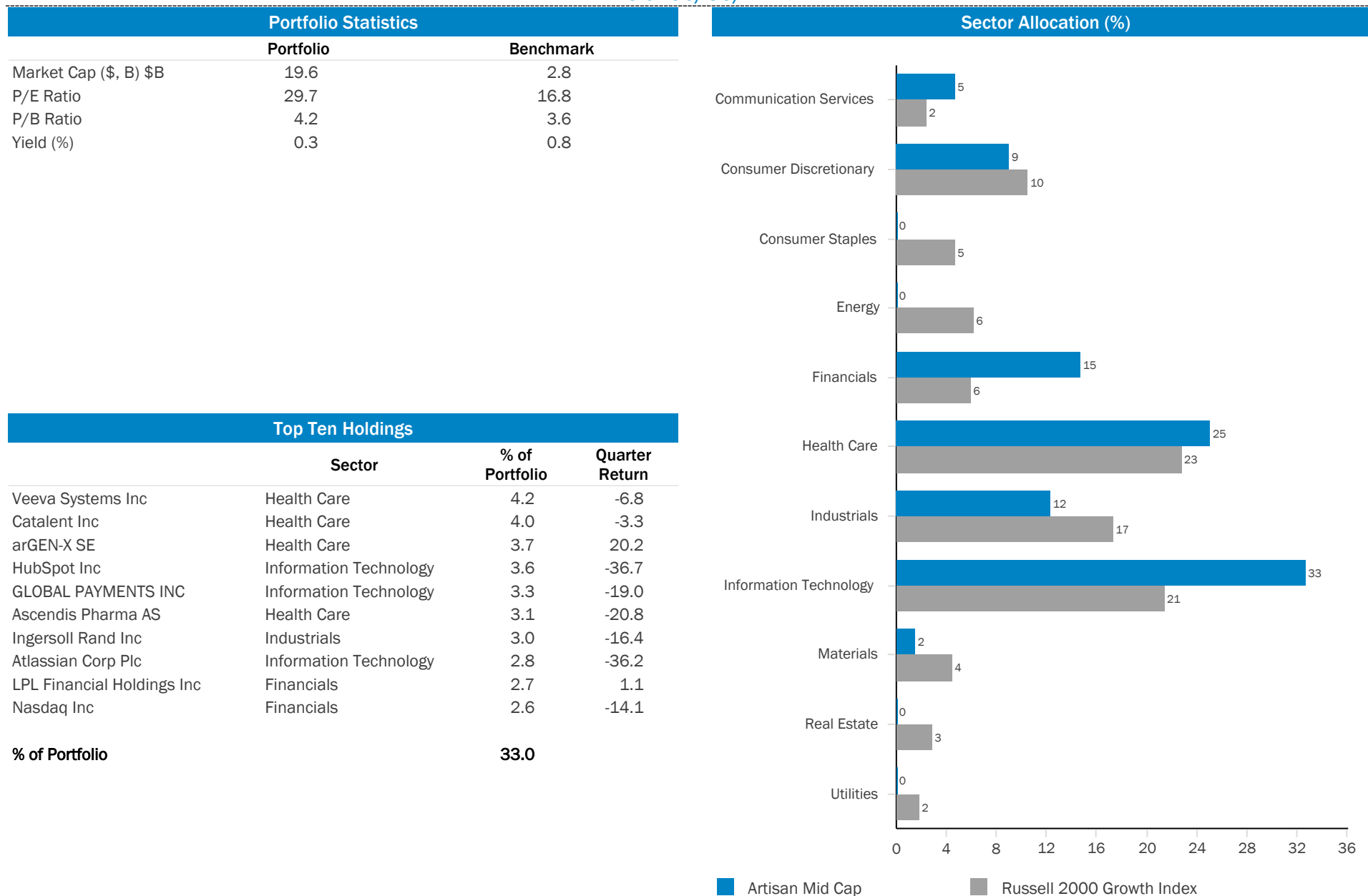
	Relative Weights	Quarter Return	Return Contribution
Alcoa Corp	0.8	-49.3	-0.4
Kohl's Corp	0.5	-40.3	-0.2
Invesco Ltd	0.7	-29.3	-0.2
Steel Dynamics Inc	0.8	-20.3	-0.2
AGCO Corp	0.5	-29.7	-0.1

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	2.7	3.4	-15.6	-29.7	0.4	0.1	0.5
Consumer Discretionary	12.7	7.4	-28.7	-32.1	0.5	-0.9	-0.4
Consumer Staples	5.0	3.1	-1.5	-7.0	0.2	0.2	0.4
Energy	8.9	8.9	35.2	27.4	0.5	0.1	0.6
Financials	27.5	26.2	-12.1	-15.9	1.1	0.0	1.1
Health Care	4.5	9.0	-12.0	-26.3	0.6	0.6	1.2
Industrials	18.7	15.1	-17.5	-17.8	0.0	-0.1	0.0
Information Technology	9.0	5.4	-21.1	-24.9	0.4	-0.3	0.1
Materials	9.5	4.5	-10.3	-19.7	0.9	-0.2	0.7
Real Estate	1.0	11.6	-32.5	-20.8	-0.1	0.5	0.4
Utilities	0.5	5.3	-1.0	0.3	0.0	-0.8	-0.8
Total	100.0	100.0	-12.7	-16.4	4.5	-0.7	3.7

# Artisan Mid Cap

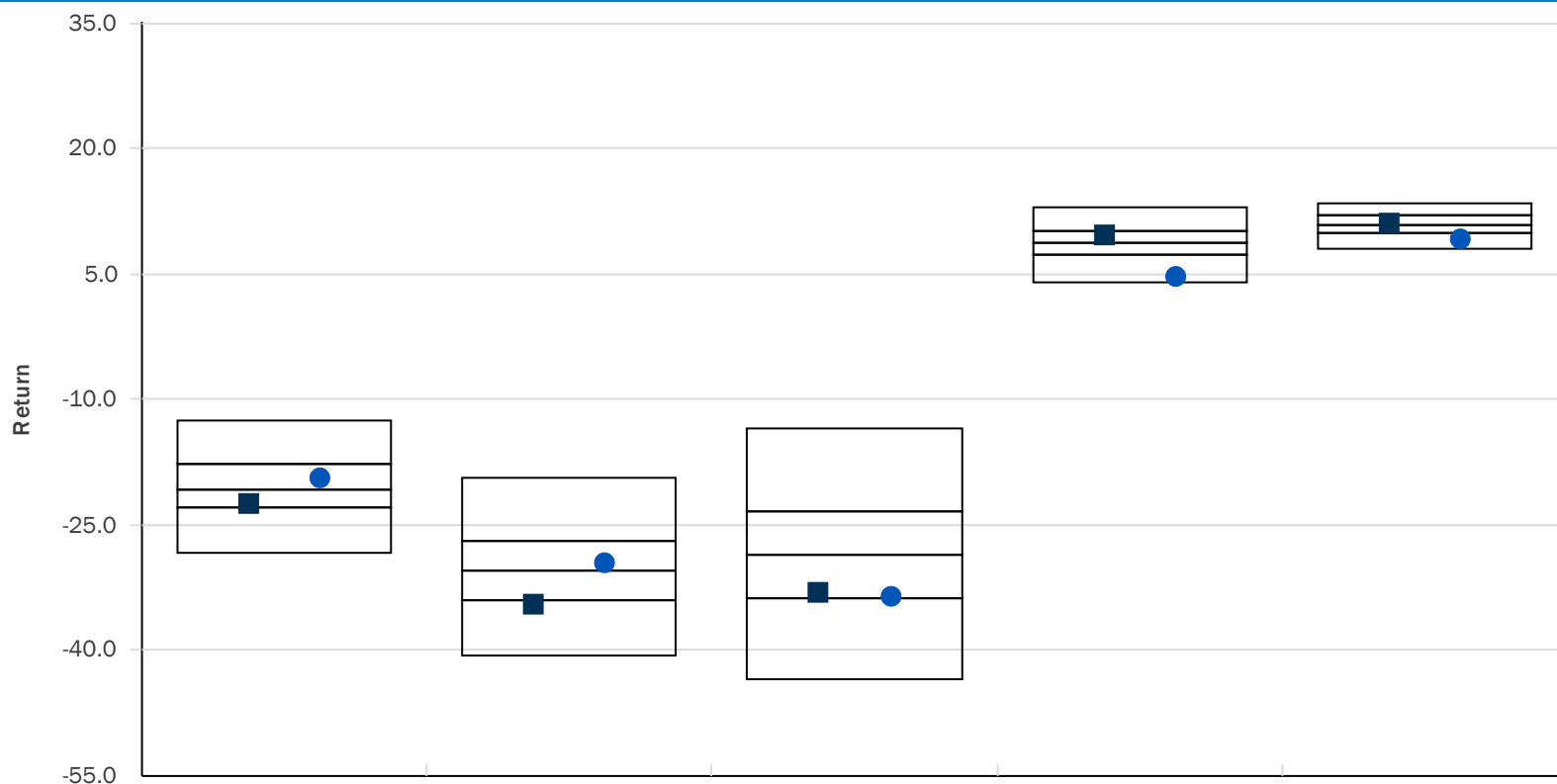
As of 06/30/22



# Artisan Mid Cap

As of 6/30/22

## Peer Group: Mid-Cap Growth



	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Artisan Mid Cap	-22.5 (72)	-34.5 (78)	-33.0 (71)	9.7 (35)	11.2 (43)
● Russell 2000 Growth Index	-19.3 (39)	-29.5 (41)	-33.4 (74)	4.8 (94)	9.3 (85)
5th Percentile	-12.6	-19.4	-13.5	13.1	13.5
1st Quartile	-17.8	-26.9	-23.4	10.3	12.0
Median	-20.7	-30.5	-28.6	8.7	10.8
3rd Quartile	-22.9	-34.1	-33.8	7.3	9.8
95th Percentile	-28.2	-40.5	-43.5	4.1	8.1
Population	932	932	919	789	700

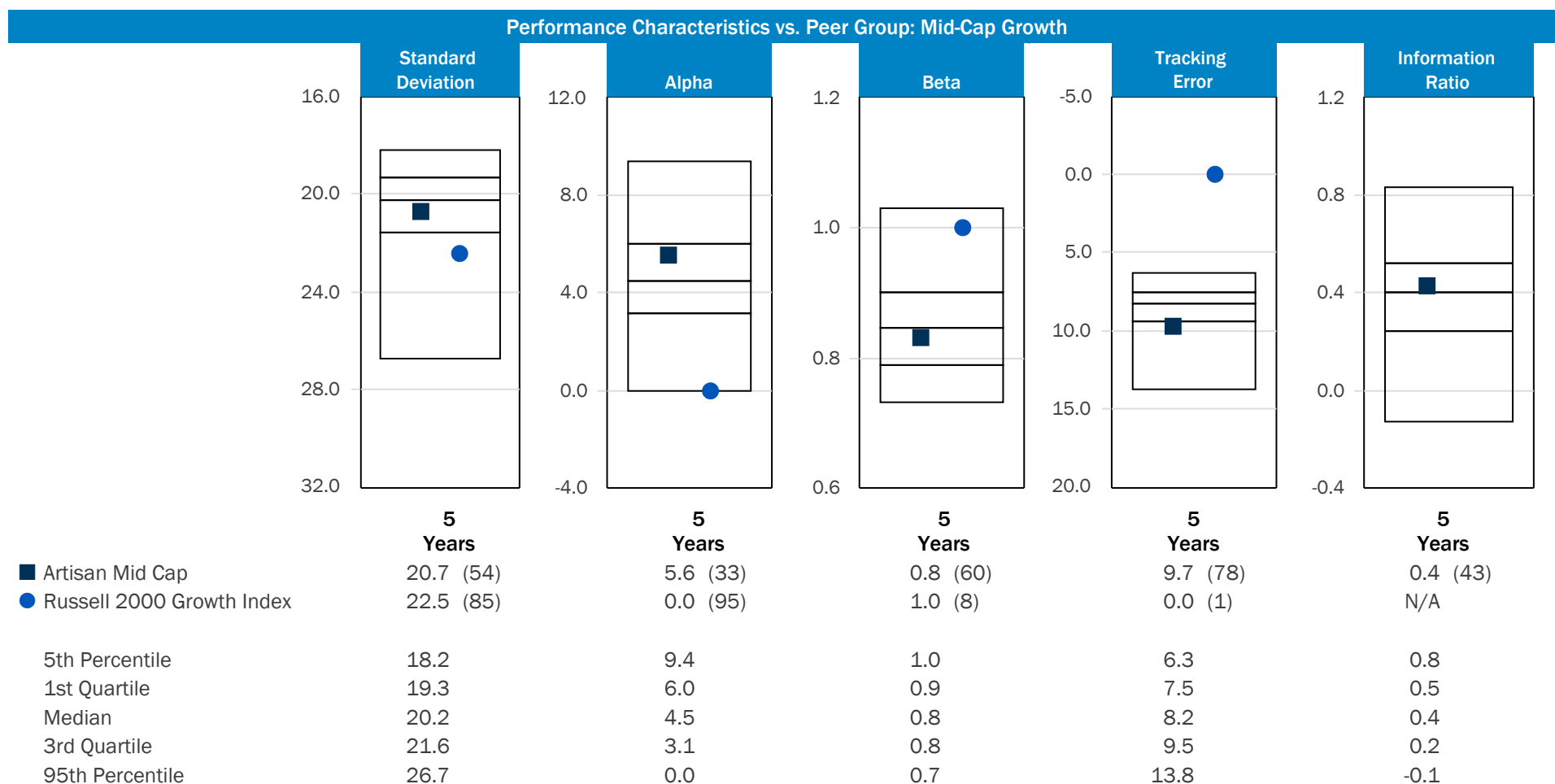
Parenteses contain percentile rankings.  
Calculation based on monthly periodicity.



# Artisan Mid Cap

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Artisan Mid Cap	19.5	37.4	5.7	2.2	-0.9	20.5	-4.0	38.1	58.7	10.3	-34.5	5.8	9.7	11.2
Russell 2000 Growth Index	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6	2.8	-29.5	1.4	4.8	9.3

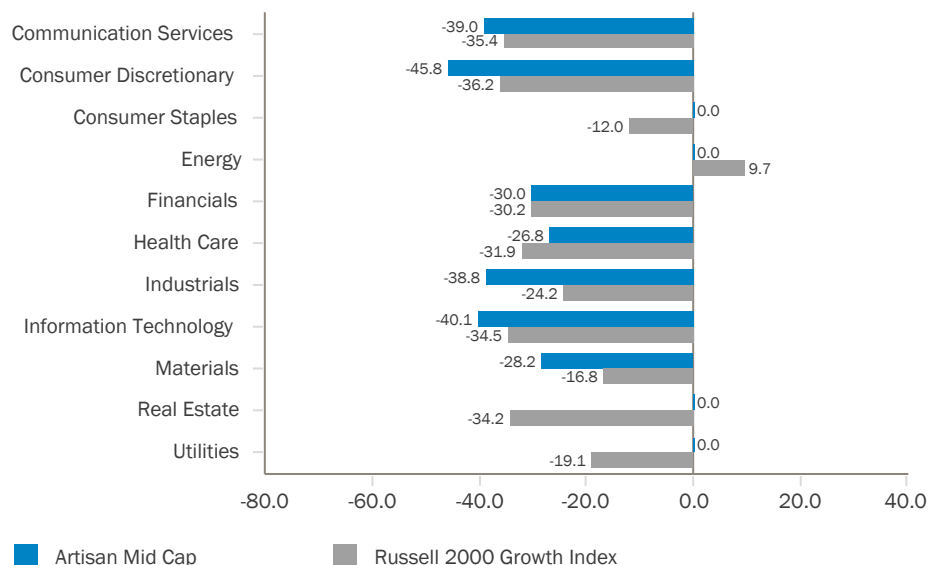


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# Artisan Mid Cap

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
arGEN-X SE	2.3	20.2	0.5
LPL Financial Holdings Inc	2.0	1.1	0.0
BioNTech SE	0.5	-11.4	-0.1
Neogenomics Inc	0.1	-32.9	-0.1
Catalent Inc	3.1	-3.3	-0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
HubSpot Inc	4.2	-36.7	-1.6
Atlassian Corp Plc	3.2	-36.2	-1.2
Zscaler Inc	2.4	-38.0	-0.9
ZoomInfo Technologies Inc	2.0	-44.4	-0.9
SVB Financial Group	2.7	-29.4	-0.8

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	8.0	2.7	-39.0	-35.4	-0.1	-0.2	-0.3
Consumer Discretionary	9.7	14.4	-45.8	-36.2	-1.1	0.3	-0.8
Consumer Staples	0.0	4.2	0.0	-12.0	0.0	-0.7	-0.7
Energy	0.0	3.2	0.0	9.7	0.0	-0.9	-0.9
Financials	13.4	5.5	-30.0	-30.2	0.0	0.0	0.0
Health Care	20.9	24.4	-26.8	-31.9	1.1	0.3	1.5
Industrials	11.9	15.8	-38.8	-24.2	-1.7	-0.2	-1.9
Information Technology	34.7	22.8	-40.1	-34.5	-2.0	-0.5	-2.6
Materials	1.5	3.4	-28.2	-16.8	-0.2	-0.2	-0.4
Real Estate	0.0	3.3	0.0	-34.2	0.0	0.1	0.1
Utilities	0.0	0.4	0.0	-19.1	0.0	0.0	0.0
Total	100.0	100.0	-35.8	-29.8	-3.9	-2.0	-5.9

# GQG Partners

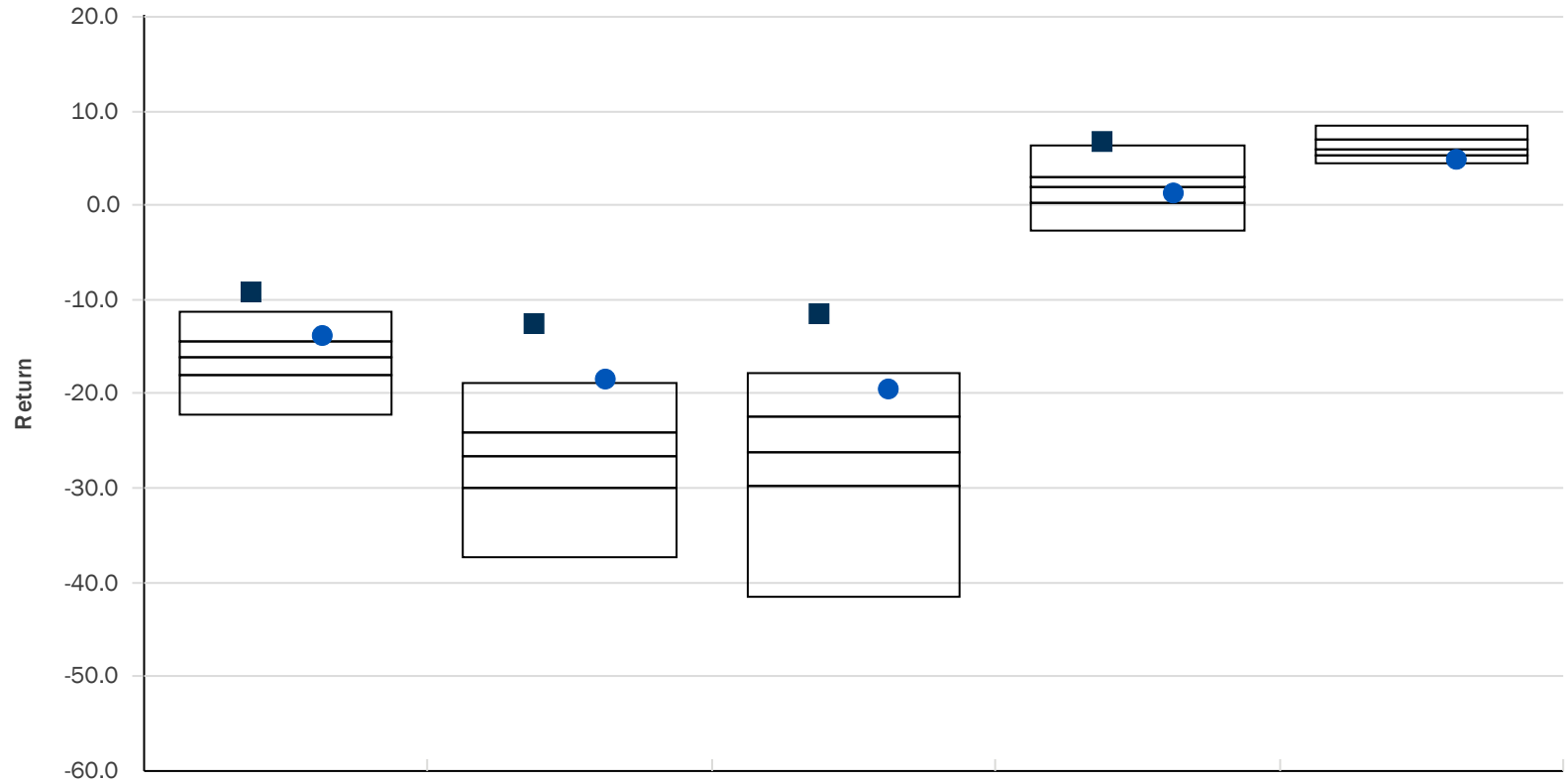
As of 06/30/22



# GQG Partners

As of 6/30/22

## Peer Group: Foreign Large Growth



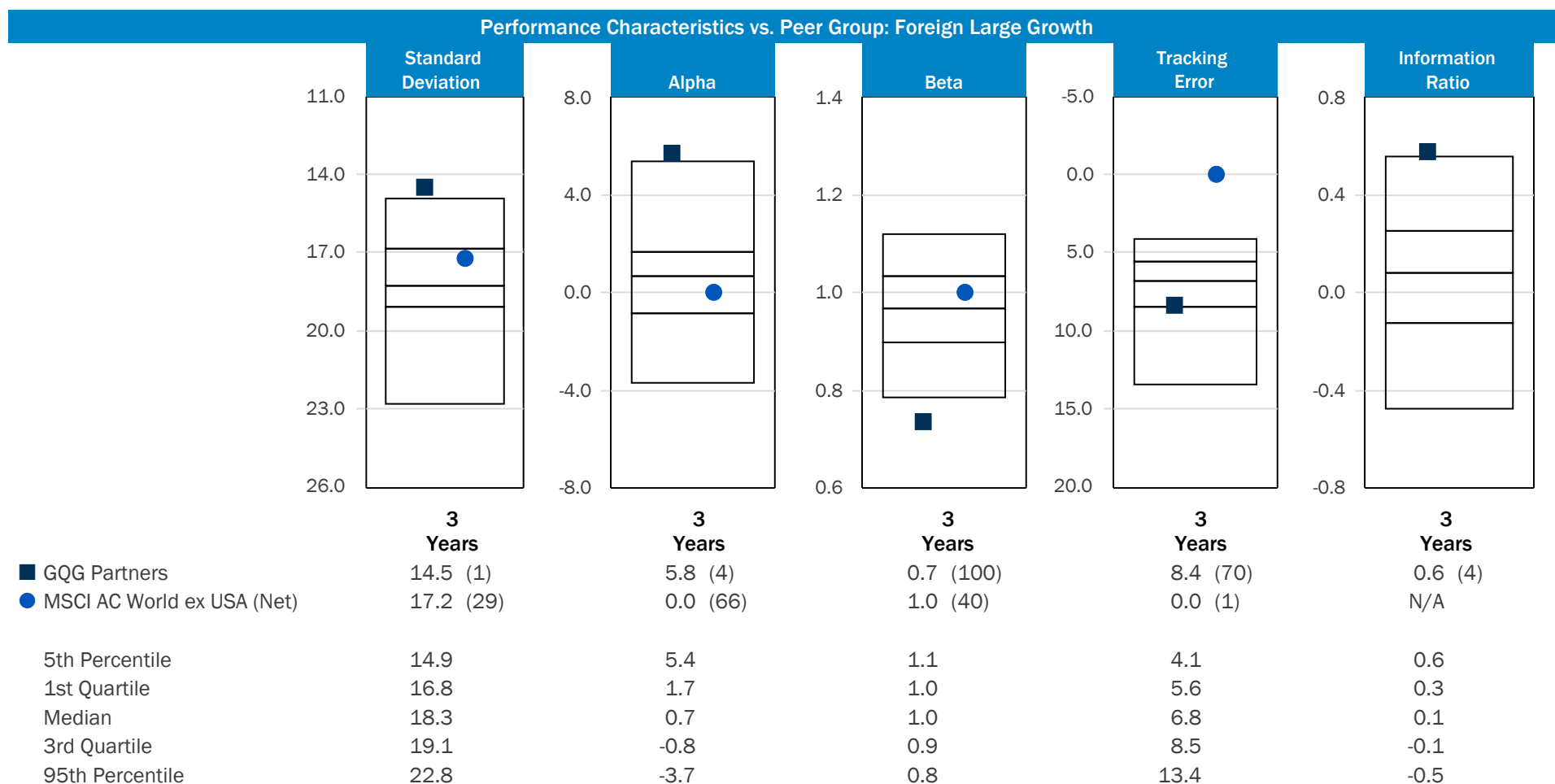
	Quarter	YTD	1 Year	3 Years (a)	10 Years (a)
■ GQG Partners	-9.2 (1)	-12.4 (1)	-11.5 (1)	6.9 (3)	N/A
● MSCI AC World ex USA (Net)	-13.7 (19)	-18.4 (5)	-19.4 (11)	1.4 (61)	4.8 (89)
5th Percentile	-11.2	-18.9	-17.8	6.3	8.5
1st Quartile	-14.4	-24.0	-22.4	2.9	7.0
Median	-16.1	-26.7	-26.2	1.9	5.9
3rd Quartile	-17.9	-30.1	-29.8	0.2	5.3
95th Percentile	-22.2	-37.4	-41.5	-2.7	4.4
Population	686	683	676	624	469

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

# GQG Partners

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
GQG Partners	-	-	-	-	-	31.8	-6.0	27.6	15.8	12.5	-12.4	6.9	8.9	-
MSCI AC World ex USA (Net)	16.8	15.3	-3.9	-5.7	4.5	27.2	-14.2	21.5	10.7	7.8	-18.4	1.4	2.5	4.8

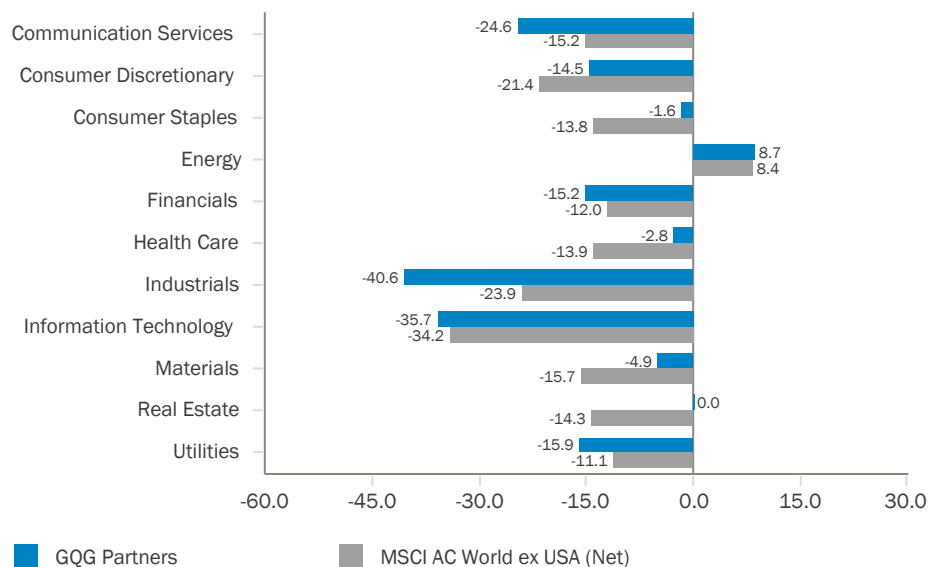


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# GQG Partners

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Swedish Match AB	1.2	35.6	0.4
Rosneft Oil Company	1.1	24.5	0.3
Philip Morris International Inc	3.9	6.4	0.3
Gazprom PJSC	0.8	28.4	0.2
Exxon Mobil Corp	3.4	4.7	0.2

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Taiwan Semiconductor Manufacturing	1.4	-22.8	-0.8
Glencore Plc	3.4	-16.1	-0.6
Itau Unibanco Holding SA	2.2	-23.5	-0.5
Banco Bilbao Vizcaya Argentaria SA (BBVA)	2.0	-18.1	-0.4
E.ON SE	1.4	-25.0	-0.4

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	2.5	6.2	-24.6	-15.2	-0.8	0.0	-0.8
Consumer Discretionary	1.9	11.5	-14.5	-21.4	0.2	0.3	0.5
Consumer Staples	15.7	8.6	-1.6	-13.8	1.1	0.5	1.6
Energy	21.1	5.4	8.7	8.4	0.3	2.8	3.1
Financials	20.3	20.2	-15.2	-12.0	-1.1	0.0	-1.1
Health Care	13.9	9.3	-2.8	-13.9	1.4	0.0	1.4
Industrials	1.6	12.2	-40.6	-23.9	-0.4	0.7	0.3
Information Technology	7.3	12.3	-35.7	-34.2	-0.1	0.5	0.4
Materials	11.7	8.6	-4.9	-15.7	0.8	-0.6	0.2
Real Estate	0.0	2.5	0.0	-14.3	0.0	-0.1	-0.1
Utilities	4.1	3.2	-15.9	-11.1	-0.4	0.1	-0.3
Total	100.0	100.0	-12.3	-17.5	1.0	4.2	5.2

# Boston Partners International (John Hancock)

As of 06/30/22

## Portfolio Statistics

	Portfolio	Benchmark
Market Cap (\$, B) \$B	69.4	69.5
P/E Ratio	9.5	12.5
P/B Ratio	1.9	2.4
Yield (%)	3.6	3.6

## Top Ten Holdings

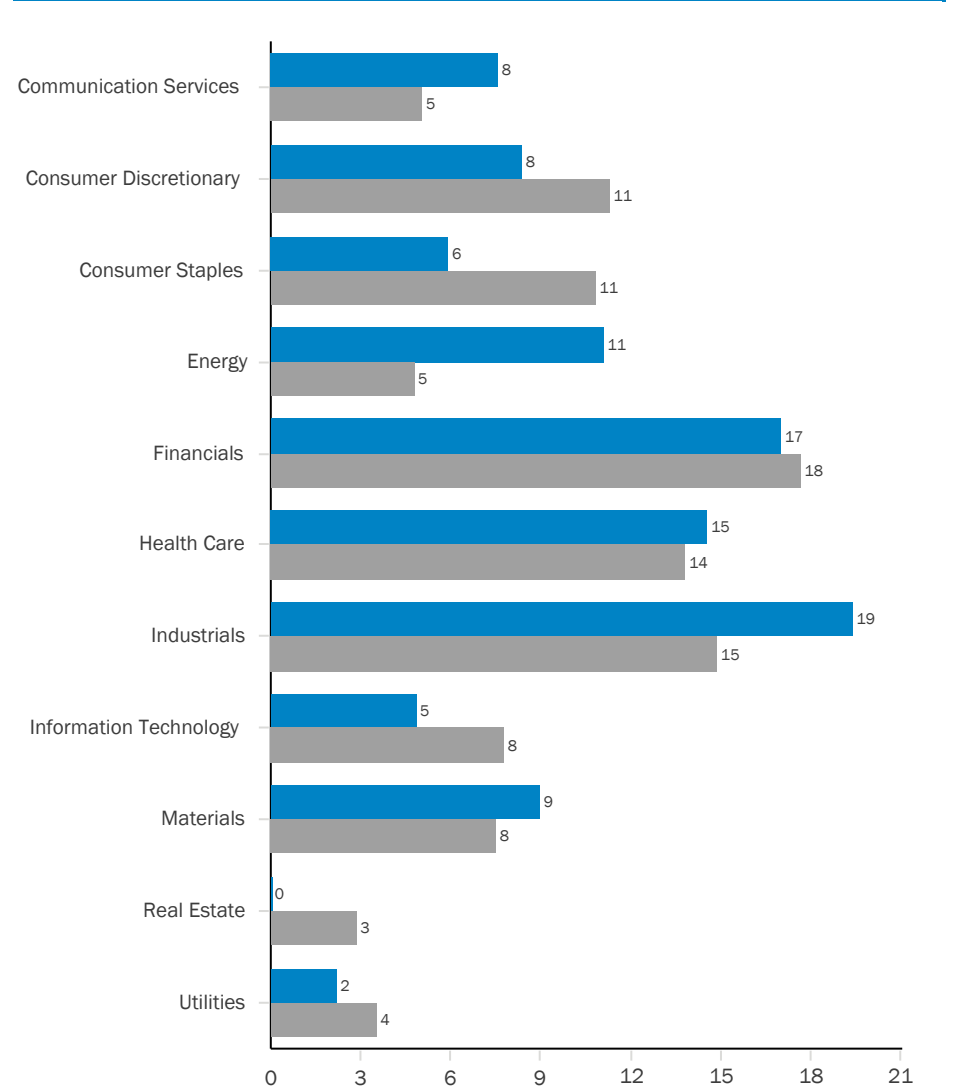
	Sector	% of Portfolio	Quarter Return
Cenovus Energy Inc	Energy	5.0	14.4
Sanofi	Health Care	4.2	1.9
BAE Systems PLC	Industrials	3.5	7.6
Coca-Cola Europacific Partners PLC	Consumer Staples	3.2	7.4
Novartis AG	Health Care	3.1	-4.3
Deutsche Telekom AG	Communication Services	2.9	9.2
TotalEnergies SE	Energy	2.8	4.3
Roche Holding AG	Health Care	2.6	-16.4
Svenska Handelsbanken	Financials	2.4	-8.3
Shell Plc	Energy	2.3	-5.9

% of Portfolio **32.0**

## Regional Allocation (%)

	Manager	Index
Canada	8.4	0.0
United States	2.0	0.2
Europe	65.1	64.5
Asia Pacific	15.4	34.4
<b>Developed Markets</b>	<b>90.9</b>	<b>99.1</b>
Europe	0.8	0.0
Asia Pacific	6.2	0.0
<b>Emerging Markets</b>	<b>6.9</b>	<b>0.0</b>
Other	2.2	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Sector Allocation (%)



■ Boston Partners International (John Hancock)

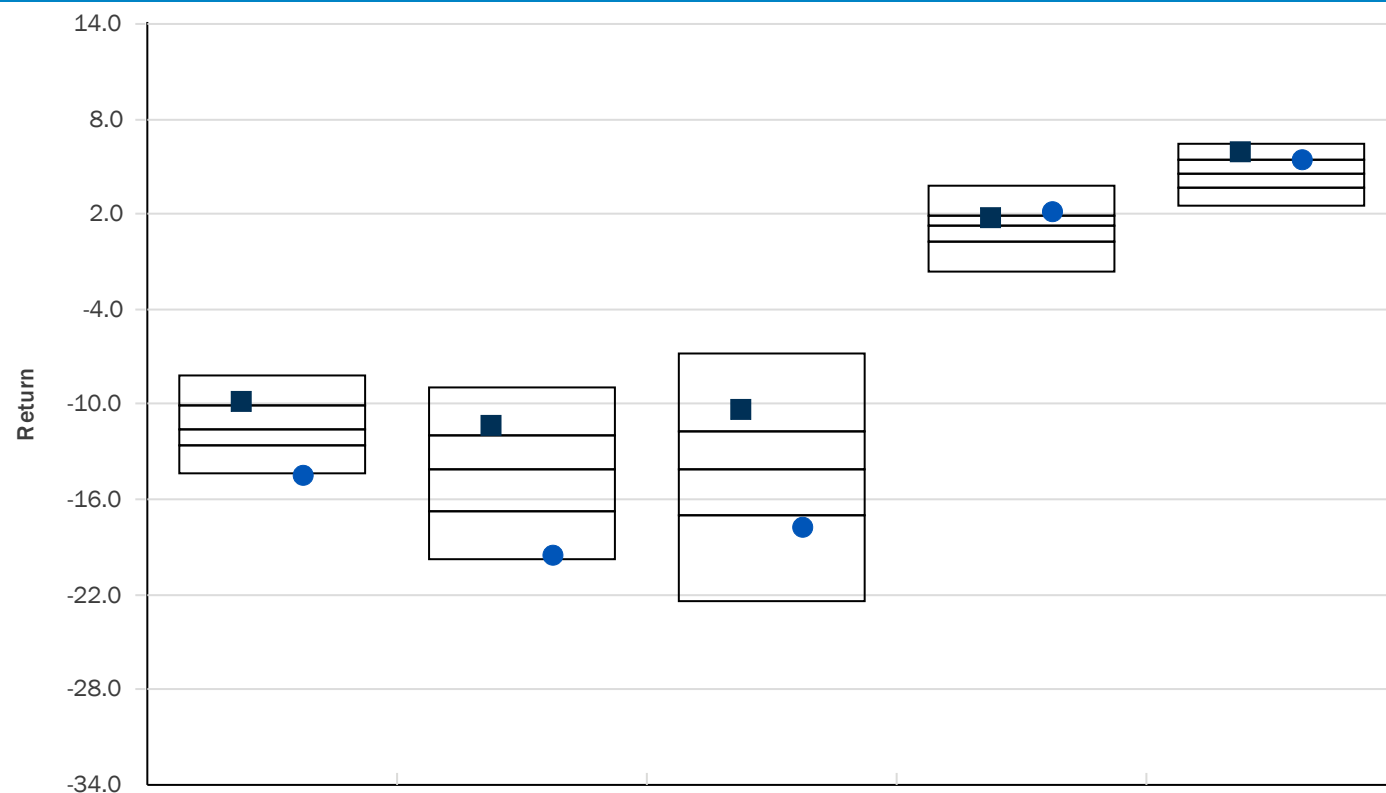
■ MSCI EAFE Index (Net)

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# Boston Partners International (John Hancock)

As of 6/30/22

Peer Group: Foreign Large Value



	Quarter	YTD	1 Year	5 Years (a)	10 Years (a)
■ Boston Partners International (John Hancock)	-9.9 (21)	-11.3 (22)	-10.3 (19)	1.8 (30)	5.9 (13)
● MSCI EAFE Index (Net)	-14.5 (96)	-19.6 (94)	-17.8 (82)	2.2 (18)	5.4 (25)
5th Percentile	-8.2	-8.9	-6.7	3.7	6.4
1st Quartile	-10.0	-11.9	-11.7	1.9	5.4
Median	-11.6	-14.1	-14.1	1.3	4.5
3rd Quartile	-12.6	-16.7	-17.0	0.2	3.7
95th Percentile	-14.4	-19.7	-22.4	-1.6	2.5
Population	513	513	505	432	347

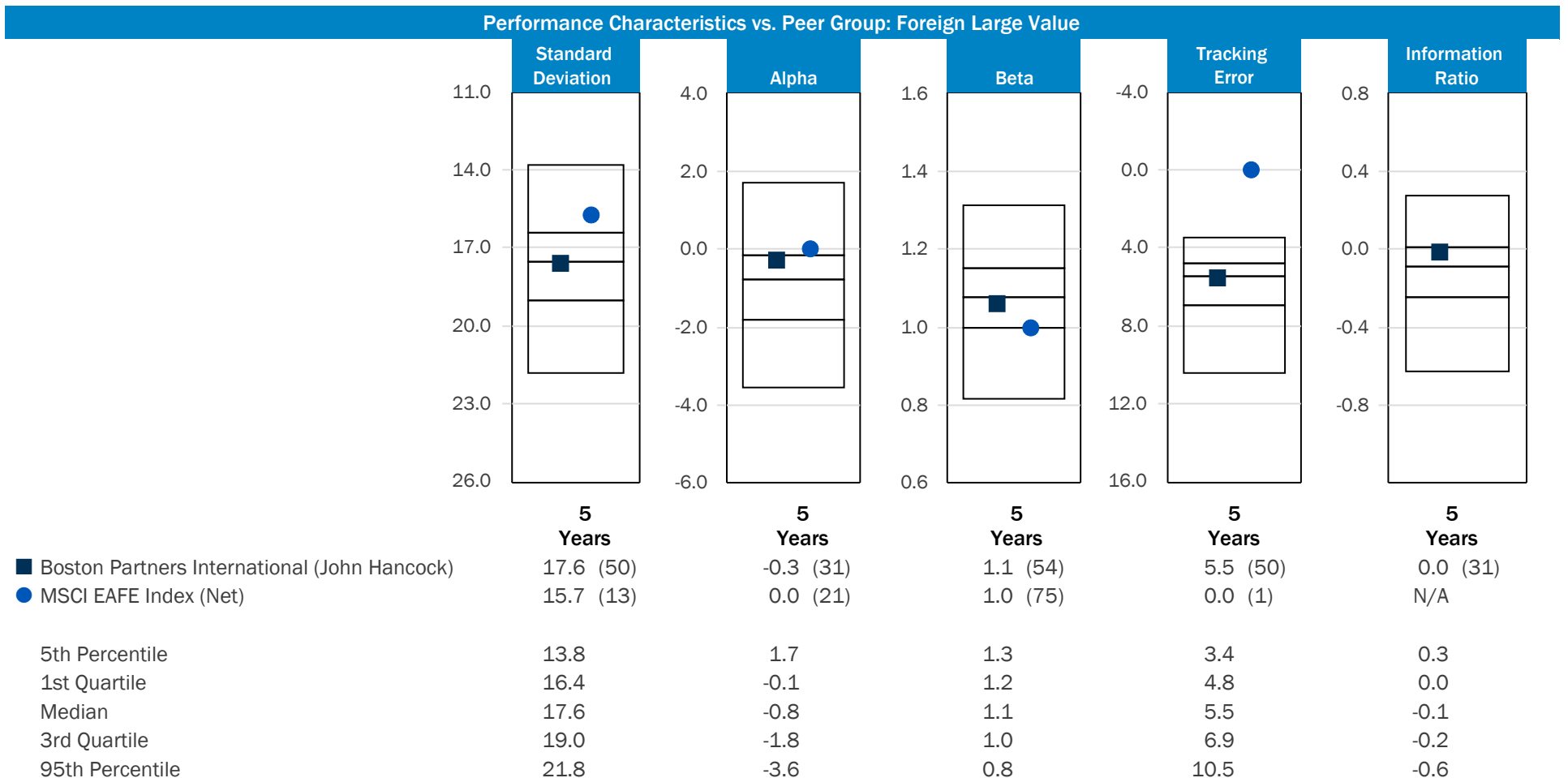
Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.



# Boston Partners International (John Hancock)

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
Boston Partners International (John Hancock)	16.9	29.8	-5.0	1.9	-0.2	25.5	-18.6	15.6	4.8	13.0	-11.3	3.9	1.8	5.9
MSCI EAFE Index (Net)	17.3	22.8	-4.9	-0.8	1.0	25.0	-13.8	22.0	7.8	11.3	-19.6	1.1	2.2	5.4

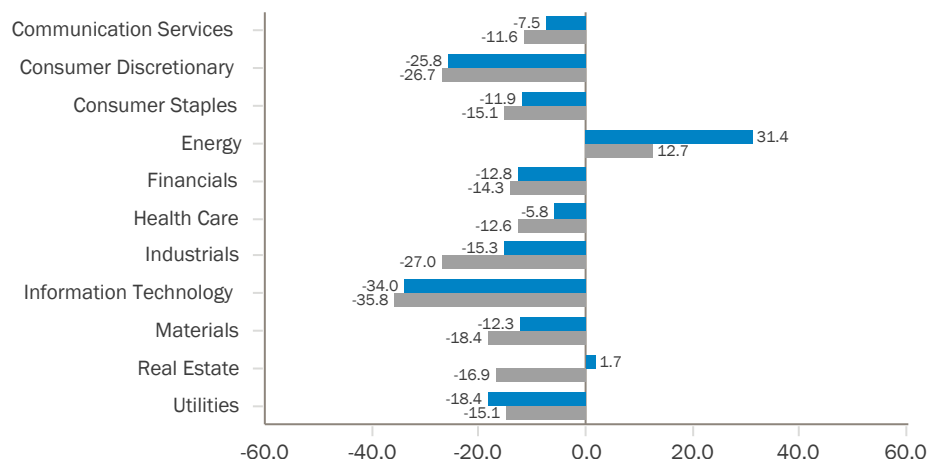


Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.

# Boston Partners International (John Hancock)

As of 06/30/22

## Sector Performance (1/1/2022 to 6/30/2022)



■ Boston Partners International (John Hancock)

■ MSCI EAFE Index (Net)

## Top 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Genovus Energy Inc	3.9	14.4	0.6
BAE Systems PLC	2.7	7.6	0.2
Deutsche Telekom AG	1.8	9.2	0.2
Coca-Cola Europacific Partners PLC	2.5	7.4	0.2
TotalEnergies SE	1.6	4.3	0.1

## Bottom 5 Stock Relative Performers (4/1/2022 to 6/30/2022)

	Relative Weights	Quarter Return	Return Contribution
Siemens AG	1.6	-27.3	-0.6
Samsung Electronics Co Ltd	2.2	-22.9	-0.5
Rexel SA	1.8	-26.2	-0.5
Roche Holding AG	1.0	-16.4	-0.4
Stellantis NV	1.6	-24.0	-0.4

## Attribution Detail (1/1/2022 to 6/30/2022)

	Portfolio Weights	Index Weights	Portfolio Return	Index Return	Stock	Sector	Total
Communication Services	6.7	4.8	-7.5	-11.6	0.3	0.1	0.4
Consumer Discretionary	8.6	11.9	-25.8	-26.7	0.1	0.3	0.4
Consumer Staples	6.7	10.4	-11.9	-15.1	0.2	-0.2	-0.1
Energy	9.8	4.1	31.4	12.7	1.4	1.6	3.0
Financials	19.0	17.6	-12.8	-14.3	0.3	0.2	0.5
Health Care	12.3	12.9	-5.8	-12.6	0.7	0.0	0.7
Industrials	19.0	15.4	-15.3	-27.0	2.3	-0.3	2.1
Information Technology	5.4	8.6	-34.0	-35.8	0.1	0.6	0.7
Materials	9.1	8.0	-12.3	-18.4	0.5	0.0	0.5
Real Estate	0.5	2.9	1.7	-16.9	0.1	0.0	0.0
Utilities	2.8	3.5	-18.4	-15.1	-0.1	0.0	-0.1
Total	100.0	100.0	-11.1	-19.2	5.9	2.1	8.1

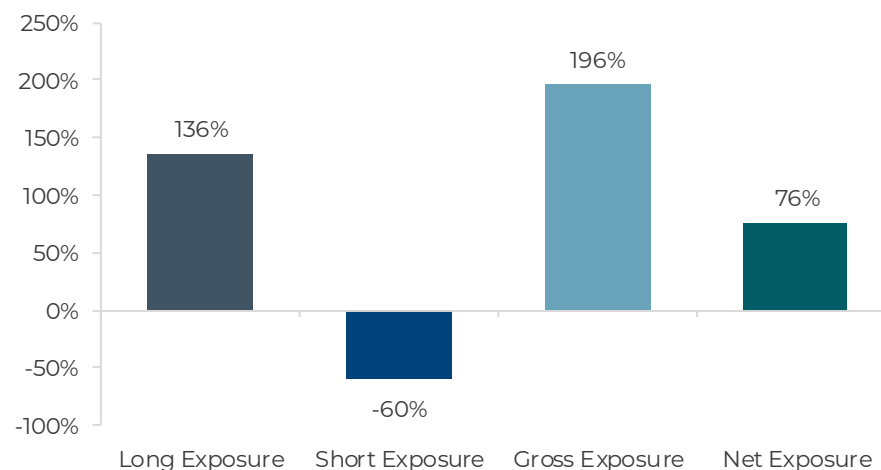
# Hedge Fund-of-Funds Overview: Blackstone Park

As of 3/31/2022

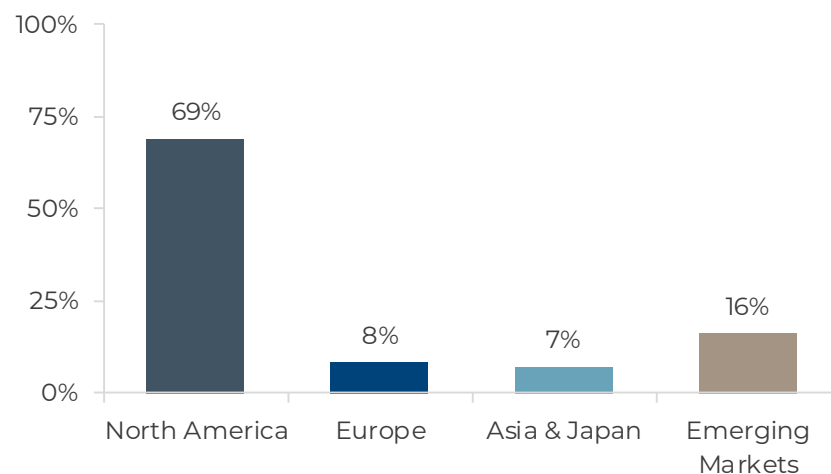
## Organizational Overview

Strategy Type	Equity Long/Short Hedge Fund-of-Funds
Location of Headquarters	New York, NY
Year Founded	1985
Firm Assets Under Management (\$, B)	\$81.0
Fund Assets Under Management (\$, B)	\$2.3

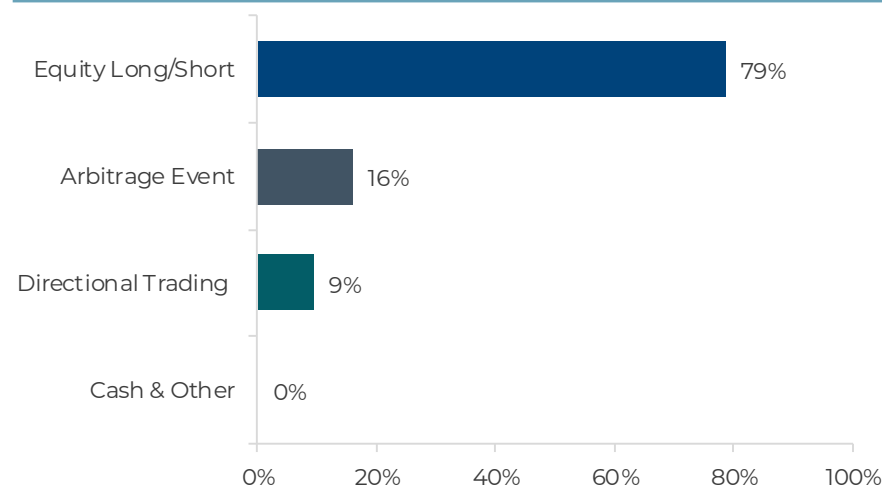
## Fund Exposure



## Geographic Exposure



## Strategy Exposure



Note: All data provided by investment manager.

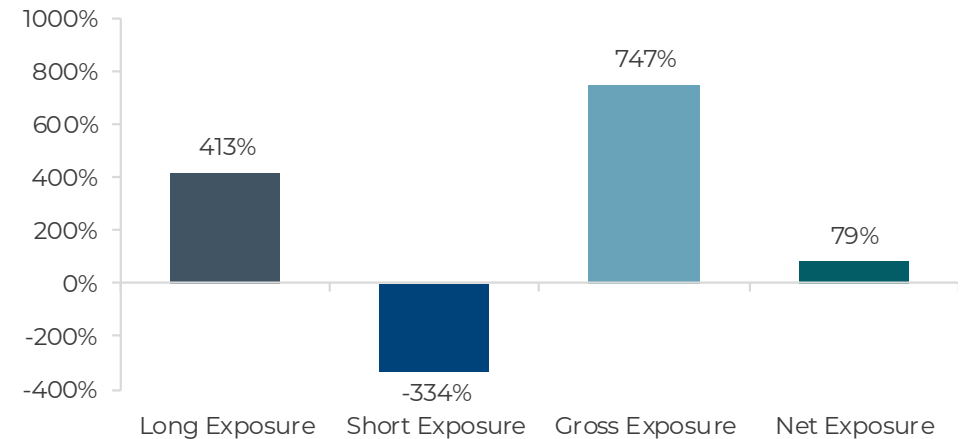
# Hedge Fund of Funds Overview: Blackstone Partners

As of 3/31/2022

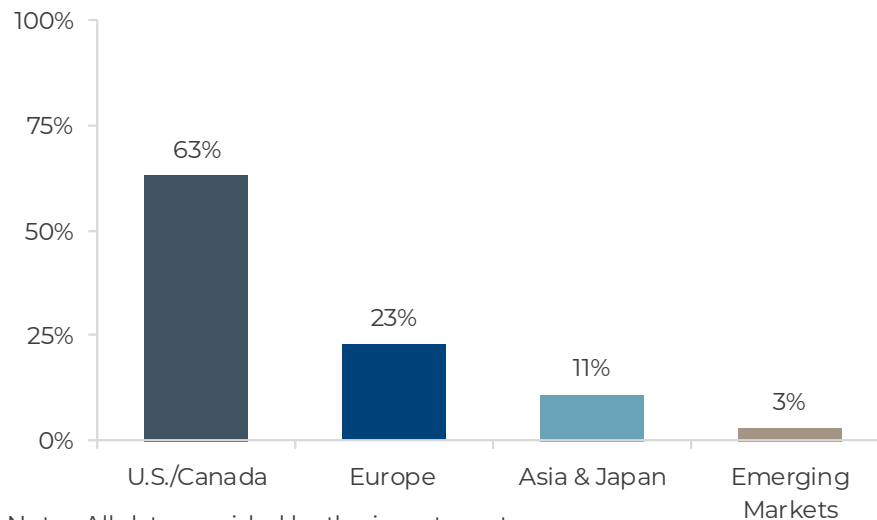
## Organizational Overview

Strategy Type	Multi-Strategy Hedge Fund-of-Funds
Location of Headquarters	New York, NY
Year Founded	1985
Firm Assets Under Management (\$, B)	\$81.0
Fund Assets Under Management (\$, B)	\$17.2

## Fund Exposure

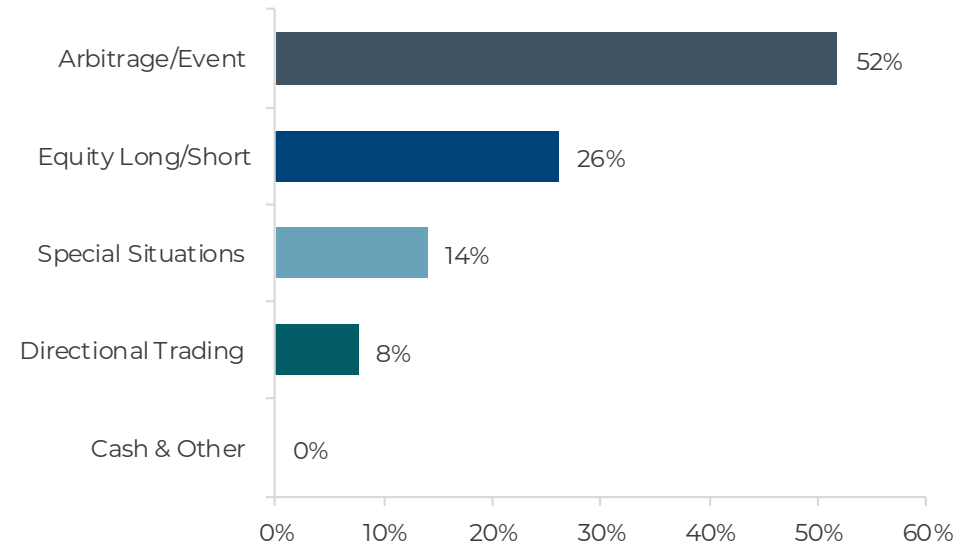


## Geographic Exposure



Note: All data provided by the investment manager.

## Strategy Exposure



# Fixed Income Overview: TCW MetWest Low Duration

As of 06/30/22

Portfolio Characteristics as of 6/30/22			Maturity Breakdown (%) as of 6/30/22		
	Portfolio	Benchmark		TCW MetWest Low Duration	ICE BofAML 1-3 Year Treasury
Duration	2.0	1.9	0-1 Years	2	0
Average Maturity	2.9	1.9	1-3 Years	58	100
Average Quality	AA	AAA	3-5 Years	19	0
Yield To Maturity	3.6	0.7	5-10 Years	21	0
			10-20 Years	0	0
			20+ Years	0	0

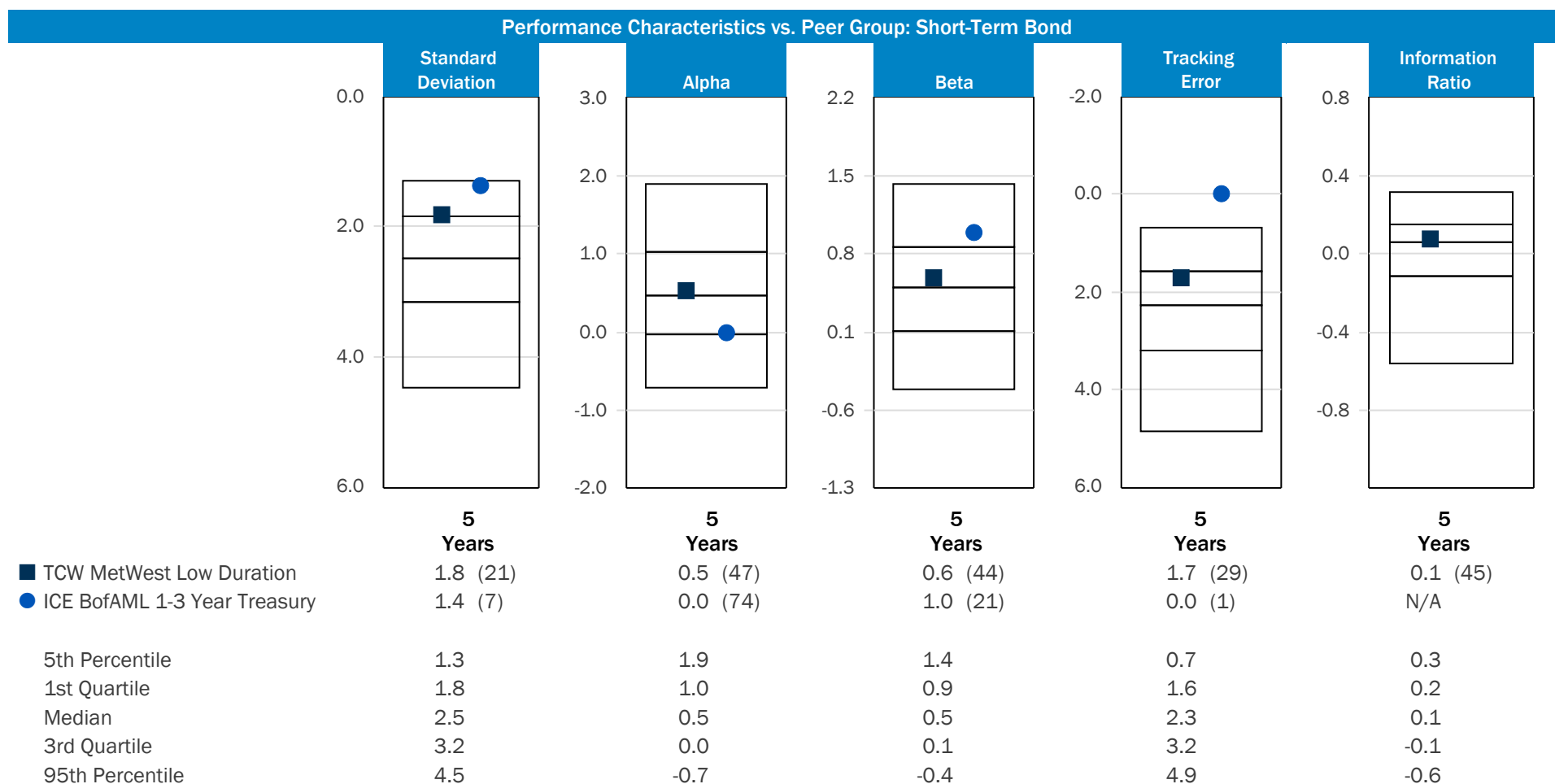
Sector Allocation (%) as of 6/30/22			Quality Breakdown (%) as of 6/30/22		
	TCW MetWest Low Duration	ICE BofAML 1-3 Year Treasury		TCW MetWest Low Duration	ICE BofAML 1-3 Year Treasury
Government	24	100	AAA/Government Guaranteed	58	100
Municipals	0	0	AA	6	0
Bank Loan	2	0	A	13	0
Investment Grade Corporate	20	0	BBB	16	0
High Yield Corporate	0	0	Below Investment Grade	8	0
ABS	8	0	Not Rated / Other	0	0
Agency RMBS	13	0			
Non Agency RMBS	8	0			
CMBS	12	0			
Collateralized Obligations	5	0			
Other Sector	8	0			

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# TCW MetWest Low Duration

As of 06/30/22

	Returns (%)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	3 Yrs (a)	5 Yrs (a)	10 Yrs (a)
TCW MetWest Low Duration	7.9	2.0	1.6	0.4	1.5	1.3	1.4	4.4	3.5	0.1	-4.3	0.1	1.1	1.6
ICE BofAML 1-3 Year Treasury	0.4	0.4	0.6	0.5	0.9	0.4	1.6	3.6	3.1	-0.6	-2.8	0.2	0.9	0.8



Calculations for Standard Deviation, Alpha, Tracking Error, and Information Ratio are annualized. This presentation is accompanied by additional disclosures which can be found on the last pages. All information herein is confidential and proprietary.

# OPEB Retirement Trust Investment Program Fee Summary

Style	Fund	Market Value (\$, M)	Management Fee	Projected Annual Fee (\$)	Morningstar Average Expense Ratio
Large Cap Core Equity	Vanguard 500 Index Fund	\$12.0	0.04%	\$4,814	0.29%
Mid Cap Growth Equity	Artisan Mid Cap Fund	\$3.5	1.18%	\$41,802	0.95%
Small Cap Value Equity	DFA Targeted Value SCV	\$2.8	0.29%	\$8,200	1.04%
International Equity	GQG Partners	\$6.3	0.77%	\$48,666	0.92%
International Equity	Boston Partners International (John Hancock)	\$6.2	0.86%	\$53,539	0.94%
Hedge Funds	Blackstone Park	\$4.6	1.25%	\$56,974	1.63%
Hedge Funds	Blackstone Partners	\$5.6	1.25%	\$70,471	1.63%
Fixed Income	TCW MetWest Low Duration	\$11.3	0.42%	\$47,598	0.56%
Money Market	First American (Cash)	\$0.0	0.45%	\$53	0.39%
Total		\$52.5	0.63%	\$332,117	0.85%

# ENDNOTES

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Updated 09/02/21



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Updated 09/02/21

# Quarterly Financial Statement

4th Quarter Ending  
June 30, 2022



BI-STATE  
DEVELOPMENT





To: Taulby Roach  
President and Chief Executive Officer

From: Tammy Fulbright  
Executive Vice President and Chief Financial Officer

Date: August 9, 2022

Subject: Bi-State Development Financial Statements – June 30, 2022

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Enclosed is the financial statement package for June 30, 2022. Results, including the analysis and financial position, are provided by business division. These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the following reasons: Depreciation is not shown as an operating expense, but as other non-operating expense; capital contributions and total net assets are now shown on the Statement of Revenue, Expense, Income (Loss); and there are no accompanying footnote disclosure requirements or Management Discussion and Analysis (MD & A) sections included.

A summary of all Bi-State Development (BSD) business divisions and the self-insurance divisions indicate that the combined entity has assets of \$1.4 billion and net income before depreciation of \$80.4 million for the quarter ending June 30, 2022. When analyzing BSD's financial position specifically related to Metro transit, the primary focus is on income before depreciation because the majority of the capital program is funded through Federal grants and not profits from operations. Net loss after depreciation is \$3.6 million. The BSD combined financials are presented on pages 4-7.

A combining schedule of all business divisions can be viewed on pages 9-12. Within the complete package, each Bi-State Development entity has a comprehensive financial section including Financial Highlights, Performance Indicators, Statement of Activities, Statement of Financial Position, and Statement of Cash Flows, as applicable. These sections are designed to give the reader a better understanding of the financial operation of each entity.

Table 1 summarizes BSD Combined Income (Loss) before Depreciation by entity. For the quarter ending June 30, 2022, BSD has net income before depreciation of \$80.4 million which is favorable to budget by \$88.2 million. The favorable amount is due to a draw on federal stimulus funds. In total, BSD was apportioned \$363.5 million in stimulus funding to help offset shortfalls related to Metro Transit.

Table 2 includes the impact of depreciation on the financial position of each enterprise resulting in a cumulative \$3.6 million net loss.

I am happy to discuss and answer any questions. Thank you.

**Table 1**  
**BSD Combined Net Income (Loss) before Depreciation and Transfers**

	Year-to-Date				
	Actual	Budget	Prior Year	\$ Var Bgt	\$ Var Prior Yr
<b>Enterprise Funds</b>					
Executive Services	\$ 480,639	\$ 1	\$ (801,260)	\$ 480,638	\$ 1,281,899
Gateway Arch Tram	129,915	(3,003,018)	(3,329,722)	3,132,933	3,459,637
Metro	81,706,907	(376,927)	19,117,446	82,083,834	62,589,461
St. Louis Downtown Airport	1,130,045	282,753	(209,934)	847,292	1,339,979
Riverfront Attractions	986,252	(233,579)	162,733	1,219,831	823,519
St. Louis Regional Freightway	(86,446)	30,745	(56,329)	(117,191)	(30,117)
BSD Research Institute	-	-	(236,331)	-	236,331
Arts In Transit, Inc.	5,510	-	(2,834)	5,510	8,344
<b>Total Enterprise Funds</b>	<b>\$ 84,352,822</b>	<b>\$ (3,300,025)</b>	<b>\$ 14,643,769</b>	<b>\$ 87,652,847</b>	<b>\$ 69,709,053</b>
<b>Self-Insurance Funds</b>					
Health	(1,133,793)	1	(1,833,278)	(1,133,794)	699,485
Casualty	(4,709,416)	(3,306,617)	(1,297,212)	(1,402,799)	(3,412,204)
Workers' Compensation	1,928,689	(1,152,436)	(177,739)	3,081,125	2,106,428
<b>Total Self-Insurance Funds</b>	<b>\$ (3,914,520)</b>	<b>\$ (4,459,052)</b>	<b>\$ (3,308,229)</b>	<b>\$ 544,532</b>	<b>\$ (606,291)</b>
<b>Total Government Wide</b>	<b>\$ 80,438,302</b>	<b>\$ (7,759,077)</b>	<b>\$ 11,335,540</b>	<b>\$ 88,197,379</b>	<b>\$ 69,102,762</b>

**Table 2**  
**BSD Combined Net Income (Loss)**

	Year-to-Date				
	Actual	Budget	Prior Year	\$ Var Bgt	\$ Var Prior Yr
<b>Enterprise Funds</b>					
Executive Services	\$ 506,522	\$ 1	\$ (3,002,041)	\$ 506,521	\$ 3,508,563
Gateway Arch Tram	109,928	(3,488,868)	(3,335,753)	3,598,796	3,445,681
Metro	(8,689,317)	(81,893,097)	(62,333,936)	73,203,780	53,644,619
St. Louis Downtown Airport	965,714	(1,157,346)	(1,486,404)	2,123,060	2,452,118
Riverfront Attractions	746,625	(425,584)	2,119,137	1,172,209	(1,372,512)
St. Louis Regional Freightway	(86,446)	30,745	(56,329)	(117,191)	(30,117)
BSD Research Institute	-	-	(239,260)	-	239,260
Arts In Transit, Inc.	5,510	-	(2,834)	5,510	8,344
<b>Total Enterprise Funds</b>	<b>\$ (6,441,464)</b>	<b>\$ (86,934,149)</b>	<b>\$ (68,337,420)</b>	<b>\$ 80,492,685</b>	<b>\$ 61,895,956</b>
<b>Self-Insurance Funds</b>					
Health	(1,133,793)	1	(1,833,278)	(1,133,794)	699,485
Casualty	386,459	(1)	1,359,800	386,460	(973,341)
Workers' Compensation	3,545,781	-	911,849	3,545,781	2,633,932
<b>Total Self-Insurance Funds</b>	<b>\$ 2,798,447</b>	<b>\$ -</b>	<b>\$ 438,371</b>	<b>\$ 2,798,447</b>	<b>\$ 2,360,076</b>
<b>Total Government Wide</b>	<b>\$ (3,643,017)</b>	<b>\$ (86,934,149)</b>	<b>\$ (67,899,049)</b>	<b>\$ 83,291,132</b>	<b>\$ 64,256,032</b>



# Combined Financials

<b>BSD Combined Statement of Activities .....</b>	<b>4</b>
<b>BSD Combined Statement of Financial Position. ....</b>	<b>5</b>
<b>BSD Combined Statement of Cash Flows. ....</b>	<b>7</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Statement of Activities  
For the Twelve Months Ended June 30, 2022**  
(unaudited)

	<b>Business Divisions Total</b>	<b>Self-Insurance Divisions Total</b>	<b>Total</b>	<b>Eliminations</b>	<b>Bi-State Development Combined Total</b>
<b>Revenue</b>					
Passenger and service revenues	\$ 31,962,705	\$ -	\$ 31,962,705	\$ -	\$ 31,962,705
Partnership fees	300,000	-	300,000	-	300,000
City of St. Louis	36,190,645	-	36,190,645	-	36,190,645
St. Louis County	149,084,663	-	149,084,663	-	149,084,663
St. Clair County Transit District	63,945,034	-	63,945,034	-	63,945,034
State of Missouri and Illinois	1,055,798	-	1,055,798	-	1,055,798
Federal funding	97,021,985	-	97,021,985	-	97,021,985
Other local/regional funding	549,759	-	549,759	-	549,759
Not-for-profit	21	-	21	-	21
Advertising, maint services, rental income	5,726,446	-	5,726,446	-	5,726,446
Interest income	312,721	1,621	314,342	-	314,342
Other operating revenue	8,774,209	-	8,774,209	-	8,774,209
Charges for services	-	51,195,340	51,195,340	(44,029,380)	7,165,960
<b>Total revenue</b>	<b>394,923,986</b>	<b>51,196,961</b>	<b>446,120,947</b>	<b>(44,029,380)</b>	<b>402,091,567</b>
<b>Expense</b>					
Wages and benefits	203,775,835	1,345,126	205,120,961	-	205,120,961
Services	47,999,446	1,652,307	49,651,753	-	49,651,753
Fuel and lube consumed	6,657,547	-	6,657,547	-	6,657,547
Materials and supplies	19,444,080	4,831	19,448,911	-	19,448,911
Utilities	8,127,189	2,940	8,130,129	-	8,130,129
Casualty and liability costs	6,076,911	4,383,817	10,460,728	-	10,460,728
Other expenses	4,813,535	636,634	5,450,169	-	5,450,169
Interest expense	12,055,968	-	12,055,968	-	12,055,968
Contribution to outside entities	1,534,040	7,500	1,541,540	-	1,541,540
Other non-operating expense	86,613	-	86,613	-	86,613
Claims paid and insurance administrative costs	-	47,078,326	47,078,326	(44,029,380)	3,048,946
<b>Total expense</b>	<b>310,571,164</b>	<b>55,111,481</b>	<b>365,682,645</b>	<b>(44,029,380)</b>	<b>321,653,265</b>
<b>Income (loss) before depreciation</b>	<b>84,352,822</b>	<b>(3,914,520)</b>	<b>80,438,302</b>	<b>-</b>	<b>80,438,302</b>
Depreciation and amortization expense	84,081,319	-	84,081,319	-	84,081,319
<b>Net income (loss) before transfers</b>	<b>271,503</b>	<b>(3,914,520)</b>	<b>(3,643,017)</b>	<b>-</b>	<b>(3,643,017)</b>
Net transfers in (out)	(6,712,967)	6,712,967	-	-	-
<b>Net income (loss)</b>	<b>\$ (6,441,464)</b>	<b>\$ 2,798,447</b>	<b>\$ (3,643,017)</b>	<b>\$ -</b>	<b>\$ (3,643,017)</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	<b>Business Divisions Total</b>	<b>Self-Insurance Divisions Total</b>	<b>Total</b>	<b>Eliminations</b>	<b>Bi-State Development Combined Total</b>
<b>Assets</b>					
Current assets					
Cash	\$ 195,264,288	\$ 26,554,711	\$ 221,818,999	\$ -	\$ 221,818,999
Investments	133,275,953	2,403,578	135,679,531	-	135,679,531
Accounts and notes receivable	4,096,820	42,887	4,139,707	-	4,139,707
Interfund accounts receivable	-	1,211,767	1,211,767	(1,211,767)	-
Restricted accounts receivable	247,582	1,258	248,840	-	248,840
Federal, state and local assistance receivable	22,289,836	-	22,289,836	-	22,289,836
Materials and supplies inventory	14,766,398	-	14,766,398	-	14,766,398
Other current assets	9,226,129	33,750	9,259,879	-	9,259,879
Total current assets	<u>379,167,006</u>	<u>30,247,951</u>	<u>409,414,957</u>	<u>(1,211,767)</u>	<u>408,203,190</u>
Capital assets					
Capital assets - motorbus	484,009,104	-	484,009,104	-	484,009,104
Capital assets - paratransit	20,891,285	-	20,891,285	-	20,891,285
Capital assets - lightrail	1,630,811,176	-	1,630,811,176	-	1,630,811,176
Capital assets	<u>58,745,998</u>	<u>-</u>	<u>58,745,998</u>	<u>-</u>	<u>58,745,998</u>
Total capital assets	2,194,457,563	-	2,194,457,563	-	2,194,457,563
Accumulated depreciation	<u>(1,544,515,656)</u>	<u>-</u>	<u>(1,544,515,656)</u>	<u>-</u>	<u>(1,544,515,656)</u>
Total capital assets, net	649,941,907	-	649,941,907	-	649,941,907
Land	101,582,953	-	101,582,953	-	101,582,953
Construction-in-process	<u>49,585,767</u>	<u>-</u>	<u>49,585,767</u>	<u>-</u>	<u>49,585,767</u>
Total capital assets	<u>801,110,627</u>	<u>-</u>	<u>801,110,627</u>	<u>-</u>	<u>801,110,627</u>
Non-current assets					
Restricted investments	142,861,097	-	142,861,097	-	142,861,097
Deferred charges	298,506	-	298,506	-	298,506
Other non-current assets, net amort	<u>24,270,327</u>	<u>-</u>	<u>24,270,327</u>	<u>-</u>	<u>24,270,327</u>
Total non-current assets	167,429,930	-	167,429,930	-	167,429,930
Total assets	<u>1,347,707,563</u>	<u>30,247,951</u>	<u>1,377,955,514</u>	<u>(1,211,767)</u>	<u>1,376,743,747</u>
<b>Deferred Outflow of Resources</b>					
Deferred pension loss	9,476,065	-	9,476,065	-	9,476,065
Deferred pension expense	2,250,194	-	2,250,194	-	2,250,194
Deferred unfunded OPEB loss	7,251,891	-	7,251,891	-	7,251,891
Deferred loss on debt refunding	<u>8,499,697</u>	<u>-</u>	<u>8,499,697</u>	<u>-</u>	<u>8,499,697</u>
Total deferred outflow of resources	27,477,847	-	27,477,847	-	27,477,847
<b>Total</b>	<u>\$ 1,375,185,410</u>	<u>\$ 30,247,951</u>	<u>\$ 1,405,433,361</u>	<u>\$ (1,211,767)</u>	<u>\$ 1,404,221,594</u>



**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	<b>Business Divisions Total</b>	<b>Self-Insurance Divisions Total</b>	<b>Total</b>	<b>Eliminations</b>	<b>Bi-State Development Combined Total</b>
<b>Liabilities</b>					
Current liabilities					
Accounts payable	\$ 11,922,655	\$ 106,342	\$ 12,028,997	\$ -	\$ 12,028,997
Interfund accounts payable	(556,147)	1,767,914	1,211,767	(1,211,767)	-
Accrued expenses	18,118,410	6,266	18,124,676	-	18,124,676
Other current liabilities	4,626,620	-	4,626,620	-	4,626,620
Total current liabilities	34,111,538	1,880,522	35,992,060	(1,211,767)	34,780,293
Current liab payable from restricted assets					
Accounts payable and retention	439,862	-	439,862	-	439,862
Accrued interest payable	3,232,920	-	3,232,920	-	3,232,920
Short-term self-insurance	99,734	10,427,000	10,526,734	-	10,526,734
Medical self-insurance liability	-	5,363,339	5,363,339	-	5,363,339
Current portion of long-term debt	14,386,391	-	14,386,391	-	14,386,391
Total current liabilities payable from restricted assets	18,158,907	15,790,339	33,949,246	-	33,949,246
Total current liabilities	52,270,445	17,670,861	69,941,306	(1,211,767)	68,729,539
Non-current liabilities					
Other post-employment benefits	53,910,199	349,383	54,259,582	-	54,259,582
Long-term self-insurance	95,763	12,814,000	12,909,763	-	12,909,763
Long-term debt	496,603,681	-	496,603,681	-	496,603,681
Capital lease obligations	142,861,097	-	142,861,097	-	142,861,097
Unfunded pension liabilities	40,871,582	67,282	40,938,864	-	40,938,864
Other non-current liabilities	55,777,440	-	55,777,440	-	55,777,440
Total non-current liabilities	790,119,762	13,230,665	803,350,427	-	803,350,427
Total liabilities	842,390,207	30,901,526	873,291,733	(1,211,767)	872,079,966
<b>Deferred Inflow of Resources</b>					
Deferred gain on hedging instruments	8,983,448	-	8,983,448	-	8,983,448
Deferred Unfunded OPEB Gain	9,830,723	-	9,830,723	-	9,830,723
Deferred pension gain 788 ATU and clei	23,795,087	-	23,795,087	-	23,795,087
Deferred pension gain IBEW	1,002,391	-	1,002,391	-	1,002,391
Deferred pension gain salaried	14,534,350	-	14,534,350	-	14,534,350
Total deferred inflow of resources	58,145,999	-	58,145,999	-	58,145,999
<b>Net Position</b>					
Net position	481,090,668	(3,452,022)	477,638,646	-	477,638,646
Net income (loss)	(6,441,464)	2,798,447	(3,643,017)	-	(3,643,017)
Total net position	474,649,204	(653,575)	473,995,629	-	473,995,629
<b>Total</b>	<b>\$ 1,375,185,410</b>	<b>\$ 30,247,951</b>	<b>\$ 1,405,433,361</b>	<b>\$ (1,211,767)</b>	<b>\$ 1,404,221,594</b>



**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Statement of Cash Flows  
For the Twelve Months Ended June 30, 2022  
(unaudited)**

	Business	Self-Insurance			
	Divisions Total	Divisions Total	Total	Eliminations	Bi-State Development Combined Total
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 35,687,222	14,448,239	\$ 50,135,461	\$ (7,329,209)	\$ 42,806,252
Payments to employees	(206,184,249)	(1,322,832)	(207,507,081)	-	(207,507,081)
Payments to vendors	(73,242,711)	(2,234,952)	(75,477,663)	-	(75,477,663)
Payments for self-insurance	(6,503,414)	(50,970,899)	(57,474,313)	44,029,380	(13,444,933)
Receipts (payments) from inter-fund activity	1,237,406	35,462,765	36,700,171	(36,700,171)	-
<b>Net cash provided by (used in) operating activities</b>	<u>(249,005,746)</u>	<u>(4,617,679)</u>	<u>(253,623,425)</u>	<u>-</u>	<u>(253,623,425)</u>
<b>Cash flows from non capital financing activities</b>					
Operating assistance received	352,534,353	-	352,534,353	-	352,534,353
Contributions to outside entities	(1,534,040)	(7,500)	(1,541,540)	-	(1,541,540)
Net transfers	(6,712,967)	6,712,967	-	-	-
Nonoperating contributions	8,723,600	-	8,723,600	-	8,723,600
<b>Net cash provided by (used in) non capital financing activities</b>	<u>353,010,946</u>	<u>6,705,467</u>	<u>359,716,413</u>	<u>-</u>	<u>359,716,413</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisitions of capital assets	(38,819,584)	-	(38,819,584)	-	(38,819,584)
Payments of long-term debt	(8,592,880)	-	(8,592,880)	-	(8,592,880)
Escrow Financing	(3,290,000)	-	(3,290,000)	-	(3,290,000)
Interest Paid	(13,865,016)	-	(13,865,016)	-	(13,865,016)
Contributed capital	38,971,218	-	38,971,218	-	38,971,218
<b>related financing activities</b>	<u>(25,596,262)</u>	<u>-</u>	<u>(25,596,262)</u>	<u>-</u>	<u>(25,596,262)</u>
<b>Cash flows from investing activities</b>					
Purchases of investments	(179,855,344)	-	(179,855,344)	-	(179,855,344)
Proceeds from sale of investments	95,354,738	-	95,354,738	-	95,354,738
Interest received	399,362	1,371	400,733	-	400,733
<b>Net cash provided by (used in) investing activities</b>	<u>(84,101,244)</u>	<u>1,371</u>	<u>(84,099,873)</u>	<u>-</u>	<u>(84,099,873)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(5,692,306)</u>	<u>2,089,159</u>	<u>(3,603,147)</u>	<u>-</u>	<u>(3,603,147)</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>200,956,595</u>	<u>26,869,130</u>	<u>227,825,725</u>	<u>-</u>	<u>227,825,725</u>
<b>Cash and cash equivalents, year to date</b>	<u>\$ 195,264,289</u>	<u>\$ 28,958,289</u>	<u>\$ 224,222,578</u>	<u>\$ -</u>	<u>\$ 224,222,578</u>



# Business Divisions

<b>BSD Combined Statement of Activities .....</b>	<b>9</b>
<b>BSD Combined Statement of Financial Position .....</b>	<b>10</b>
<b>BSD Combined Statement of Cash Flows .....</b>	<b>12</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Combining Statement of Activities by Business Division  
For the Twelve Months Ended June 30, 2022**  
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Eliminations	Totals After Eliminations
<b>Revenue</b>											
Passenger and service revenues	\$ -	\$ 6,648,910	\$ 3,616,058	\$ 1,607,578	\$ 20,106,460	\$ -	\$ -	\$ -	\$ 31,979,006	\$ (16,301)	\$ 31,962,705
Interfund administrative fees	4,082,683	-	-	-	-	-	-	-	4,082,683	(4,082,683)	-
Partnership fees	-	-	-	-	-	300,000	-	-	300,000	-	300,000
City of St. Louis	-	-	-	-	36,190,645	-	-	-	36,190,645	-	36,190,645
St. Louis County	-	-	-	-	149,084,663	-	-	-	149,084,663	-	149,084,663
St. Clair County Transit District	-	-	-	-	63,945,034	-	-	-	63,945,034	-	63,945,034
State of Missouri and Illinois	-	-	-	-	1,055,798	-	-	-	1,055,798	-	1,055,798
Federal funding	-	-	-	201,013	96,820,972	-	-	-	97,021,985	-	97,021,985
Other local/regional funding	-	-	-	-	549,759	-	-	-	549,759	-	549,759
Not-for-profit	-	-	-	-	-	-	-	21	21	-	21
Contributions	-	-	-	-	-	-	-	20,734	20,734	(20,734)	-
Advertising, maint services, rental income	-	52,419	211,757	157,343	5,293,677	11,250	-	-	5,726,446	-	5,726,446
Interest income	1,178	11,934	-	2,073	297,536	-	-	-	312,721	-	312,721
Other operating revenue	274,682	502,150	167	769,053	7,228,157	-	-	-	8,774,209	-	8,774,209
<b>Total revenue</b>	<b>4,358,543</b>	<b>7,215,413</b>	<b>3,827,982</b>	<b>2,737,060</b>	<b>380,572,701</b>	<b>311,250</b>	<b>-</b>	<b>20,755</b>	<b>399,043,704</b>	<b>(4,119,718)</b>	<b>394,923,986</b>
<b>Expense</b>											
Wages and benefits	2,500,387	2,207,624	1,257,825	985,359	196,651,456	173,184	-	2,261	203,778,096	(2,261)	203,775,835
Services	793,449	2,200,052	566,902	184,888	44,049,560	204,547	-	17,485	48,016,883	(17,437)	47,999,446
Fuel and lube consumed	-	-	64,246	13,724	6,579,577	-	-	-	6,657,547	-	6,657,547
Materials and supplies	9,964	483,947	541,626	45,283	18,362,270	979	-	11	19,444,080	-	19,444,080
Utilities	1,601	132,927	87,067	230,564	7,675,030	-	-	1	8,127,190	(1)	8,127,189
Casualty and liability costs	85,107	19,232	181,306	80,005	5,711,261	-	-	-	6,076,911	-	6,076,911
Other expenses	400,783	1,180,989	142,758	63,397	7,111,154	18,986	-	(4,513)	8,913,554	(4,100,019)	4,813,535
Interest expense	-	711,245	-	3,795	11,340,928	-	-	-	12,055,968	-	12,055,968
Contribution to outside entities	-	149,482	-	-	1,384,558	-	-	-	1,534,040	-	1,534,040
Other non-operating expense	86,613	-	-	-	-	-	-	-	86,613	-	86,613
<b>Total expense</b>	<b>3,877,904</b>	<b>7,085,498</b>	<b>2,841,730</b>	<b>1,607,015</b>	<b>298,865,794</b>	<b>397,696</b>	<b>-</b>	<b>15,245</b>	<b>314,690,882</b>	<b>(4,119,718)</b>	<b>310,571,164</b>
<b>Income (loss) before depreciation</b>	<b>480,639</b>	<b>129,915</b>	<b>986,252</b>	<b>1,130,045</b>	<b>81,706,907</b>	<b>(86,446)</b>	<b>-</b>	<b>5,510</b>	<b>84,352,822</b>	<b>-</b>	<b>84,352,822</b>
Depreciation and amortization expense	-	-	239,627	1,439,072	82,402,620	-	-	-	84,081,319	-	84,081,319
<b>Net income (loss) before transfers</b>	<b>480,639</b>	<b>129,915</b>	<b>746,625</b>	<b>(309,027)</b>	<b>(695,713)</b>	<b>(86,446)</b>	<b>-</b>	<b>5,510</b>	<b>271,503</b>	<b>-</b>	<b>271,503</b>
Net transfers in (out)	25,883	(19,987)	-	1,274,741	(7,993,604)	-	-	-	(6,712,967)	-	(6,712,967)
<b>Net income (loss)</b>	<b>\$ 506,522</b>	<b>\$ 109,928</b>	<b>\$ 746,625</b>	<b>\$ 965,714</b>	<b>\$ (8,689,317)</b>	<b>\$ (86,446)</b>	<b>\$ -</b>	<b>\$ 5,510</b>	<b>\$ (6,441,464)</b>	<b>\$ -</b>	<b>\$ (6,441,464)</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
<b>Assets</b>											
Current assets											
Cash	\$ 1,904,309	\$ 11,976,243	\$ 780,958	\$ 2,689,664	\$ 177,802,864	\$ 15,000	\$ -	\$ 95,250	\$ 195,264,288	\$ -	\$ 195,264,288
Investments	-	-	-	-	133,275,953	-	-	-	133,275,953	-	133,275,953
Accounts and notes receivable	-	24,053	36,183	90,498	3,946,086	-	-	-	4,096,820	-	4,096,820
Interfund accounts receivable	61,189	-	216,905	-	2,648,070	-	-	-	2,926,164	(2,926,164)	-
Restricted accounts receivable	-	-	-	-	247,582	-	-	-	247,582	-	247,582
Federal, state and local assistance receivable	-	4,395	7,940	-	22,277,501	-	-	-	22,289,836	-	22,289,836
Materials and supplies inventory	-	-	74,863	69,922	14,621,613	-	-	-	14,766,398	-	14,766,398
Other current assets	120,674	39,602	413	411	9,065,029	-	-	-	9,226,129	-	9,226,129
Total current assets	2,086,172	12,044,293	1,117,262	2,850,495	363,884,698	15,000	-	95,250	382,093,170	(2,926,164)	379,167,006
Capital assets											
Capital assets - motorbus	-	-	-	-	484,009,104	-	-	-	484,009,104	-	484,009,104
Capital assets - paratransit	-	-	-	-	20,891,285	-	-	-	20,891,285	-	20,891,285
Capital assets - lightrail	-	-	-	-	1,630,811,176	-	-	-	1,630,811,176	-	1,630,811,176
Capital assets	-	-	5,799,202	52,946,796	-	-	-	-	58,745,998	-	58,745,998
Total capital assets	-	-	5,799,202	52,946,796	2,135,711,565	-	-	-	2,194,457,563	-	2,194,457,563
Accumulated depreciation	-	-	(4,528,819)	(40,808,763)	(1,499,178,074)	-	-	-	(1,544,515,656)	-	(1,544,515,656)
Total capital assets, net	-	-	1,270,383	12,138,033	636,533,491	-	-	-	649,941,907	-	649,941,907
Land	-	-	-	4,542,564	97,040,389	-	-	-	101,582,953	-	101,582,953
Construction-in-process	-	-	41,544	180,474	49,363,749	-	-	-	49,585,767	-	49,585,767
Total capital assets	-	-	1,311,927	16,861,071	782,937,629	-	-	-	801,110,627	-	801,110,627
Non-current assets											
Restricted investments	-	-	-	-	142,861,097	-	-	-	142,861,097	-	142,861,097
Deferred charges	-	-	-	298,506	-	-	-	-	298,506	-	298,506
Other non-current assets, net amort	-	-	-	4,552,743	19,717,584	-	-	-	24,270,327	-	24,270,327
Total non-current assets	-	-	-	4,851,249	162,578,681	-	-	-	167,429,930	-	167,429,930
Total assets	2,086,172	12,044,293	2,429,189	24,562,815	1,309,401,008	15,000	-	95,250	1,350,633,727	(2,926,164)	1,347,707,563
Deferred outflow of resources											
Deferred pension loss	-	-	-	-	9,476,065	-	-	-	9,476,065	-	9,476,065
Deferred pension expense	-	-	-	-	2,250,194	-	-	-	2,250,194	-	2,250,194
Deferred unfunded OPEB loss	-	-	-	-	7,251,891	-	-	-	7,251,891	-	7,251,891
Deferred loss on debt refunding	-	-	-	-	8,499,697	-	-	-	8,499,697	-	8,499,697
Total deferred outflow of resources	-	-	-	-	27,477,847	-	-	-	27,477,847	-	27,477,847
<b>Total</b>	<b>\$ 2,086,172</b>	<b>\$ 12,044,293</b>	<b>\$ 2,429,189</b>	<b>\$ 24,562,815</b>	<b>\$ 1,336,878,855</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ 95,250</b>	<b>\$ 1,378,111,574</b>	<b>\$ (2,926,164)</b>	<b>\$ 1,375,185,410</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
<b>Liabilities</b>											
Current liabilities											
Accounts payable	\$ 103,230	\$ 256,186	\$ 54,612	\$ -	\$ 11,483,414	\$ 25,213	\$ -	\$ -	\$ 11,922,655	\$ -	\$ 11,922,655
Interfund accounts payable	-	1,730,259	-	147,730	-	492,028	-	-	2,370,017	(2,926,164)	(556,147)
Accrued expenses	220,321	88,939	48,759	63,398	17,653,592	43,401	-	-	18,118,410	-	18,118,410
Other current liabilities	-	42,889	86,052	272,202	4,223,365	2,112	-	-	4,626,620	-	4,626,620
Total current liabilities	323,551	2,118,273	189,423	483,330	33,360,371	562,754	-	-	37,037,702	(2,926,164)	34,111,538
Current liab payable from restricted assets											
Accounts payable and retention	-	-	-	-	439,862	-	-	-	439,862	-	439,862
Accrued interest payable	-	15,127	-	-	3,217,793	-	-	-	3,232,920	-	3,232,920
Short-term insurance	-	-	-	-	99,734	-	-	-	99,734	-	99,734
Current portion of long-term debt	-	241,391	-	-	14,145,000	-	-	-	14,386,391	-	14,386,391
Total current liabilities payable from restricted assets	-	256,518	-	-	17,902,389	-	-	-	18,158,907	-	18,158,907
Total current liabilities	323,551	2,374,791	189,423	483,330	51,262,760	562,754	-	-	55,196,609	(2,926,164)	52,270,445
Non-current liabilities											
Other post-employment benefits	855,508	33,851	277,594	318,448	52,306,429	118,369	-	-	53,910,199	-	53,910,199
Long-term insurance	-	-	-	-	95,763	-	-	-	95,763	-	95,763
Long-term debt	-	6,961,999	-	-	489,641,682	-	-	-	496,603,681	-	496,603,681
Capital lease obligations	-	-	-	-	142,861,097	-	-	-	142,861,097	-	142,861,097
Unfunded pension liabilities	25,730	-	41,379	-	40,804,473	-	-	-	40,871,582	-	40,871,582
Other non-current liabilities	-	-	-	4,566,444	51,210,996	-	-	-	55,777,440	-	55,777,440
Total non-current liabilities	881,238	6,995,850	318,973	4,884,892	776,920,440	118,369	-	-	790,119,762	-	790,119,762
Total liabilities	1,204,789	9,370,641	508,396	5,368,222	828,183,200	681,123	-	-	845,316,371	(2,926,164)	842,390,207
<b>Deferred Inflow of Resources</b>											
Deferred gain on hedging instruments	-	-	-	-	8,983,448	-	-	-	8,983,448	-	8,983,448
Deferred Unfunded OPEB Gain	-	-	-	-	9,830,723	-	-	-	9,830,723	-	9,830,723
Deferred pension gain 788 ATU and cleri	-	-	-	-	23,795,087	-	-	-	23,795,087	-	23,795,087
Deferred pension gain IBEW	-	-	-	-	1,002,391	-	-	-	1,002,391	-	1,002,391
Deferred pension gain salaried	-	-	-	-	14,534,350	-	-	-	14,534,350	-	14,534,350
Total deferred inflow of resources	-	-	-	-	58,145,999	-	-	-	58,145,999	-	58,145,999
<b>Net Position</b>											
Net position - unrestricted	374,861	2,563,724	1,174,168	18,228,879	459,238,973	(579,677)	-	89,740	481,090,668	-	481,090,668
Net income (loss)	506,522	109,928	746,625	965,714	(8,689,317)	(86,446)	-	5,510	(6,441,464)	-	(6,441,464)
Total net position	881,383	2,673,652	1,920,793	19,194,593	450,549,656	(666,123)	-	95,250	474,649,204	-	474,649,204
<b>Total</b>	<u>\$ 2,086,172</u>	<u>\$ 12,044,293</u>	<u>\$ 2,429,189</u>	<u>\$ 24,562,815</u>	<u>\$ 1,336,878,855</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 95,250</u>	<u>\$ 1,378,111,574</u>	<u>\$ (2,926,164)</u>	<u>\$ 1,375,185,410</u>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Combining Statement of Cash Flows by Business Division  
For the Twelve Months Ended June 30, 2022**  
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Eliminations	Totals After Eliminations
<b>Cash flows from operating activities</b>											
Receipts from customers	\$ 274,682	\$ 7,066,632	\$ 3,805,944	\$ (3,155,482)	\$ 27,628,436	\$ 311,215	\$ (46,275)	\$ (197,930)	\$ 35,687,222	\$ -	\$ 35,687,222
Payments to employees	(2,404,206)	(2,194,984)	(1,319,832)	(972,104)	(199,288,269)	(168,460)	36,117	127,489	(206,184,249)	-	(206,184,249)
Payments to vendors	(1,009,681)	(3,239,771)	(1,357,473)	4,213,824	(71,664,177)	(220,043)	-	34,610	(73,242,711)	-	(73,242,711)
Payments for self-insurance	(85,107)	(19,232)	(181,306)	(80,005)	(6,137,764)	-	-	-	(6,503,414)	-	(6,503,414)
Receipts (payments) from inter-fund activity	3,480,067	(11,939,470)	(473,951)	(367,259)	10,738,676	(246,656)	10,158	35,841	1,237,406	-	1,237,406
<b>Net cash provided by (used in) operating activities</b>	<b>255,755</b>	<b>(10,326,825)</b>	<b>473,382</b>	<b>(361,026)</b>	<b>(238,723,098)</b>	<b>(323,944)</b>	<b>-</b>	<b>10</b>	<b>(249,005,746)</b>	<b>-</b>	<b>(249,005,746)</b>
<b>Cash flows from non capital financing activities</b>											
Operating assistance received	-	2,079	(7,940)	272,158	352,268,056	-	-	-	352,534,353	-	352,534,353
Contributions to outside entities	-	(149,482)	-	-	(1,384,558)	-	-	-	(1,534,040)	-	(1,534,040)
Net transfers	25,883	(19,987)	-	1,274,741	(7,993,604)	-	-	-	(6,712,967)	-	(6,712,967)
Nonoperating contributions	(86,613)	122,339	167	652,034	8,035,673	-	-	-	8,723,600	-	8,723,600
<b>non capital financing activities</b>	<b>(60,730)</b>	<b>(45,051)</b>	<b>(7,773)</b>	<b>2,198,933</b>	<b>350,925,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>353,010,946</b>	<b>-</b>	<b>353,010,946</b>
<b>Cash flows from capital and related financing activities</b>											
Acquisitions of capital assets	-	(6,474)	(391,628)	(890,793)	(37,530,689)	-	-	-	(38,819,584)	-	(38,819,584)
Payments of long-term debt	-	347,120	-	-	(8,940,000)	-	-	-	(8,592,880)	-	(8,592,880)
Escrow financing	-	-	-	-	(3,290,000)	-	-	-	(3,290,000)	-	(3,290,000)
Interest Paid	-	(719,066)	-	(3,794)	(13,142,156)	-	-	-	(13,865,016)	-	(13,865,016)
Contributed capital	-	(2,043)	-	-	38,973,261	-	-	-	38,971,218	-	38,971,218
<b>related financing activities</b>	<b>-</b>	<b>(380,463)</b>	<b>(391,628)</b>	<b>(894,587)</b>	<b>(23,929,584)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,596,262)</b>	<b>-</b>	<b>(25,596,262)</b>
<b>Cash flows from investing activities</b>											
Purchases of investments	-	-	-	-	(179,855,344)	-	-	-	(179,855,344)	-	(179,855,344)
Proceeds from sale of investments	-	-	-	-	95,354,738	-	-	-	95,354,738	-	95,354,738
Interest received	1,178	11,934	-	100,956	285,294	-	-	-	399,362	-	399,362
<b>investing activities</b>	<b>1,178</b>	<b>11,934</b>	<b>-</b>	<b>100,956</b>	<b>(84,215,312)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(84,101,244)</b>	<b>-</b>	<b>(84,101,244)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>196,203</b>	<b>(10,740,405)</b>	<b>73,981</b>	<b>1,044,276</b>	<b>4,057,573</b>	<b>(323,944)</b>	<b>-</b>	<b>10</b>	<b>(5,692,306)</b>	<b>-</b>	<b>(5,692,306)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,708,106</b>	<b>22,716,648</b>	<b>706,977</b>	<b>1,645,388</b>	<b>173,745,292</b>	<b>338,944</b>	<b>-</b>	<b>95,240</b>	<b>200,956,595</b>	<b>-</b>	<b>200,956,595</b>
<b>Cash and cash equivalents, year to date</b>	<b>\$ 1,904,309</b>	<b>\$ 11,976,243</b>	<b>\$ 780,958</b>	<b>\$ 2,689,664</b>	<b>\$ 177,802,865</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ 95,250</b>	<b>\$ 195,264,289</b>	<b>\$ -</b>	<b>\$ 195,264,289</b>



# Executive Services

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# Executive Services – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Admin fees – Gateway Arch** are higher by \$469,269 at \$664,059 vs. prior year total of \$194,790 as a result of increasing attendance.
2. **Admin fees – Riverfront Attractions** budgeted for FY2022 were not implemented due to the adverse financial effects of COVID-19.
3. **Total Expense** – Below budget by 11.3% or \$491,965 led primarily by reductions in Services.
4. **Net income** is \$506,522.

## Balance Sheet

1. **Cash** is 11.5% higher than prior year as a result of budget revenue results and lower operating expenses.

## Cash Flow

1. **Cash provided by operating activities** is \$255.8 thousand cash inflow mainly due to inter-fund payments for the 12 months ended 6/30/2022.
2. **Net change in cash and cash equivalents** is an increase of \$196.2 thousand.



**Executive Services**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Admin fees - Transit	\$ 986,638	\$ 952,730	\$ 33,908	3.6	\$ 514,816	\$ 3,324,423	\$ 3,810,921	\$ (486,498)	(12.8)	\$ 2,314,830
Admin fees - Gateway Arch	(1) 260,103	110,639	149,464	135.1	103,373	664,059	290,080	373,979	128.9	194,790
Admin fees - Airport	26,810	22,123	4,687	21.2	20,997	94,201	88,491	5,710	6.5	81,588
National Park Service management fee	94,341	44,470	49,871	112.1	67,458	274,682	177,878	96,804	54.4	112,451
Interest income	1,027	625	402	64.3	44	1,178	2,500	(1,322)	(52.9)	915
<b>Total revenue</b>	(2) 1,368,919	1,130,587	238,332	21.1	706,688	4,358,543	4,369,870	(11,327)	(0.3)	2,704,574
<b>Expense</b>										
Wages and benefits	646,944	618,825	(28,119)	(4.5)	351,064	2,500,387	2,485,413	(14,974)	(0.6)	2,210,511
Services	222,036	378,519	156,483	41.3	300,131	793,449	1,513,275	719,826	47.6	966,719
Materials and supplies	836	5,469	4,633	84.7	952	9,964	21,900	11,936	54.5	6,400
Utilities	503	668	165	24.7	2,433	1,601	2,673	1,072	40.1	5,474
Casualty and liability costs	21,277	14,250	(7,027)	(49.3)	12,941	85,107	57,000	(28,107)	(49.3)	49,229
Other expenses	212,584	71,652	(140,932)	(196.7)	67,929	400,783	289,608	(111,175)	(38.4)	267,501
Other non-operating expense	-	-	-	-	-	86,613	-	(86,613)	-	-
<b>Total expense</b>	(3) 1,104,180	1,089,383	(14,797)	(1.4)	735,450	3,877,904	4,369,869	491,965	11.3	3,505,834
<b>Net income (loss) before transfers</b>	264,739	41,204	223,535	542.5	(28,762)	480,639	1	480,638	n/a	(801,260)
<b>Net transfers in (out)</b>	25,883	-	25,883	-	-	25,883	-	25,883	-	(2,200,781)
<b>Net income (loss)</b>	(4) \$ 290,622	\$ 41,204	\$ 249,418	605.3	\$ (28,762)	\$ 506,522	\$ 1	\$ 506,521	n/a	\$ (3,002,041)

**Executive Services**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	(1) \$ 1,904,309	\$ 1,235,404	\$ 668,905	54.1	\$ 1,708,106	\$ 196,203	11.5
Interfund accounts receivable	61,189	470,923	(409,734)	(87.0)	-	61,189	n/a
Other current assets	120,674	62,042	58,632	94.5	80,360	40,314	50.2
Total current assets	2,086,172	1,768,369	317,803	18.0	1,788,466	297,706	16.6
Capital assets							
Total assets	2,086,172	1,768,369	317,803	18.0	1,788,466	297,706	16.6
<b>Total</b>	<u>\$ 2,086,172</u>	<u>\$ 1,768,369</u>	<u>\$ 317,803</u>	18.0	<u>\$ 1,788,466</u>	<u>\$ 297,706</u>	16.6

**Executive Services**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ 103,230	\$ 94,110	\$ 9,120	9.7	\$ 66,801	\$ 36,429	54.5
Interfund accounts payable	-	-	-	n/a	341,426	(341,426)	(100.0)
Accrued expenses	220,321	218,332	1,989	0.9	169,285	51,036	30.1
Total current liabilities	323,551	312,442	11,109	3.6	577,512	(253,961)	(44.0)
Non-current liabilities							
Other post-employment benefits	855,508	839,436	16,072	1.9	810,363	45,145	5.6
Unfunded pension liabilities	25,730	25,730	-	-	25,730	-	-
Total non-current liabilities	881,238	865,166	16,072	1.9	836,093	45,145	5.4
Total liabilities	1,204,789	1,177,608	27,181	2.3	1,413,605	(208,816)	(14.8)
<b>Net Position</b>							
Net position	374,861	374,861	-	-	3,376,902	(3,002,041)	(88.9)
Net income (loss)	506,522	215,900	290,622	134.6	(3,002,041)	3,508,563	116.9
Total net position	881,383	590,761	290,622	49.2	374,861	506,522	135.1
<b>Total</b>	\$ 2,086,172	\$ 1,768,369	\$ 317,803	18.0	\$ 1,788,466	\$ 297,706	16.6

**Executive Services**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
**(unaudited)**

<b>Cash flows from operating activities</b>		<b>Supplemental disclosure of cash flow information</b>	
Receipts from customers	\$ 274,682	<b>Noncash Activities:</b> None	
Payments to employees	(2,404,206)		
Payments to vendors	(1,009,681)		
Payments for self-insurance	(85,107)		
Receipts (payments) from inter-fund activity	<u>3,480,067</u>		
<b>Net cash provided by (used in) operating activities</b>	<b>(1) <u>255,755</u></b>		
<b>Cash flows from non capital financing activities</b>			
Net transfers	25,883		
Nonoperating contributions	(86,613)		
<b>Net cash provided by (used in) non capital financing activities</b>	<b>(60,730)</b>		
<b>Cash flows from capital and related financing activities</b>			
None			
<b>Cash flows from investing activities</b>			
Interest received	<u>1,178</u>		
<b>Net cash provided by (used in) investing activities</b>	<b><u>1,178</u></b>		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2) 196,203</b>		
<b>Cash and cash equivalents, beginning of year</b>	<b><u>1,708,106</u></b>		
<b>Cash and cash equivalents, year to date</b>	<b>\$ <u>1,904,309</u></b>		



# Gateway Arch

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# Gateway Arch Tram – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

- Arch ticket revenue.** The trams were open at the start of September. Ticket revenue compared to prior year is \$4.5 million greater representing a 202.8% increase.
- Interest Expense** increased \$431.3 thousand YTD over prior year and relates to the cost of issuance and termination fee related to the 2021 Arch bond refinance.
- Total expenses** increased \$1.28 million from the prior year from higher interest and services expense.
- Net Income before depreciation** is \$129.9 thousand.

## Balance Sheet

- Cash** is 47.3% lower than prior year.

## Cash Flow

- Net cash provided by operating activities** resulted in a net cash outflow of \$10.3 million due primarily to Inter-fund activity payments and vendor payments.
- Net Cash outflows for Capital activity** was \$380.5 thousand.
- Net cash activity year-to-date** is \$10.7 million cash outflow.

## Performance Indicators

- Tram Ridership** in Q4 was 174,614, a 117% increase from 2021's Q4 ridership of 80,536. Q4 ridership was down 32% compared to Pre-COVID operation in 2019. Ridership grew in the spring and exceeded FY22 Q3 by 89%. June 2022 served the most visitors per month post-COVID at 74,508 tram riders. Tram capacity increased from 25 to 30 riders per trip as of Memorial Day weekend. Pre-COVID, the maximum was 40 riders per tram, and Visitor Center summer hours were 8am – 10pm daily. Summer hours are now 9am – 8pm daily, which further reduces potential tram capacity.

2. .

<i>Ridership</i>	<b>Pre-COVID</b>	<b>Prior Yr</b>	<b>Current</b>
	<b>2019</b>	<b>2021</b>	<b>2022</b>
<b>Jan</b>	1,988	13,249	22,872
<b>Feb</b>	24,696	11,091	22,018
<b>March</b>	77,722	22,502	47,471
<b>April</b>	66,563	23,659	51,168
<b>May</b>	81,245	24,541	48,938
<b>June</b>	109,091	32,336	74,508
<b>Q3 total</b>	104,406	46,842	92,361
<b>Q4 total</b>	256,899	80,536	174,614

- Staffing** shortages had a significant impact in FY22, consistent with the nationwide trend. Despite a higher hourly wage for frontline team members, seasonal wage expense was still down compared to budget due to workforce shortage. Since “Summer Hours” (9am – 8pm) began on Memorial Day weekend, the tour guides worked in two staggered shifts per day instead of the

# Gateway Arch Tram – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Performance Indicators (continued)

traditional four shifts per day due to staffing challenges. This resulted in four hours per day where only one tram is running instead of two, which [reduces](#) overall tram capacity.

# Gateway Arch Tram – Performance Indicators

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

	Tram Ridership		
Quarter	FY 2022	FY 2021	Change
1st Qtr	151,573	13,518	1021.3%
2nd Qtr	102,281	49,527	106.5%
3rd Qtr	86,361	52,338	65.0%
(1) 4th Qtr	174,614	80,536	116.8%
Fiscal Year	514,829	195,919	162.8%



**Gateway Arch Tram**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Arch tickets	(1) \$ 2,622,846	\$ 1,406,970	\$ 1,215,876	86.4	\$ 979,146	\$ 6,648,910	\$ 4,043,262	\$ 2,605,648	64.4	\$ 2,196,057
Other operating revenue	6,632	4,090	2,542	62.2	6,612	52,419	15,561	36,858	236.9	10,117
Other revenue	3,641	-	3,641	-	74,332	122,339	-	122,339	-	74,332
Service fee revenue	121,919	29,278	92,641	316.4	101,219	389,980	97,232	292,748	301.1	193,745
Interest income	9,107	3,512	5,595	159.3	1,377	11,934	10,000	1,934	19.3	7,053
Sales discount	(3,375)	(19,438)	16,063	82.6	(3,351)	(10,169)	(60,649)	50,480	83.2	(5,557)
<b>Total revenue</b>	<u>2,760,770</u>	<u>1,424,412</u>	<u>1,336,358</u>	<u>93.8</u>	<u>1,159,335</u>	<u>7,215,413</u>	<u>4,105,406</u>	<u>3,110,007</u>	<u>75.8</u>	<u>2,475,747</u>
<b>Expense</b>										
Wages and benefits	614,712	715,352	100,640	14.1	486,784	2,207,624	2,695,031	487,407	18.1	1,999,155
Services	929,429	304,867	(624,562)	(204.9)	340,304	2,200,052	1,156,298	(1,043,754)	(90.3)	897,674
Fuel and lube consumed	-	-	-	-	-	-	-	-	-	11
Materials and supplies	117,741	119,845	2,104	1.8	(37,017)	483,947	479,378	(4,569)	(1.0)	154,806
Utilities	32,354	42,920	10,566	24.6	26,498	132,927	151,035	18,108	12.0	136,626
Casualty and liability costs	4,808	24,811	20,003	80.6	19,593	19,232	99,244	80,012	80.6	78,371
Other expenses	452,743	391,807	(60,936)	(15.6)	246,052	1,180,989	1,098,871	(82,118)	(7.5)	573,507
Interest expense	(2) 45,366	135,885	90,519	66.6	68,647	711,245	273,559	(437,686)	(160.0)	279,994
Contribution to outside entities	36,007	288,752	252,745	87.5	740,354	149,482	1,155,008	1,005,526	87.1	1,685,325
<b>Total expense</b>	(3) <u>2,233,160</u>	<u>2,024,239</u>	<u>(208,921)</u>	<u>(10.3)</u>	<u>1,891,215</u>	<u>7,085,498</u>	<u>7,108,424</u>	<u>22,926</u>	<u>0.3</u>	<u>5,805,469</u>
<b>Income (loss) before depreciation</b>	(4) <u>527,610</u>	<u>(599,827)</u>	<u>1,127,437</u>	<u>188.0</u>	<u>(731,880)</u>	<u>129,915</u>	<u>(3,003,018)</u>	<u>3,132,933</u>	<u>104.3</u>	<u>(3,329,722)</u>
Depreciation and amortization expense	-	121,171	121,171	100.0	(430,534)	-	485,850	485,850	100.0	-
<b>Net income (loss) before transfers</b>	<u>527,610</u>	<u>(720,998)</u>	<u>1,248,608</u>	<u>173.2</u>	<u>(301,346)</u>	<u>129,915</u>	<u>(3,488,868)</u>	<u>3,618,783</u>	<u>103.7</u>	<u>(3,329,722)</u>
<b>Net transfers in (out)</b>	<u>(13,608)</u>	<u>-</u>	<u>(13,608)</u>	<u>-</u>	<u>(1,508)</u>	<u>(19,987)</u>	<u>-</u>	<u>(19,987)</u>	<u>-</u>	<u>(6,031)</u>
<b>Net income (loss)</b>	<u>\$ 514,002</u>	<u>\$ (720,998)</u>	<u>\$ 1,235,000</u>	<u>171.3</u>	<u>\$ (302,854)</u>	<u>\$ 109,928</u>	<u>\$ (3,488,868)</u>	<u>\$ 3,598,796</u>	<u>103.2</u>	<u>\$ (3,335,753)</u>

Note: These financial statements are presented as a combination of business type and fiduciary type activities.

**Gateway Arch Tram**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	(1) \$ 11,976,243	\$ 14,440,130	\$ (2,463,887)	(17.1)	\$ 22,716,648	\$ (10,740,405)	(47.3)
Accounts and notes receivable	24,053	11,801	12,252	103.8	9,544	14,509	152.0
Federal, state and local assistance receivable	4,395	-	4,395	n/a	6,474	(2,079)	(32.1)
Other current assets	39,602	4,807	34,795	723.8	31,391	8,211	26.2
Total current assets	12,044,293	14,456,738	(2,412,445)	(16.7)	22,764,057	(10,719,764)	(47.1)
Construction-in-process	-	(1,897)	1,897	100.0	-	-	n/a
Total capital assets	0	(1,897)	1,897	100.0	-	0	n/a
Total assets	12,044,293	14,454,841	(2,410,548)	(16.7)	22,764,057	(10,719,764)	(47.1)
<b>Total</b>	<b>\$ 12,044,293</b>	<b>\$ 14,454,841</b>	<b>\$ (2,410,548)</b>	<b>(16.7)</b>	<b>\$ 22,764,057</b>	<b>\$ (10,719,764)</b>	<b>(47.1)</b>

**Gateway Arch Tram**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ 256,186	\$ 390,851	\$ (134,665)	(34.5)	\$ 170,208	\$ 85,978	50.5
Interfund accounts payable	1,730,259	4,332,195	(2,601,936)	(60.1)	13,005,670	(11,275,411)	(86.7)
Accrued expenses	88,939	86,510	2,429	2.8	80,849	8,090	10.0
Other current liabilities	42,889	61,312	(18,423)	(30.0)	26,573	16,316	61.4
Total current liabilities	2,118,273	4,870,868	(2,752,595)	(56.5)	13,283,300	(11,165,027)	(84.1)
Current liab payable from restricted assets							
Accounts payable and retention	-	-	-	n/a	6,474	(6,474)	(100.0)
Accrued interest payable	15,127	62,016	(46,889)	(75.6)	22,946	(7,819)	(34.1)
Current portion of long-term debt	241,391	238,387	3,004	1.3	179,925	61,466	34.2
Total current liabilities payable from restricted assets	256,518	300,403	(43,885)	(14.6)	209,345	47,173	22.5
Total current liabilities	2,374,791	5,171,271	(2,796,480)	(54.1)	13,492,645	(11,117,854)	(82.4)
Non-current liabilities							
Other post-employment benefits	33,851	26,125	7,726	29.6	14,956	18,895	126.3
Long-term debt	6,961,999	7,083,450	(121,451)	(1.7)	6,676,345	285,654	4.3
Unfunded pension liabilities	-	14,345	(14,345)	(100.0)	14,345	(14,345)	(100.0)
Total non-current liabilities	6,995,850	7,123,920	(128,070)	(1.8)	6,705,646	290,204	4.3
Total liabilities	9,370,641	12,295,191	(2,924,550)	(23.8)	20,198,291	(10,827,650)	(53.6)
<b>Net Position</b>							
Net position - capital investments	-	(6,362,291)	6,362,291	100.0	54,295,364	(54,295,364)	(100.0)
Net position	2,563,724	8,926,015	(6,362,291)	(71.3)	(48,393,845)	50,957,569	105.3
Net income (loss)	109,928	(404,074)	514,002	127.2	(3,335,753)	3,445,681	103.3
Total net position	2,673,652	2,159,650	514,002	23.8	2,565,766	107,886	4.2
<b>Total</b>	<b>\$ 12,044,293</b>	<b>\$ 14,454,841</b>	<b>\$ (2,410,548)</b>	<b>(16.7)</b>	<b>\$ 22,764,057</b>	<b>\$ (10,719,764)</b>	<b>(47.1)</b>

Note: These financial statements are presented as a combination of business type and fiduciary type activities.

**Gateway Arch**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
**(unaudited)**

**Cash flows from operating activities**

Receipts from customers	\$ 7,066,632
Payments to employees	(2,194,984)
Payments to vendors	(3,239,771)
Payments for self-insurance	(19,232)
Receipts (payments) from inter-fund activity	<u>(11,939,470)</u>

**Net cash provided by (used in)  
operating activities**

**(1)** (10,326,825)

**Supplemental disclosure of cash flow information**

**Noncash Activities:**  
None

**Cash flows from non capital financing activities**

Operating assistance received	2,079
Contributions to outside entities	(149,482)
Net transfers	(19,987)
Nonoperating contributions	<u>122,339</u>

**Net cash provided by (used in)  
non capital financing activities**

(45,051)

**Cash flows from capital and related financing activities**

Acquisitions of capital assets	(6,474)
Payments of long-term debt	347,120
Interest Paid	(719,066)
Contributed capital	<u>(2,043)</u>

**Cash flows from capital and  
related financing activities**

**(2)** (380,463)

**Cash flows from investing activities**

Interest received	<u>11,934</u>
-------------------	---------------

**Net cash provided by (used in)  
investing activities**

11,934

**Net increase (decrease) in cash  
and cash equivalents**

**(3)** (10,740,405)

**Cash and cash equivalents, beginning of year**

22,716,648

**Cash and cash equivalents, year to date**

**\$** 11,976,243

Note: These financial statements are presented as a combination of business type and fiduciary type activities.

A light blue background featuring a stylized map of Metro Transit routes. The map shows a dense network of lines and dots representing stations, with a river or coastline visible on the right side.

# Metro Transit

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# Metro Transit – Financial Notes

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Passenger revenue** Overall revenue is down \$0.9 million or 4.3% as compared to budget. Passenger Revenue has trended up exceeding Passenger Revenue compared to prior year by 12.3%. Passenger Revenue continues to be influenced (to a lesser extent) by the pandemic and its reach.
2. **St. Louis City's current year revenue** remitted applied to operations was \$36.2 million, which is 1.6% less than current year budget, but 35.9% favorable to prior year.
3. **St. Louis County revenue** is \$13.3 million less than budget YTD.
4. **Federal Funded Revenue** includes CARES Funding recognized in FY2022, creating a positive revenue variance of \$60.9 million.
5. **Total expenses** overall are favorable to budget by 11.0%. This is after payments made to employees for retention bonuses in addition to favorable reductions in most all other areas of operations.
6. There is **Net Income before depreciation** of \$81.7 million.

## Balance Sheet

1. **Total Current Assets** are 3.2% lower than the prior period and overall 22.4% higher than the prior year primarily as a result of a strong cash and investments positions.
2. **Long Term Debt** is comparable to the prior period and is 3.3% less than prior year.
3. **Unfunded Pension Liabilities** are comparable to the prior period and to the FY2021 balance as of June 30, 2021.

## Cash Flow

1. **Net cash decrease** from operations was \$238.7 million.
2. The **net increase in cash** for the 12 months ended June 30, 2022 is \$4.1 million.

# Metro Transit – Key Performance Indicator Notes

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Service Changes and Fare Increases

1. Quarterly Metro Reimagined service update went into effect December 2020 with minor adjustments to 12 MetroBus routes.
2. No fare increase is planned for fiscal year 2022. The last fare increase was in fiscal year 2015.

## Ridership Metrics

3. **System year-to-date passenger boarding's** increased 6.5% to 18.5 million from prior year.
4. Current year passenger ridership by mode from prior year
  - a. Metrobus Increase 1.5%
  - b. MetroLink Increase 18.4%
  - c. Call-A-Ride Decrease 14.6%
5. Factors include:
  - a. Perceived security issues slowly being mitigated
  - b. Operator staffing shortages for Call-A-Ride
  - c. COVID-19 infection risk being proactively addressed

## Business and Operating Metrics

6. **Average fare** favorably increased 3.0% level to \$1.08 compared to prior year.
7. **Operating expense per revenue hour** for the system unfavorably increased 6.2% to \$216.69.
8. **Operating expense per passenger boarding** favorably decreased by 6.8% to \$15.51. This modest change is a reflection of lower YTD FY2022 system-wide expense vs. prior year. Budget estimates for FY2022 are \$20.35 per boarding.
9. **Passenger boarding's per revenue mile and passenger boarding's per revenue hour** were also positively impacted by 13.8% and 14.0% respectively due to favorable ridership trends. Rates of change in all 3 components reflect a confident passenger base resulting from the factors described earlier.
10. **Vehicle accidents per 100,000 vehicle miles** are unfavorably up 107.7% from the prior year.

**Metro Transit - Key Performance Indicators**  
**For the Twelve Months Ended June 30, 2022**  
(Preliminary)  
(Favorable Trend) (Unfavorable Trend)

		System			MetroBus			MetroLink			Call-A-Ride		
		Actual 2022	Actual 2021	Variance	Actual 2022	Actual 2021	Variance	Actual 2022	Actual 2021	Variance	Actual 2022	Actual 2021	Variance
Ridership Metrics													
Average Weekday Ridership		57,482	53,622	7.20%	36,807	36,011	2.20%	19,524	16,248	20.20%	1,151	1,363	-15.6%
Passenger Boardings	(3), (4)	18,507,290	17,385,344	6.50%	11,678,288	11,498,907	1.50%	6,477,714	5,472,085	18.40%	351,288	411,463	-14.6%
Business Measures													
Average Fare (Includes Fixed & Special)	(6)	\$1.08	\$1.05	3.00%	\$1.07	\$1.03	3.5%	\$1.07	\$1.03	3.6%	\$1.77	\$0.00	Fav
Farebox Recovery		7.0%	6.4%	8.90%	7.4%	7.0%	4.90%	7.4%	6.4%	15.30%	2.5%	0.0%	Fav
Operating Expense per Revenue Hour	(7)	\$216.69	\$203.99	6.2%	170.45	162.18	5.1%	751.37	740.44	1.5%	118.55	117.68	0.7%
Operating Expense per Passenger Boarding	(8)	\$ 15.51	\$ 16.65	-6.8%	\$ 14.46	\$ 14.93	-3.2%	\$ 14.41	\$ 16.38	-12.0%	\$ 70.90	\$ 68.44	3.6%
Subsidy per Passenger Boarding		\$14.11	\$15.32	-7.90%									
Operating Measures													
Vehicle Accidents per 100,000 Vehicle Miles	(10)	2.34	1.13	107.7%	3.28	1.39	135.3%	0.00	0.00	0.0%	0.68	0.85	-20.2%
On-Time Performance					88.4%	90.6%	-2.4%	97.7%	97.8%	-0.1%	92.4%	94.0%	-1.7%
* Unscheduled Absenteeism		6.04%	6.00%	-0.07%									
Passenger Boardings per Revenue Mile	(9)	0.91	0.80	13.8%	0.72	0.79	-8.3%	2.26	1.98	14.00%	0.10	0.10	0.0%
Passenger Boardings per Revenue Hour	(9)	13.97	12.25	14.0%	11.79	10.86	8.50%	52.13	45.21	15.30%	1.67	1.72	-2.9%



**Metro Transit**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Passenger revenue	(1) \$ 4,983,332	\$ 5,297,427	\$ (314,095)	(5.9)	\$ 4,825,100	\$ 20,106,460	\$ 21,013,987	\$ (907,527)	(4.3)	\$ 17,907,558
City of St. Louis <sup>1</sup>	(2) 8,780,721	8,039,023	741,698	9.2	7,218,440	36,190,645	36,775,018	(584,373)	(1.6)	26,624,039
St. Louis County <sup>1</sup>	(3) 34,988,639	38,684,241	(3,695,602)	(9.6)	29,280,946	149,084,663	162,404,666	(13,320,003)	(8.2)	135,070,051
St. Clair County Transit District <sup>1</sup>	14,309,417	15,996,491	(1,687,074)	(10.5)	8,543,061	63,945,034	63,985,965	(40,931)	(0.1)	54,050,397
State of Missouri and Illinois <sup>1</sup>	756,733	224,675	532,058	236.8	6,111	1,055,798	898,699	157,099	17.5	813,013
Federal funding <sup>1</sup>	(4) 4,139,441	8,166,435	(4,026,994)	(49.3)	34,314,782	96,820,972	32,665,739	64,155,233	196.4	74,509,373
Other local/regional funding <sup>1</sup>	86,436	277,555	(191,119)	(68.9)	(5,045,711)	549,759	950,218	(400,459)	(42.1)	(910,535)
Advertising, maint services, rental income	1,482,103	1,432,826	49,277	3.4	1,425,398	5,293,677	5,753,218	(459,541)	(8.0)	5,649,694
Other revenue	7,600,356	17,222	7,583,134	n/a	3,618,742	7,228,157	68,888	7,159,269	n/a	-
Interest income	(325,912)	9,322,222	(9,648,134)	(103.5)	7,816,698	297,536	10,906,178	(10,608,642)	(97.3)	8,725,920
<b>Total revenue</b>	<b>76,801,266</b>	<b>87,458,117</b>	<b>(10,656,851)</b>	<b>(12.2)</b>	<b>92,003,567</b>	<b>380,572,701</b>	<b>335,422,576</b>	<b>45,150,125</b>	<b>13.5</b>	<b>322,439,510</b>
<b>Expense</b>										
Wages and benefits	47,254,288	50,877,492	3,623,204	7.1	35,399,684	196,651,456	205,035,783	8,384,327	4.1	187,610,251
Services	13,350,214	12,221,365	(1,128,849)	(9.2)	12,185,897	44,049,560	47,925,589	3,876,029	8.1	44,014,813
Fuel and lube consumed	2,049,456	2,659,617	610,161	22.9	2,238,042	6,579,577	10,638,466	4,058,889	38.2	8,439,038
Materials and supplies	6,637,988	5,598,518	(1,039,470)	(18.6)	7,128,099	18,362,270	22,577,439	4,215,169	18.7	22,732,927
Utilities	2,030,163	2,098,858	68,695	3.3	1,689,842	7,675,030	8,395,433	720,403	8.6	6,338,592
Casualty and liability costs	4,008,363	2,558,427	(1,449,936)	(56.7)	600,273	5,711,261	10,233,710	4,522,449	44.2	5,040,809
Other expenses	2,076,173	1,949,349	(126,824)	(6.5)	2,140,952	7,111,154	7,767,406	656,252	8.4	6,161,331
Interest expense	3,014,993	12,088,076	9,073,083	75.1	11,305,905	11,340,928	21,970,677	10,629,749	48.4	19,533,861
Contribution to outside entities	285,350	313,750	28,400	9.1	263,984	1,384,558	1,255,000	(129,558)	(10.3)	1,171,485
Other non-operating expense	-	-	-	-	-	-	-	-	-	2,278,957
<b>Total expense</b>	<b>(5) 80,706,988</b>	<b>90,365,452</b>	<b>9,658,464</b>	<b>10.7</b>	<b>72,952,678</b>	<b>298,865,794</b>	<b>335,799,503</b>	<b>36,933,709</b>	<b>11.0</b>	<b>303,322,064</b>
<b>Income (loss) before depreciation</b>	<b>(6) (3,905,722)</b>	<b>(2,907,335)</b>	<b>(998,387)</b>	<b>(34.3)</b>	<b>19,050,889</b>	<b>81,706,907</b>	<b>(376,927)</b>	<b>82,083,834</b>	<b>n/a</b>	<b>19,117,446</b>
Depreciation and amortization expense	21,197,601	19,387,719	(1,809,882)	(9.3)	20,000,268	82,402,620	77,057,118	(5,345,502)	(6.9)	77,710,813
<b>Net income (loss) before transfers</b>	<b>(25,103,323)</b>	<b>(22,295,054)</b>	<b>(2,808,269)</b>	<b>(12.6)</b>	<b>(949,379)</b>	<b>(695,713)</b>	<b>(77,434,045)</b>	<b>76,738,332</b>	<b>99.1</b>	<b>(58,593,367)</b>
<b>Net transfers in (out)</b>	<b>(1,986,180)</b>	<b>(1,114,763)</b>	<b>(871,417)</b>	<b>(78.2)</b>	<b>(964,412)</b>	<b>(7,993,604)</b>	<b>(4,459,052)</b>	<b>(3,534,552)</b>	<b>(79.3)</b>	<b>(3,740,569)</b>
<b>Net income (loss)</b>	<b>\$ (27,089,503)</b>	<b>\$ (23,409,817)</b>	<b>\$ (3,679,686)</b>	<b>(15.7)</b>	<b>\$ (1,913,791)</b>	<b>\$ (8,689,317)</b>	<b>\$ (81,893,097)</b>	<b>\$ 73,203,780</b>	<b>89.4</b>	<b>\$ (62,333,936)</b>

<sup>1</sup> - Detailed schedule included.

**Metro Transit**  
**Detailed Schedule of Contract, Sales Tax and Grant Revenue**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Contract, sales tax and grant revenue</b>										
City of St. Louis 1/2 cent	\$ 4,930,770	\$ 4,544,538	\$ 386,232	8.5	\$ 4,193,550	\$ 20,110,000	\$ 20,295,372	\$ (185,372)	(0.9)	\$ 15,365,780
City of St. Louis 1/4 cent	2,093,712	1,996,919	96,793	4.8	1,667,613	8,746,388	9,039,245	(292,857)	(3.2)	6,407,557
City of St. Louis Prop M2 (1/4 cent)	1,756,239	1,497,566	258,673	17.3	1,357,277	7,334,257	7,440,401	(106,144)	(1.4)	4,850,702
Total City of St. Louis	(2) 8,780,721	8,039,023	741,698	9.2	7,218,440	36,190,645	36,775,018	(584,373)	(1.6)	26,624,039
St. Louis County 1/2 cent	10,804,196	10,854,449	(50,253)	(0.5)	9,005,659	43,777,710	41,462,010	2,315,700	5.6	35,192,311
St. Louis County 1/4 cent	7,693,706	8,422,359	(728,653)	(8.7)	6,545,412	31,877,256	35,115,589	(3,238,333)	(9.2)	27,904,005
St. Louis County Prop A (1/2 cent)	16,490,737	19,407,433	(2,916,696)	(15.0)	13,729,875	73,429,697	85,827,067	(12,397,370)	(14.4)	71,973,735
Total St. Louis County	(3) 34,988,639	38,684,241	(3,695,602)	(9.6)	29,280,946	149,084,663	162,404,666	(13,320,003)	(8.2)	135,070,051
East-West Gateway Council of Govts.	71,413	80,000	(8,587)	(10.7)	199,997	106,664	160,000	(53,336)	(33.3)	200,233
Non-capital projects and other	15,023	197,555	(182,532)	(92.4)	(5,245,708)	443,095	790,218	(347,123)	(43.9)	(1,110,768)
Total other local	86,436	277,555	(191,119)	(68.9)	(5,045,711)	549,759	950,218	(400,459)	(42.1)	(910,535)
State of Missouri	748,463	197,897	550,566	278.2	-	748,463	791,588	(43,125)	(5.4)	731,499
Total State of Missouri	748,463	197,897	550,566	278.2	-	748,463	791,588	(43,125)	(5.4)	731,499
Total Missouri	44,604,259	47,198,716	(2,594,457)	(5.5)	31,453,675	186,573,530	200,921,490	(14,347,960)	(7.1)	161,515,054
Illinois										
St. Clair Transit District	14,309,417	15,996,491	(1,687,074)	(10.5)	8,543,061	63,945,034	63,985,965	(40,931)	(0.1)	54,050,397
State of Illinois	8,270	26,778	(18,508)	(69.1)	6,111	307,335	107,111	200,224	186.9	81,514
Total Illinois	14,317,687	16,023,269	(1,705,582)	(10.6)	8,549,172	64,252,369	64,093,076	159,293	0.2	54,131,911
Total local and state	58,921,946	63,221,985	(4,300,039)	(6.8)	40,002,847	250,825,899	265,014,566	(14,188,667)	(5.4)	215,646,965
Federal										
Vehicle maintenance	4,000,000	4,000,000	-	-	4,000,000	16,000,000	16,000,000	-	-	16,000,000
Non-capital grants (i.e. JARC)	139,441	1,253,700	(1,114,259)	(88.9)	926,385	8,227,749	5,014,800	3,212,949	64.1	4,615,083
CARES Act	-	2,912,735	(2,912,735)	(100.0)	29,388,397	72,593,223	11,650,939	60,942,284	523.1	53,894,290
Total federal	(4) 4,139,441	8,166,435	(4,026,994)	(49.3)	34,314,782	96,820,972	32,665,739	64,155,233	196.4	74,509,373
<b>Total contract, sales tax and grant revenue</b>	<b>\$ 63,061,387</b>	<b>\$ 71,388,420</b>	<b>\$ (8,327,033)</b>	<b>(11.7)</b>	<b>\$ 74,317,629</b>	<b>\$ 347,646,871</b>	<b>\$ 297,680,305</b>	<b>\$ 49,966,566</b>	<b>16.8</b>	<b>\$ 290,156,338</b>

**Metro Transit**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	\$ 177,802,864	\$ 189,650,597	\$ (11,847,733)	(6.2)	\$ 173,745,292	\$ 4,057,572	2.3
Investments	133,275,953	112,156,597	21,119,356	18.8	57,773,299	75,502,654	130.7
Accounts and notes receivable	3,946,086	5,298,330	(1,352,244)	(25.5)	6,174,385	(2,228,299)	(36.1)
Interfund accounts receivable	2,648,070	5,176,914	(2,528,844)	(48.8)	16,720,409	(14,072,339)	(84.2)
Restricted accounts receivable	247,582	191,619	55,963	29.2	674,920	(427,338)	(63.3)
Federal, state and local assistance receivable	22,277,501	39,711,949	(17,434,448)	(43.9)	26,471,349	(4,193,848)	(15.8)
Materials and supplies inventory	14,621,613	15,131,361	(509,748)	(3.4)	10,850,223	3,771,390	34.8
Other current assets	9,065,029	8,701,465	363,564	4.2	4,981,317	4,083,712	82.0
Total current assets	(1) 363,884,698	376,018,832	(12,134,134)	(3.2)	297,391,194	66,493,504	22.4
Capital assets							
Capital assets - motorbus	484,009,104	486,424,230	(2,415,126)	(0.5)	468,281,421	15,727,683	3.4
Capital assets - paratransit	20,891,285	21,840,065	(948,780)	(4.3)	24,100,271	(3,208,986)	(13.3)
Capital assets - lightrail	1,630,811,176	1,628,052,278	2,758,898	0.2	1,629,760,115	1,051,061	0.1
Total capital assets	2,135,711,565	2,136,316,573	(605,008)	-	2,122,141,807	13,569,758	0.6
Accumulated depreciation	(1,499,178,074)	(1,484,517,736)	(14,660,338)	(1.0)	(1,438,651,105)	(60,526,969)	(4.2)
Total capital assets, net	636,533,491	651,798,837	(15,265,346)	(2.3)	683,490,702	(46,957,211)	(6.9)
Land	97,040,389	97,040,389	-	-	97,040,389	-	-
Construction-in-process	49,363,749	46,759,832	2,603,917	5.6	48,758,449	605,300	1.2
Total capital assets	782,937,629	795,599,058	(12,661,429)	(1.6)	829,289,540	(46,351,911)	(5.6)
Non-current assets							
Restricted investments	142,861,097	140,579,997	2,281,100	1.6	134,066,862	8,794,235	6.6
Other non-current assets, net amort	19,717,584	85,913	19,631,671	n/a	126,950	19,590,634	n/a
Total non-current assets	162,578,681	140,665,910	21,912,771	15.6	134,193,812	28,384,869	21.2
Total assets	1,309,401,008	1,312,283,800	(2,882,792)	(0.2)	1,260,874,546	48,526,462	3.8
<b>Deferred outflow of resources</b>							
Deferred pension loss	9,476,065	11,394,238	(1,918,173)	(16.8)	17,290,205	(7,814,140)	(45.2)
Deferred pension expense	2,250,194	2,250,194	-	-	2,250,194	-	-
Deferred unfunded OPEB loss	7,251,891	7,586,211	(334,320)	(4.4)	8,589,171	(1,337,280)	(15.6)
Deferred loss on debt refunding	8,499,697	8,595,188	(95,491)	(1.1)	8,987,960	(488,263)	(5.4)
Total deferred outflow of resources	27,477,847	29,825,831	(2,347,984)	(7.9)	37,117,530	(9,639,683)	(26.0)
<b>Total</b>	<u>\$ 1,336,878,855</u>	<u>\$ 1,342,109,631</u>	<u>\$ (5,230,776)</u>	<u>(0.4)</u>	<u>\$ 1,297,992,076</u>	<u>\$ 38,886,779</u>	<u>3.0</u>

**Metro Transit**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ 11,483,414	\$ 11,654,380	\$ (170,966)	(1.5)	\$ 14,696,714	\$ (3,213,300)	(21.9)
Accrued expenses	17,653,592	16,994,600	658,992	3.9	19,848,839	(2,195,247)	(11.1)
Other current liabilities	4,223,365	5,851,415	(1,628,050)	(27.8)	4,454,251	(230,886)	(5.2)
Total current liabilities	33,360,371	34,500,395	(1,140,024)	(3.3)	38,999,804	(5,639,433)	(14.5)
Current liab payable from restricted assets							
Accounts payable and retention	439,862	-	439,862	n/a	1,919,842	(1,479,980)	(77.1)
Accrued interest payable	3,217,793	6,435,586	(3,217,793)	(50.0)	3,356,110	(138,317)	(4.1)
Short-term insurance	99,734	232,000	(132,266)	(57.0)	232,000	(132,266)	(57.0)
Current portion of long-term debt	14,145,000	14,145,000	-	-	12,230,000	1,915,000	15.7
Total current liabilities payable from restricted assets	17,902,389	20,812,586	(2,910,197)	(14.0)	17,737,952	164,437	0.9
Total current liabilities	51,262,760	55,312,981	(4,050,221)	(7.3)	56,737,756	(5,474,996)	(9.6)
Non-current liabilities							
Other post-employment benefits	52,306,429	54,350,500	(2,044,071)	(3.8)	52,762,341	(455,912)	(0.9)
Long-term insurance	95,763	581,149	(485,386)	(83.5)	390,000	(294,237)	(75.4)
Long-term debt	(2) 489,641,682	490,313,573	(671,891)	(0.1)	506,550,268	(16,908,586)	(3.3)
Capital lease obligations	142,861,097	140,579,997	2,281,100	1.6	134,066,864	8,794,233	6.6
Unfunded pension liabilities	(3) 40,804,473	40,790,127	14,346	-	40,790,127	14,346	-
Other non-current liabilities	51,210,996	32,345,192	18,865,804	58.3	31,131,960	20,079,036	64.5
Total non-current liabilities	776,920,440	758,960,538	17,959,902	2.4	765,691,560	11,228,880	1.5
Total liabilities	828,183,200	814,273,519	13,909,681	1.7	822,429,316	5,753,884	0.7
<b>Deferred Inflow of Resources</b>							
Deferred gain on hedging instruments	8,983,448	8,027,678	955,770	11.9	4,695,146	4,288,302	91.3
Deferred Unfunded OPEB Gain	9,830,723	9,879,824	(49,101)	(0.5)	10,027,127	(196,404)	(2.0)
Deferred pension gain 788 ATU and clerical	23,795,087	24,012,086	(216,999)	(0.9)	24,663,083	(867,996)	(3.5)
Deferred pension gain IBEW	1,002,391	1,008,025	(5,634)	(0.6)	1,024,927	(22,536)	(2.2)
Deferred pension gain salaried	14,534,350	14,613,757	(79,407)	(0.5)	14,886,766	(352,416)	(2.4)
Total deferred inflow of resources	58,145,999	57,541,370	604,629	1.1	55,297,049	2,848,950	5.2
<b>Net Position</b>							
Net position - capital investments	-	354,027,135	(354,027,135)	(100.0)	1,676,527,182	(1,676,527,182)	(100.0)
Net position	459,238,973	97,867,421	361,371,552	369.2	(1,193,927,535)	1,653,166,508	138.5
Net income (loss)	(8,689,317)	18,400,186	(27,089,503)	(147.2)	(62,333,936)	53,644,619	86.1
Total net position	450,549,656	470,294,742	(19,745,086)	(4.2)	420,265,711	30,283,945	7.2
<b>Total</b>	<u>\$ 1,336,878,855</u>	<u>\$ 1,342,109,631</u>	<u>\$ (5,230,776)</u>	<u>(0.4)</u>	<u>\$ 1,297,992,076</u>	<u>\$ 38,886,779</u>	<u>3.0</u>

**Metro Transit**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
**(unaudited)**

**Cash flows from operating activities**

Receipts from customers	\$ 27,628,436
Payments to employees	(199,288,269)
Payments to vendors	(71,664,177)
Payments for self-insurance	(6,137,764)
Receipts (payments) from inter-fund activity	<u>10,738,676</u>

**Net cash provided by (used in) operating activities** (1) (238,723,098)

**Cash flows from non capital financing activities**

Operating assistance received	352,268,056
Contributions to outside entities	(1,384,558)
Net transfers	(7,993,604)
Nonoperating contributions	<u>8,035,673</u>

**Net cash provided by (used in) non capital financing activities** 350,925,567

**Cash flows from capital and related financing activities**

Acquisitions of capital assets	(37,530,689)
Payments of long-term debt	(8,940,000)
Escrow Financing	(3,290,000)
Interest paid	(13,142,156)
Contributed capital	<u>38,973,261</u>

**Cash flows from capital and related financing activities** (23,929,584)

**Cash flows from investing activities**

Purchases of investments	(179,855,344)
Proceeds from sale of investments	95,354,738
Interest received	<u>285,294</u>

**Net cash provided by (used in) investing activities** (84,215,312)

**Net increase (decrease) in cash and cash equivalents** (2) 4,057,573

**Cash and cash equivalents, beginning of year** 173,745,292

**Cash and cash equivalents, year to date** \$ 177,802,865

**Supplemental disclosure of cash flow information**

**Noncash Activities:**

Interest received on capital lease	\$ 8,794,235
Interest accrued on capital lease	(8,794,233)
Changes in unfunded pension liability	6,571,192
Changes in unrealized loss on fuel hedge	4,288,302
Deferred loss amortization	488,263
Deferred charges	(19,590,634)
Capital tower lease interest amortization	(416,527)
Discounts on bonds	(551,994)
Premium on bonds	12,242
Gain on disposal of fixed assets	(813,167)
Deferred pension expense	-
Deferred unfunded OPEB Loss	1,140,876
Underwriters' bond discount	-
2013A bond discount	-
2009 debt prepaid insurance amortization	-
Non-revenue vehicle lease amortization	(126,504)



# StL Downtown Airport

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# St. Louis Downtown Airport – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Total Revenue** increased \$977 thousand, 55.6%, over budget as a result of unbudgeted grants and assistance, and Insurance proceeds received from prior losses incurred.
2. **Casualty and liability costs** reflect an additional incurred costs net of insurance proceeds related to the maintenance building fire in October 2019. Net reimbursements have resulted in costs under budget by 16.9%.
3. **Net income before depreciation** is \$1.1 million.

## Balance Sheet

1. **Non-current assets** increased \$4.5 million related to implementation of GASB 87 retroactively to July 1, 2021. GASB 87 recharacterizes lease contract components by recognizing an intangible right to use the leased asset involved.
2. **Non-current liabilities** increased \$4.5 million as a result of implementing GASB 87 retroactively to July 1, 2021.

## Cash Flow

1. **Cash flows provided by (used in) operating activities** created a net (\$361) thousand cash outflow for the 12 months through 6/30/2022.
2. **Net cash activity year-to-date** is \$1.0 million cash inflow.

## Performance Indicators

- **Fuel sales** for the 4<sup>th</sup> quarter have exceeded the previous 2 quarters and is 2.7% below the level of the 1<sup>st</sup> quarter for the current fiscal year. The business is still affected by the overall downward trend due to recent changes in the economy.
- **Average based aircraft** The average based aircraft for the 4<sup>th</sup> quarter was 902 which was 21.1% more than the previous quarter but was 11.3% less than the first quarter of FY 2022.
- **Special Events** During the June 1 – 5, 2022 NASCAR Enjoy Illinois 300 Cup Series at World Wide Technology Raceway, the Airport served 56 charter aircraft operations (requiring Aircraft Rescue and Fire Fighting (ARFF) services). This was an increase of 38 aircraft operations over June 2021.

## Notable Item

- A fire occurred on October 9, 2019 in the maintenance building. The estimated cost was \$1 million. The insurance deductible is \$10,000. Restoration has been completed and insurance proceeds received.

# St. Louis Downtown Airport – Performance Indicators

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

	Fuel Sales (gallons)		
Quarter	FY 2022	FY 2021	Change
1st Qtr	414,752	261,848	58.4%
2nd Qtr	348,599	283,469	23.0%
3rd Qtr	295,810	282,126	4.9%
(1) 4th Qtr	403,707	348,100	16.0%
Fiscal Year	1,462,868	1,175,543	24.4%

	Aircraft Movements		
Quarter	FY 2022	FY 2021	Change
1st Qtr	27,799	23,671	17.4%
2nd Qtr	25,578	23,767	7.6%
3rd Qtr	21,798	21,614	0.9%
4th Qtr	26,833	26,945	-0.4%
Fiscal Year	102,008	95,997	6.3%

	Average Based Aircraft*		
Quarter	FY 2022	FY 2021	Change
1st Qtr	1,017	477	113.4%
2nd Qtr	1,036	505	105.4%
3rd Qtr	744	542	37.2%
(2) 4th Qtr	902	594	51.8%

\* The count methodology was changed in late FY 2020 to include aircraft on the apron per day for the month.



**St. Louis Downtown Airport**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Airport parking	\$ 27,215	\$ 36,363	\$ (9,148)	(25.2)	\$ 30,408	\$ 123,500	\$ 145,454	\$ (21,954)	(15.1)	\$ 116,422
Leased acreage	256,181	171,034	85,147	49.8	177,417	1,110,800	684,135	426,665	62.4	741,660
Hangar rental	131,893	135,971	(4,078)	(3.0)	120,266	259,270	543,884	(284,614)	(52.3)	506,881
Aviation sales flowage	27,672	31,255	(3,583)	(11.5)	32,847	114,008	125,020	(11,012)	(8.8)	98,472
Other operating revenue	64,134	34,525	29,609	85.8	35,275	157,343	138,100	19,243	13.9	112,703
Concessions	27,212	30,495	(3,283)	(10.8)	23,699	117,019	121,980	(4,961)	(4.1)	55,307
Other revenue	589,407	-	589,407	-	-	652,034	-	652,034	-	-
Interest income	1,896	250	1,646	658.4	34	2,073	1,000	1,073	107.3	311
Grants and Assistance	119,013	-	119,013	-	-	201,013	-	201,013	-	69,000
<b>Total revenue</b>	(1) 1,244,623	439,893	804,730	182.9	419,946	2,737,060	1,759,573	977,487	55.6	1,700,756
<b>Expense</b>										
Wages and benefits	273,803	221,421	(52,382)	(23.7)	146,976	985,359	889,027	(96,332)	(10.8)	892,424
Services	58,545	27,101	(31,444)	(116.0)	95,028	184,888	108,604	(76,284)	(70.2)	173,996
Fuel and lube consumed	3,696	4,550	854	18.8	3,584	13,724	18,200	4,476	24.6	13,103
Materials and supplies	16,237	16,074	(163)	(1.0)	21,452	45,283	81,796	36,513	44.6	34,612
Utilities	54,642	39,350	(15,292)	(38.9)	22,458	230,564	177,500	(53,064)	(29.9)	185,999
Casualty and liability costs	(2) 37,284	17,146	(20,138)	(117.5)	19,437	80,005	68,583	(11,422)	(16.7)	354,537
Other expenses	21,587	21,897	310	1.4	95,604	63,397	133,110	69,713	52.4	250,944
Interest expense	948	-	(948)	-	948	3,795	-	(3,795)	-	3,815
Other non-operating expense	-	-	-	-	1,260	-	-	-	-	1,260
<b>Total expense</b>	466,742	347,539	(119,203)	(34.3)	406,747	1,607,015	1,476,820	(130,195)	(8.8)	1,910,690
<b>Income (loss) before depreciation</b>	(3) 777,881	92,354	685,527	742.3	13,199	1,130,045	282,753	847,292	299.7	(209,934)
Depreciation and amortization expense	482,753	400,581	(82,172)	(20.5)	320,506	1,439,072	1,440,099	1,027	0.1	1,276,470
<b>Net income (loss) before transfers</b>	295,128	(308,227)	603,355	195.8	(307,307)	(309,027)	(1,157,346)	848,319	73.3	(1,486,404)
<b>Net transfers in (out)</b>	-	-	-	-	-	1,274,741	-	1,274,741	-	-
<b>Net income (loss)</b>	\$ 295,128	\$ (308,227)	\$ 603,355	195.8	\$ (307,307)	\$ 965,714	\$ (1,157,346)	\$ 2,123,060	183.4	\$ (1,486,404)

**St. Louis Downtown Airport**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	\$ 2,689,664	\$ 2,735,949	\$ (46,285)	(1.7)	\$ 1,645,388	\$ 1,044,276	63.5
Accounts and notes receivable	90,498	29,072	61,426	211.3	3,208	87,290	n/a
Federal, state and local assistance receivable	-	82,000	(82,000)	(100.0)	71,145	(71,145)	(100.0)
Materials and supplies inventory	69,922	69,922	-	-	69,383	539	0.8
Other current assets	411	27,926	(27,515)	(98.5)	58,134	(57,723)	(99.3)
Total current assets	<u>2,850,495</u>	<u>2,944,869</u>	<u>(94,374)</u>	<u>(3.2)</u>	<u>1,847,258</u>	<u>1,003,237</u>	<u>54.3</u>
Capital assets							
Capital assets	52,946,796	52,421,332	525,464	1.0	52,305,218	641,578	1.2
Accumulated depreciation	(40,808,763)	(40,593,207)	(215,556)	(0.5)	(39,636,888)	(1,171,875)	(3.0)
Total capital assets, net	<u>12,138,033</u>	<u>11,828,125</u>	<u>309,908</u>	<u>2.6</u>	<u>12,668,330</u>	<u>(530,297)</u>	<u>(4.2)</u>
Land	4,542,564	4,542,564	-	-	4,542,564	-	-
Construction-in-process	180,474	315,866	(135,392)	(42.9)	198,456	(17,982)	(9.1)
Total capital assets	<u>16,861,071</u>	<u>16,686,555</u>	<u>174,516</u>	<u>1.0</u>	<u>17,409,350</u>	<u>(548,279)</u>	<u>(3.1)</u>
Non-current assets							
Deferred charges	298,506	210,099	88,407	42.1	-	298,506	n/a
Other non-current assets, net amort	(1) 4,552,743	-	4,552,743	n/a	-	4,552,743	n/a
Total non-current assets	<u>4,851,249</u>	<u>210,099</u>	<u>4,641,150</u>	<u>n/a</u>	<u>-</u>	<u>4,851,249</u>	<u>n/a</u>
Total assets	<u>24,562,815</u>	<u>19,841,523</u>	<u>4,721,292</u>	<u>23.8</u>	<u>19,256,608</u>	<u>5,306,207</u>	<u>27.6</u>
<b>Total</b>	<u>\$ 24,562,815</u>	<u>\$ 19,841,523</u>	<u>\$ 4,721,292</u>	<u>23.8</u>	<u>\$ 19,256,608</u>	<u>\$ 5,306,207</u>	<u>27.6</u>

**St. Louis Downtown Airport**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ -	\$ -	\$ -	n/a	\$ 82,399	\$ (82,399)	(100.0)
Interfund accounts payable	147,730	280,962	(133,232)	(47.4)	420,788	(273,058)	(64.9)
Accrued expenses	63,398	63,795	(397)	(0.6)	69,441	(6,043)	(8.7)
Other current liabilities	272,202	223,089	49,113	22.0	81,069	191,133	235.8
Total current liabilities	483,330	567,846	(84,516)	(14.9)	653,697	(170,367)	(26.1)
Non-current liabilities							
Other post-employment benefits	318,448	309,546	8,902	2.9	299,150	19,298	6.5
Other non-current liabilities	(2) 4,566,444	64,667	4,501,777	n/a	74,882	4,491,562	n/a
Total non-current liabilities	4,884,892	374,213	4,510,679	n/a	374,032	4,510,860	n/a
Total liabilities	5,368,222	942,059	4,426,163	469.8	1,027,729	4,340,493	422.3
<b>Net Position</b>							
Net position - capital investments	-	17,409,350	(17,409,350)	(100.0)	54,872,239	(54,872,239)	(100.0)
Net position	18,228,879	819,528	17,409,351	n/a	(35,156,956)	53,385,835	151.8
Net income (loss)	965,714	670,586	295,128	44.0	(1,486,404)	2,452,118	165.0
Total net position	19,194,593	18,899,464	295,129	1.6	18,228,879	965,714	5.3
<b>Total</b>	<u>\$ 24,562,815</u>	<u>\$ 19,841,523</u>	<u>\$ 4,721,292</u>	<u>23.8</u>	<u>\$ 19,256,608</u>	<u>\$ 5,306,207</u>	<u>27.6</u>

**St. Louis Downtown Airport**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
(unaudited)

<b>Cash flows from operating activities</b>		<b>Supplemental disclosure of cash flow information</b>	
Receipts from customers	\$ (3,155,482)	<b>Noncash Activities:</b> None	
Payments to employees	(972,104)		
Payments to vendors	4,213,824		
Payments for self-insurance	(80,005)		
Receipts (payments) from inter-fund activity	<u>(367,259)</u>		
<b>Net cash provided by (used in) operating activities</b>	<b>(1) <u>(361,026)</u></b>		
<b>Cash flows from non capital financing activities</b>			
Operating assistance received	272,158		
Net transfers	1,274,741		
Nonoperating contributions	<u>652,034</u>		
<b>Net cash provided by (used in) non capital financing activities</b>	<b><u>2,198,933</u></b>		
<b>Cash flows from capital and related financing activities</b>			
Acquisitions of capital assets	(890,793)		
Interest Paid	(3,794)		
<b>Cash flows from capital and related financing activities</b>	<b><u>(894,587)</u></b>		
<b>Cash flows from investing activities</b>			
Interest received	<u>100,956</u>		
<b>Net cash provided by (used in) investing activities</b>	<b><u>100,956</u></b>		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2) 1,044,276</b>		
<b>Cash and cash equivalents, beginning of year</b>	<b><u>1,645,388</u></b>		
<b>Cash and cash equivalents, year to date</b>	<b><u>\$ 2,689,664</u></b>		



# Riverfront Attractions

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# Riverfront Attractions – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** for cruises, food and beverages is gaining against the drop in business from the effects of COVID-19. The FY 2022 showed a strong increase in revenue with Cruise Revenue exceeding budget by 62.3% and 78.3% over prior year.
2. **Total year to date expense** is over budget due to rebuilding of service levels during the abridged operations. Increases in materials and supplies support the higher food, beverage and retail revenue increases.
3. **Net income before depreciation** is \$986 thousand. This is well over the expected budget loss of \$233.6 thousand- a positive variance of \$1.2 million.

## Balance Sheet

Nothing to note

## Cash Flow

1. **Cash flows from operating and interfund activity** is a \$473.4 thousand YTD cash inflow.
2. **Net cash activity year-to-date** is \$73.9 thousand cash inflow.

## Performance Indicators

1. **Passengers, cruises and passengers per cruise:** Total Cruise volume of 130,258 for FY 2022 was the highest volume since FY 2007 (140,190). Six monthly volumes during FY2022 became the high baselines over past years' high levels:
  - October 2021 total passengers (10,815)-the highest since 2011
  - November 2021 total passengers (4,893) - the highest since 2013
  - December 2021 total passengers (2,443) - highest under BSD ownership
  - March 2022 total passengers (6,744) -the highest since 2012
  - April 2022 total passengers (11,669) - the highest since 2007
  - June 2022 total passengers (23,578) - the highest since 2006
2. **Flood days:** There were 4 flood days during the quarter.

# Riverfront Attractions – Performance Indicators

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

	Riverboat Passengers		
Quarter	FY 2022	FY 2021	Change
1st Qtr	57,900	14,883	289.0%
2nd Qtr	17,090	6,705	154.9%
3rd Qtr	6,805	5,889	15.6%
(1) 4th Qtr	48,463	44,835	8.1%
Fiscal Year	130,258	72,312	80.1%

	Riverboat Cruises		
Quarter	FY 2022	FY 2021	Change
1st Qtr	552	266	107.5%
2nd Qtr	190	102	86.3%
3rd Qtr	39	51	-23.5%
(1) 4th Qtr	412	442	-6.8%
Fiscal Year	1,193	861	38.6%

	Riverboat Passengers per Cruise		
Quarter	FY 2022	FY 2021	Change
1st Qtr	105	56	87.5%
2nd Qtr	90	66	36.8%
3rd Qtr	174	115	51.1%
(1) 4th Qtr	118	101	16.0%
Fiscal Year	109	84	30.0%

# Riverfront Attractions – Performance Indicators

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

	Riverboat Scheduled Days		
Quarter	FY 2022	FY 2021	Change
1st Qtr	92	73	26.0%
2nd Qtr	72	35	105.7%
3rd Qtr	17	17	0.0%
(2) 4th Qtr	91	89	2.2%
Fiscal Year	272	214	27.1%

	Riverboat Days of Operation		
Quarter	FY 2022	FY 2021	Change
1st Qtr	92	73	26.0%
2nd Qtr	72	35	105.7%
3rd Qtr	-	17	-100.0%
(2) 4th Qtr	87	89	-2.2%
Fiscal Year	251	214	17.3%

	Riverboat Flood Days		
Quarter	FY 2022	FY 2021	Change
1st Qtr	-	-	-
2nd Qtr	-	-	-
3rd Qtr	-	3	(3)
(2) 4th Qtr	4	-	4
Fiscal Year	4	3	1



**Riverfront Attractions**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Cruise	\$ 1,079,950	\$ 681,599	\$ 398,351	58.4	\$ 914,200	\$ 2,612,352	\$ 1,609,513	\$ 1,002,839	62.3	\$ 1,465,299
Food and beverage	271,679	304,033	(32,354)	(10.6)	233,425	898,441	737,379	161,062	21.8	378,092
Retail	40,866	45,967	(5,101)	(11.1)	41,306	104,818	106,689	(1,871)	(1.8)	84,652
Other operating revenue	107,997	26,323	81,674	310.3	46,640	211,757	91,231	120,526	132.1	103,906
Other revenue	-	-	-	-	-	167	-	167	-	-
Sales discount	(562)	(8,697)	8,135	93.5	(2,533)	447	(34,789)	35,236	101.3	(15,259)
<b>Total revenue</b>	<b>(1) 1,499,930</b>	<b>1,049,225</b>	<b>450,705</b>	<b>43.0</b>	<b>1,233,038</b>	<b>3,827,982</b>	<b>2,510,023</b>	<b>1,317,959</b>	<b>52.5</b>	<b>2,016,690</b>
<b>Expense</b>										
Wages and benefits	271,427	415,313	143,886	34.6	203,233	1,257,825	1,437,225	179,400	12.5	1,028,969
Services	181,219	82,144	(99,075)	(120.6)	67,486	566,902	328,576	(238,326)	(72.5)	183,642
Fuel and lube consumed	21,172	18,898	(2,274)	(12.0)	31,403	64,246	75,590	11,344	15.0	59,132
Materials and supplies	101,235	117,534	16,299	13.9	159,170	541,626	470,136	(71,490)	(15.2)	317,325
Utilities	17,606	22,757	5,151	22.6	11,570	87,067	91,029	3,962	4.4	58,692
Casualty and liability costs	37,259	50,010	12,751	25.5	28,030	181,306	200,039	18,733	9.4	146,846
Other expenses	57,755	34,919	(22,836)	(65.4)	34,481	142,758	141,007	(1,751)	(1.2)	55,167
Other non-operating expense	-	-	-	-	4,184	-	-	-	-	4,184
<b>Total expense</b>	<b>(2) 687,673</b>	<b>741,575</b>	<b>53,902</b>	<b>7.3</b>	<b>539,557</b>	<b>2,841,730</b>	<b>2,743,602</b>	<b>(98,128)</b>	<b>(3.6)</b>	<b>1,853,957</b>
<b>Income (loss) before depreciation</b>	<b>(3) 812,257</b>	<b>307,650</b>	<b>504,607</b>	<b>164.0</b>	<b>693,481</b>	<b>986,252</b>	<b>(233,579)</b>	<b>1,219,831</b>	<b>522.2</b>	<b>162,733</b>
Depreciation and amortization expense	60,341	48,001	(12,340)	(25.7)	60,196	239,627	192,005	(47,622)	(24.8)	244,377
<b>Net income (loss) before transfers</b>	<b>751,916</b>	<b>259,649</b>	<b>492,267</b>	<b>189.6</b>	<b>633,285</b>	<b>746,625</b>	<b>(425,584)</b>	<b>1,172,209</b>	<b>275.4</b>	<b>(81,644)</b>
<b>Net transfers in (out)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,200,781</b>
<b>Net income (loss)</b>	<b>\$ 751,916</b>	<b>\$ 259,649</b>	<b>\$ 492,267</b>	<b>189.6</b>	<b>\$ 633,285</b>	<b>\$ 746,625</b>	<b>\$ (425,584)</b>	<b>\$ 1,172,209</b>	<b>275.4</b>	<b>\$ 2,119,137</b>

**Riverfront Attractions**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	\$ 780,958	\$ 186,511	\$ 594,447	318.7	\$ 706,977	\$ 73,981	10.5
Accounts and notes receivable	36,183	101	36,082	n/a	14,311	21,872	152.8
Interfund accounts receivable	216,905	30,648	186,257	607.7	-	216,905	n/a
Federal, state and local assistance receivable	7,940	-	7,940	n/a	-	7,940	n/a
Materials and supplies inventory	74,863	67,109	7,754	11.6	56,316	18,547	32.9
Other current assets	413	37,669	(37,256)	(98.9)	21,132	(20,719)	(98.0)
Total current assets	<u>1,117,262</u>	<u>322,038</u>	<u>795,224</u>	<u>246.9</u>	<u>798,736</u>	<u>318,526</u>	<u>39.9</u>
Capital assets							
Capital assets	5,799,202	5,760,476	38,726	0.7	5,449,119	350,083	6.4
Accumulated depreciation	(4,528,819)	(4,468,477)	(60,342)	(1.4)	(4,289,192)	(239,627)	(5.6)
Total capital assets, net	<u>1,270,383</u>	<u>1,291,999</u>	<u>(21,616)</u>	<u>(1.7)</u>	<u>1,159,927</u>	<u>110,456</u>	<u>9.5</u>
Construction-in-process	<u>41,544</u>	<u>28,526</u>	<u>13,018</u>	<u>45.6</u>	<u>-</u>	<u>41,544</u>	<u>n/a</u>
Total capital assets	<u>1,311,927</u>	<u>1,320,525</u>	<u>(8,598)</u>	<u>(0.7)</u>	<u>1,159,927</u>	<u>152,000</u>	<u>13.1</u>
Total assets	<u>2,429,189</u>	<u>1,642,563</u>	<u>786,626</u>	<u>47.9</u>	<u>1,958,663</u>	<u>470,526</u>	<u>24.0</u>
<b>Total</b>	<u>\$ 2,429,189</u>	<u>\$ 1,642,563</u>	<u>\$ 786,626</u>	<u>47.9</u>	<u>\$ 1,958,663</u>	<u>\$ 470,526</u>	<u>24.0</u>

**Riverfront Attractions**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ 54,612	\$ 1,240	\$ 53,372	n/a	\$ 51,748	\$ 2,864	5.5
Interfund accounts payable	-	-	-	n/a	257,046	(257,046)	(100.0)
Accrued expenses	48,759	65,006	(16,247)	(25.0)	122,169	(73,410)	(60.1)
Other current liabilities	86,052	91,609	(5,557)	(6.1)	45,963	40,089	87.2
Total current liabilities	189,423	157,855	31,568	20.0	476,926	(287,503)	(60.3)
Non-current liabilities							
Other post-employment benefits	277,594	274,452	3,142	1.1	266,191	11,403	4.3
Unfunded pension liabilities	41,379	41,379	-	-	41,379	-	-
Total non-current liabilities	318,973	315,831	3,142	1.0	307,570	11,403	3.7
Total liabilities	508,396	473,686	34,710	7.3	784,496	(276,100)	(35.2)
<b>Net Position</b>							
Net position - capital investments	-	1,159,927	(1,159,927)	(100.0)	3,234,314	(3,234,314)	(100.0)
Net position	1,174,168	14,241	1,159,927	n/a	(4,179,284)	5,353,452	128.1
Net income (loss)	746,625	(5,291)	751,916	n/a	2,119,137	(1,372,512)	(64.8)
Total net position	1,920,793	1,168,877	751,916	64.3	1,174,167	746,626	63.6
<b>Total</b>	<u>\$ 2,429,189</u>	<u>\$ 1,642,563</u>	<u>\$ 786,626</u>	<u>47.9</u>	<u>\$ 1,958,663</u>	<u>\$ 470,526</u>	<u>24.0</u>

**Riverfront Attractions**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
(unaudited)

**Cash flows from operating activities**

Receipts from customers	\$ 3,805,944
Payments to employees	(1,319,832)
Payments to vendors	(1,357,473)
Payments for self-insurance	(181,306)
Receipts (payments) from inter-fund activity	<u>(473,951)</u>

**Net cash provided by (used in)  
operating activities**

**(1)** 473,382

**Cash flows from non capital financing activities**

Operating assistance received	(7,940)
Nonoperating contributions	<u>167</u>

**Net cash provided by (used in)  
non capital financing activities**

(7,773)

**Cash flows from capital and related financing activities**

Acquisitions of capital assets	<u>(391,628)</u>
--------------------------------	------------------

**Cash flows from capital and  
related financing activities**

(391,628)

**Cash flows from investing activities**

None

**Net increase (decrease) in cash  
and cash equivalents**

**(2)** 73,981

**Cash and cash equivalents, beginning of year**

706,977

**Cash and cash equivalents, year to date**

\$ 780,958

**Supplemental disclosure of cash flow information**

**Noncash Activities:**

None



# StL Regional Freightway

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# St. Louis Regional Freightway – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** A total of \$311.3 thousand in Partnership Fees has been received for the current year.
2. **Net loss** is \$86.4 thousand for the FY 2022 period.

## Balance Sheet

1. **Cash** is \$323,944 less than prior year due to vendor payments and settling of inter-fund balances.

## Cash Flow

1. **Net cash used in operating activities** \$323.9 thousand.
2. **Net decrease in cash and cash equivalents** is also \$323.9 thousand

**St. Louis Regional Freightway  
Statement of Activities  
For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Partnership fees	\$ 200,000	\$ 156,250	\$ 43,750	28.0	\$ 99,997	\$ 300,000	\$ 625,000	\$ (325,000)	(52.0)	\$ 400,000
Other operating revenue	8,750	-	8,750	-	11,010	11,250	-	11,250	-	11,010
Other non-operating revenue	-	-	-	-	-	-	-	-	-	750
<b>Total revenue</b>	(1) 208,750	156,250	52,500	33.6	111,007	311,250	625,000	(313,750)	(50.2)	411,760
<b>Expense</b>										
Wages and benefits	46,444	50,410	3,966	7.9	60,244	173,184	202,355	29,171	14.4	186,451
Services	64,986	84,850	19,864	23.4	172,921	204,547	339,400	134,853	39.7	253,534
Materials and supplies	619	875	256	29.3	61	979	3,500	2,521	72.0	61
Other expenses	6,335	12,250	5,915	48.3	26,046	18,986	49,000	30,014	61.3	28,043
<b>Total expense</b>	118,384	148,385	30,001	20.2	259,272	397,696	594,255	196,559	33.1	468,089
<b>Net income (loss)</b>	(2) \$ 90,366	\$ 7,865	\$ 82,501	1,049.0	\$ (148,265)	\$ (86,446)	\$ 30,745	\$ (117,191)	(381.2)	\$ (56,329)

**St. Louis Regional Freightway**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	(1) \$ 15,000	\$ 57,204	\$ (42,204)	(73.8)	\$ 338,944	\$ (323,944)	(95.6)
Accounts and notes receivable	-	2,500	(2,500)	(100.0)	(35)	35	100.0
Total current assets	15,000	59,704	(44,704)	(74.9)	338,909	(323,909)	(95.6)
Total assets	15,000	59,704	(44,704)	(74.9)	338,909	(323,909)	(95.6)
<b>Total</b>	<u>\$ 15,000</u>	<u>\$ 59,704</u>	<u>\$ (44,704)</u>	<u>(74.9)</u>	<u>\$ 338,909</u>	<u>\$ (323,909)</u>	<u>(95.6)</u>



**St. Louis Regional Freightway**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Accounts payable	\$ 25,213	\$ 15,000	\$ 10,213	68.1	\$ 22,856	\$ 2,357	10.3
Interfund accounts payable	492,028	633,100	(141,072)	(22.3)	738,684	(246,656)	(33.4)
Accrued expenses	43,401	42,149	1,252	3.0	41,789	1,612	3.9
Other current liabilities	2,112	8,750	(6,638)	(75.9)	-	2,112	n/a
Total current liabilities	562,754	698,999	(136,245)	(19.5)	803,329	(240,575)	(29.9)
Non-current liabilities							
Other post-employment benefits	118,369	117,194	1,175	1.0	115,257	3,112	2.7
Total non-current liabilities	118,369	117,194	1,175	1.0	115,257	3,112	2.7
Total liabilities	681,123	816,193	(135,070)	(16.5)	918,586	(237,463)	(25.9)
<b>Net Position</b>							
Net position	(579,677)	(579,677)	-	-	(523,348)	(56,329)	(10.8)
Net income (loss)	(86,446)	(176,812)	90,366	51.1	(56,329)	(30,117)	(53.5)
Total net position	(666,123)	(756,489)	90,366	11.9	(579,677)	(86,446)	(14.9)
<b>Total</b>	\$ 15,000	\$ 59,704	\$ (44,704)	(74.9)	\$ 338,909	\$ (323,909)	(95.6)

**St. Louis Regional Freightway**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
(unaudited)

<b>Cash flows from operating activities</b>			<b>Supplemental disclosure of cash flow information</b>
Receipts from customers	\$	311,215	
Payments to employees		(168,460)	<b>Noncash Activities:</b>
Payments to vendors		(220,043)	None
Receipts (payments) from inter-fund activity		<u>(246,656)</u>	
<b>Net cash provided by (used in)</b>			
<b>operating activities</b>	(1)	<u>(323,944)</u>	
 <b>Cash flows from non capital financing activities</b>			
None			
 <b>Cash flows from capital and related financing activities</b>			
None			
 <b>Cash flows from investing activities</b>			
None			
 <b>Net increase (decrease) in cash</b>			
<b>and cash equivalents</b>	(2)	<u>(323,944)</u>	
 <b>Cash and cash equivalents, beginning of year</b>		<u>338,944</u>	
 <b>Cash and cash equivalents, year to date</b>		<u>\$ 15,000</u>	



# Arts in Transit

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# Arts in Transit, Inc. – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** decreased 81.1% from prior year primarily as a result of a reduction of in-kind contributions.
2. **Net income** is \$5,510.

## Balance Sheet

Nothing to note

## Cash Flow

Nothing to note.

**Arts In Transit, Inc.**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2022**  
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
<b>Revenue</b>										
Not for Profit Revenue	\$ -	\$ -	\$ -	-	\$ -	\$ 21	\$ 240	\$ (219)	(91.3)	\$ 2,666
Contributions <sup>1</sup>	17,437	31,109	(13,672)	(43.9)	7,007	20,734	109,434	(88,700)	(81.1)	29,317
<b>Total revenue</b>	<b>(1) 17,437</b>	<b>31,109</b>	<b>(13,672)</b>	<b>(43.9)</b>	<b>7,007</b>	<b>20,755</b>	<b>109,674</b>	<b>(88,919)</b>	<b>(81.1)</b>	<b>31,983</b>
<b>Expense</b>										
Wages and benefits	-	5,616	5,616	100.0	4,716	2,261	22,464	20,203	89.9	15,477
Services	17,437	18,179	742	4.1	(325)	17,485	72,714	55,229	76.0	6,568
Materials and supplies	-	1,711	1,711	100.0	-	11	6,844	6,833	99.8	8
Utilities	-	-	-	-	1	1	-	(1)	-	6
Interfund admin fees	-	1,563	1,563	100.0	1,823	987	6,252	5,265	84.2	6,426
Other expenses	-	350	350	100.0	792	(5,500)	1,400	6,900	492.9	6,332
<b>Total expense</b>	<b>17,437</b>	<b>27,419</b>	<b>9,982</b>	<b>36.4</b>	<b>7,007</b>	<b>15,245</b>	<b>109,674</b>	<b>94,429</b>	<b>86.1</b>	<b>34,817</b>
<b>Net income (loss)</b>	<b>(2) \$ -</b>	<b>\$ 3,690</b>	<b>\$ (3,690)</b>	<b>(100.0)</b>	<b>\$ -</b>	<b>\$ 5,510</b>	<b>\$ -</b>	<b>\$ 5,510</b>	<b>-</b>	<b>\$ (2,834)</b>

<sup>1</sup> - Detailed schedule included.

<sup>1</sup> - Contributions include in-kind donations of services, supplies and materials from other BSD business units.

**Arts In Transit, Inc.**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Assets</b>							
Current assets							
Cash	\$ 95,250	\$ 95,250	\$ -	-	\$ 95,240	\$ 10	-
Total current assets	95,250	95,250	-	-	95,240	10	-
Total assets	95,250	95,250	-	-	95,240	10	-
<b>Total</b>	<u>\$ 95,250</u>	<u>\$ 95,250</u>	<u>\$ -</u>	-	<u>\$ 95,240</u>	<u>\$ 10</u>	-

**Arts In Transit, Inc.**  
**Quarterly Statement of Financial Position**  
**June 30, 2022**  
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
<b>Liabilities</b>							
Current liabilities							
Other current liabilities	-	-	-	n/a	5,500	(5,500)	(100.0)
Total current liabilities	-	-	-	n/a	5,500	(5,500)	(100.0)
Total liabilities	-	-	-	n/a	5,500	(5,500)	(100.0)
<b>Net Position</b>							
Net position	\$ 89,740	\$ 89,740	\$ -	-	\$ 92,574	\$ (2,834)	(3.1)
Net income (loss)	5,510	5,510	-	-	(2,834)	8,344	294.4
Total net position	95,250	95,250	-	-	89,740	5,510	6.1
<b>Total</b>	<u>\$ 95,250</u>	<u>\$ 95,250</u>	<u>\$ -</u>	-	<u>\$ 95,240</u>	<u>\$ 10</u>	-

**Art In Transit, Inc.**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2022**  
(unaudited)

**Cash flows from operating activities**

Receipts from customers	\$ (197,930)
Payments to employees	127,489
Payments to vendors	34,610
Payments for self-insurance	-
Receipts (payments) from inter-fund activity	<u>35,841</u>

**Net cash provided by (used in)  
operating activities**

10

**Cash flows from non capital financing activities**

None

**Cash flows from capital and related financing activities**

None

**Cash flows from investing activities**

None

**Net increase (decrease) in cash  
and cash equivalents**

10

**Cash and cash equivalents, beginning of year**

95,240

**Cash and cash equivalents, year to date**

\$ 95,250

**Supplemental disclosure of cash flow information**

**Noncash Activities:**

In-kind donations	\$ 218,685
In-kind wages and benefits	(129,750)
In-kind services	(19,039)
In-kind materials and supplies	(1,148)
In-kind utilities	(572)
In-kind management fees	(36,828)
In-kind other operating expenses	(31,348)





# Self-Insurance Funds

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# Self-Insurance Fund – Financial Highlights

For the Twelve Months Ended June 30, 2022

(Preliminary, subject to audit)

## Income Statement

1. **Total Revenue for the Self-Insurance Funds** before eliminations is \$51.2 million, which consists of revenue from Health \$36.9 million, Casualty \$2.9 million and the Worker's Compensation \$11.4 million.
2. **Total Claims Paid for the Combined Self-Insurance Funds, including stop loss and third party fees** is \$51.1 million.
3. **Health Self-Insurance net loss** is \$1.1 million.  
**Casualty Self-Insurance net loss** is \$386.5 thousand.  
**Worker's Compensation net income** is \$3.5 million.

## Balance Sheet

Nothing of note.

## Cash Flow

1. **Cash flows from operating activities YTD is:**  
Negative \$15 thousand for **Health Self-Insurance**.  
Negative \$5.6 million for **Casualty Self-Insurance**.  
Positive \$1.0 million for **Worker's Compensation**.
2. **Net increase (decrease) in cash and cash equivalents is:**  
Negative \$22.3 thousand for **Health Self-Insurance**.  
Negative \$512.3 thousand for **Casualty Self-Insurance**.  
Positive \$2.6 million for **Worker's Compensation**.

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Divisions  
Combining Statement of Activities by Business Division  
For the Twelve Months Ended June 30, 2022  
(unaudited)**

	Health Self-Insurance	Casualty Self-Insurance	Workers Compensation Self-Insurance	Totals	Eliminations	Totals After Eliminations
<b>Revenue</b>						
Employee medical contributions	\$ 6,804,083	\$ -	\$ -	\$ 6,804,083	\$ -	\$ 6,804,083
Employee dental contributions	448,845	-	-	448,845	-	448,845
Bi-State Dev medical contributions	29,235,426	-	-	29,235,426	(118,845)	29,116,581
Bi-State Dev dental contributions	555,138	-	-	555,138	(2,971)	552,167
Bi-State Dev EAP contributions	28,873	-	-	28,873	(166)	28,707
Healthy savings plan	(208,950)	-	-	(208,950)	-	(208,950)
Charges for services - Casualty	-	2,935,275	-	2,935,275	-	2,935,275
Charges for services - Workers Compensation	-	-	11,396,650	11,396,650	-	11,396,650
Interest Income	216	-	1,405	1,621	-	1,621
<b>Total revenue</b>	<b>36,863,631</b>	<b>2,935,275</b>	<b>11,398,055</b>	<b>51,196,961</b>	<b>(121,982)</b>	<b>51,074,979</b>
<b>Expense</b>						
Wages and benefits	825,565	262,286	257,275	1,345,126	-	1,345,126
Services	226,106	854,048	572,153	1,652,307	-	1,652,307
Materials and supplies	3,610	209	1,012	4,831	-	4,831
Utilities	2,924	12	4	2,940	-	2,940
Casualty and liability costs	-	3,984,063	399,754	4,383,817	-	4,383,817
Other expenses	96,645	134	539,855	636,634	-	636,634
Contribution to outside entities	7,500	-	-	7,500	-	7,500
Med/Dental/Rx Claims less Rebates	36,632,767	-	-	36,632,767	(121,982)	36,510,785
Stop loss, third party fees, Medicare Part D	202,307	-	-	202,307	-	202,307
Casualty claims paid	-	2,543,939	-	2,543,939	-	2,543,939
Workers Compensation claims paid	-	-	7,699,313	7,699,313	-	7,699,313
<b>Total expense</b>	<b>37,997,424</b>	<b>7,644,691</b>	<b>9,469,366</b>	<b>55,111,481</b>	<b>(121,982)</b>	<b>54,989,499</b>
<b>Net income (loss) before transfers</b>	<b>(1,133,793)</b>	<b>(4,709,416)</b>	<b>1,928,689</b>	<b>(3,914,520)</b>	<b>-</b>	<b>(3,914,520)</b>
Net transfers in (out)	-	5,095,875	1,617,092	6,712,967	-	6,712,967
<b>Net income (loss)</b>	<b>\$ (1,133,793)</b>	<b>\$ 386,459</b>	<b>\$ 3,545,781</b>	<b>\$ 2,798,447</b>	<b>\$ -</b>	<b>\$ 2,798,447</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Divisions  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	<b>Health Self-Insurance Division</b>	<b>Casualty Self-Insurance Division</b>	<b>Workers Compensation Self-Insurance Division</b>	<b>Totals</b>	<b>Interfund Eliminations</b>	<b>Totals After Eliminations</b>
<b>Assets</b>						
Current assets						
Cash	\$ 3,819,846	\$ 10,470,873	\$ 12,263,992	\$ 26,554,711	\$ -	\$ 26,554,711
Investments	-	-	2,403,578	2,403,578	-	2,403,578
Accounts and notes receivable	42,887	-	-	42,887	-	42,887
Interfund accounts receivable	-	636,998	574,769	1,211,767	(1,211,767)	-
Restricted accounts receivable	-	-	1,258	1,258	-	1,258
Other current assets	-	30,000	3,750	33,750	-	33,750
Total current assets	<u>3,862,733</u>	<u>11,137,871</u>	<u>15,247,347</u>	<u>30,247,951</u>	<u>(1,211,767)</u>	<u>29,036,184</u>
Total assets	<u>3,862,733</u>	<u>11,137,871</u>	<u>15,247,347</u>	<u>30,247,951</u>	<u>(1,211,767)</u>	<u>29,036,184</u>
<b>Total</b>	<u>\$ 3,862,733</u>	<u>\$ 11,137,871</u>	<u>\$ 15,247,347</u>	<u>\$ 30,247,951</u>	<u>\$ (1,211,767)</u>	<u>\$ 29,036,184</u>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Divisions  
Quarterly Statement of Financial Position  
June 30, 2022  
(unaudited)**

	Health Self-Insurance Division	Casualty Self-Insurance Division	Workers Compensation Self-Insurance Division	Totals	Interfund Eliminations	Totals After Eliminations
<b>Liabilities</b>						
Current liabilities						
Accounts payable	\$ 106,342	\$ -	\$ -	\$ 106,342	\$ -	\$ 106,342
Interfund accounts payable	\$ 1,767,914	\$ -	\$ -	\$ 1,767,914	\$ (1,211,767)	\$ 556,147
Accrued expenses	-	800	5,466	6,266	-	6,266
Total current liabilities	1,874,256	800	5,466	1,880,522	(1,211,767)	668,755
Current liab payable from restricted assets						
Short-term self-insurance	-	3,438,000	6,989,000	10,427,000	-	10,427,000
Medical self-insurance liability	5,363,339	-	-	5,363,339	-	5,363,339
Total current liabilities payable from restricted assets	5,363,339	3,438,000	6,989,000	15,790,339	-	15,790,339
Total current liabilities	7,237,595	3,438,800	6,994,466	17,670,861	(1,211,767)	16,459,094
Non-current liabilities						
Other post-employment benefits	166,028	135,728	47,627	349,383	-	349,383
Long-term self-insurance	-	5,665,000	7,149,000	12,814,000	-	12,814,000
Unfunded pension liabilities	11,677	39,575	16,030	67,282	-	67,282
Total non-current liabilities	177,705	5,840,303	7,212,657	13,230,665	-	13,230,665
Total liabilities	7,415,300	9,279,103	14,207,123	30,901,526	(1,211,767)	29,689,759
<b>Net Position</b>						
Net position	(2,418,774)	1,472,309	(2,505,557)	(3,452,022)	-	(3,452,022)
Net income (loss)	(1,133,793)	386,459	3,545,781	2,798,447	-	2,798,447
Total net position	(3,552,567)	1,858,768	1,040,224	(653,575)	-	(653,575)
<b>Total</b>	<b>\$ 3,862,733</b>	<b>\$ 11,137,871</b>	<b>\$ 15,247,347</b>	<b>\$ 30,247,951</b>	<b>\$ (1,211,767)</b>	<b>\$ 29,036,184</b>

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Funds  
Statement of Cash Flows  
For the Twelve Months Ended June 30, 2022**  
(unaudited)

	Health Self-Insurance Fund	Casualty Self-Insurance Fund	Workers Compensation Self-Insurance Fund	Total	Total After Eliminations	Eliminations
<b>Cash flows from operating activities</b>						
Receipts from customers	\$ 13,822	\$ 2,969,633	\$ 11,464,784	\$ 14,448,239	- \$	14,448,239
Payments to employees	(811,431)	(260,035)	(251,366)	(1,322,832)	-	(1,322,832)
Payments to vendors	(233,684)	(884,460)	(1,116,808)	(2,234,952)	-	(2,234,952)
Payments for self-insurance	(36,343,830)	(6,528,002)	(8,099,067)	(50,970,899)	-	(50,970,899)
Receipts (payments) from inter-fund activity	37,360,121	(905,330)	(992,026)	35,462,765	-	35,462,765
<b>operating activities</b>	<b>(15,002)</b>	<b>(5,608,194)</b>	<b>1,005,517</b>	<b>(4,617,679)</b>	<b>-</b>	<b>(4,617,679)</b>
<b>Cash flows from non capital financing activities</b>						
Contributions to outside entities	(7,500)	-	-	(7,500)	-	(7,500)
Net transfers	-	5,095,875	1,617,092	6,712,967	-	6,712,967
<b>non capital financing activities</b>	<b>(7,500)</b>	<b>5,095,875</b>	<b>1,617,092</b>	<b>6,705,467</b>	<b>-</b>	<b>6,705,467</b>
<b>Cash flows from capital and related financing activities</b>						
None						
<b>Cash flows from investing activities</b>						
Interest received	216	-	1,155	1,371	-	1,371
<b>investing activities</b>	<b>216</b>	<b>-</b>	<b>1,155</b>	<b>1,371</b>	<b>-</b>	<b>1,371</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(22,286)</b>	<b>(512,319)</b>	<b>2,623,764</b>	<b>2,089,159</b>	<b>-</b>	<b>2,089,159</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>3,842,132</b>	<b>10,983,192</b>	<b>12,043,806</b>	<b>26,869,130</b>	<b>-</b>	<b>26,869,130</b>
<b>Cash and cash equivalents, year to date</b>	<b>\$ 3,819,846</b>	<b>\$ 10,470,873</b>	<b>\$ 14,667,570</b>	<b>\$ 28,958,289</b>	<b>- \$</b>	<b>28,958,289</b>



# Staffing

Staffing ..... 70

Staffing

**BI-STATE DEVELOPMENT  
STAFFING LEVEL REPORT  
June 2022**

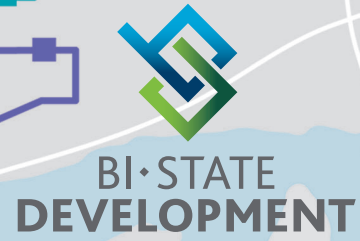
	EMPLOYEES AT END OF MONTH				BUDGETED POSITIONS	VARIANCE	PERCENT VARIANCE
	PRIOR MONTH	ADDED	DELETED	CURRENT MONTH			
A.T.U. Maintenance & Operations:							
Light Rail Vehicle Operators	94	6	(4)	96	102	(6)	-5.9%
PT Bus Operators	5	0	0	5	4	1	25.0%
Bus Operators	658	11	(22)	647	811	(164)	-20.2%
Van Operators	155	3	(9)	149	200	(51)	-25.5%
Vehicle Maintenance	226	8	(6)	228	264	(36)	-13.6%
MetroBus Support Services and Facility Maintenance	22	0	0	22	34	(12)	-35.3%
Right of Way Maintenance	53	0	0	53	56	(3)	-5.4%
Revenue Operations & Maintenance	11	0	0	11	14	(3)	-21.4%
Materials Management	22	0	0	22	25	(3)	-12.0%
SUBTOTAL A.T.U. Maintenance & Operations	1,246	28	(41)	1,233	1,510	(277)	-18.3%
Other: Adjustment to report							
A.T.U. Clerical Unit	35	0	(1)	34	42	(8)	-19.0%
I.B.E.W.	54	1	0	55	63	(8)	-12.7%
Salaried	457	9	(13)	453	548	(95)	-17.3%
SUBTOTAL Other	546	10	0	542	653	(111)	-17.0%
<b>TOTAL</b>	<b>1,792</b>	<b>38</b>	<b>(41)</b>	<b>1,775</b>	<b>2,163</b>	<b>(388)</b>	<b>-17.9%</b>
ARCH							
Salaried:	17	0	0	17	19	(2)	-10.5%
Hourly:*	68	8	(8)	68	0	68	#DIV/0!
<b>TOTAL ARCH</b>	<b>85</b>	<b>8</b>	<b>(8)</b>	<b>85</b>	<b>19</b>	<b>66</b>	<b>347.4%</b>
<b>AIRPORT</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0.0%</b>
RIVERBOAT CRUISES							
Salaried:	6	0	(1)	5	10	(5)	-50.0%
Hourly:*	48	4	(3)	49	0	49	#DIV/0!
<b>TOTAL RIVERBOAT CRUISES</b>	<b>54</b>	<b>4</b>	<b>(4)</b>	<b>54</b>	<b>10</b>	<b>44</b>	<b>440.0%</b>
<b>EXECUTIVE OFFICE</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>28</b>	<b>(1)</b>	<b>-3.6%</b>
<b>GRAND TOTAL</b>	<b>1,968</b>	<b>50</b>	<b>(53)</b>	<b>1,951</b>	<b>2,230</b>	<b>(279)</b>	<b>-12.5%</b>

Does not include Security Officers, Interns or Temporary Employees

\*Includes PT and Seasonal - Actual depends on availability; Budget based on average hours

dd





One Metropolitan Square  
211 North Broadway, Suite 700  
St. Louis, MO 63102-2759

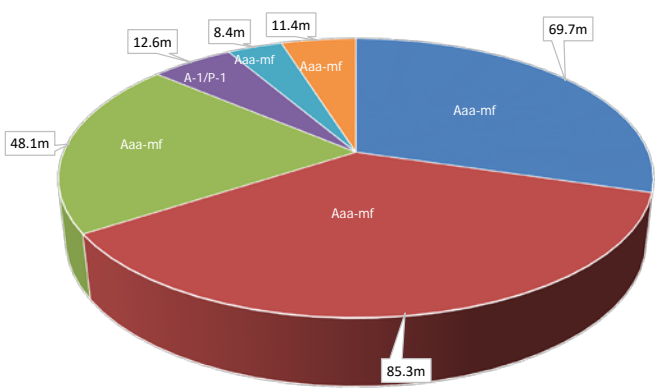
314.982.1400  
[Finance@BiStateDev.org](mailto:Finance@BiStateDev.org)

Treasury Snapshot: June 2022

All balances shown in millions

Cash/Equivalents by Bank

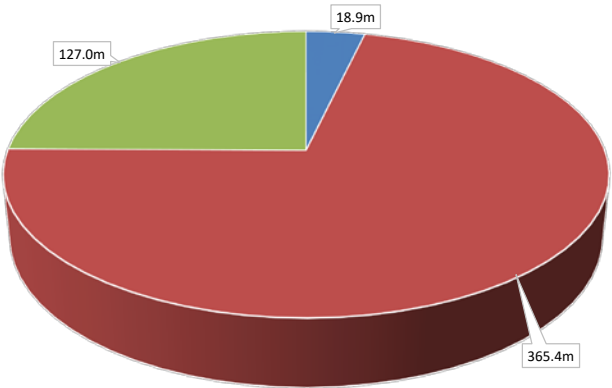
BLACK ROCK INVESCO GOLDMAN PNC BANK RBC DAIN RAUSCHER FEDERATED GOVT OBLIG



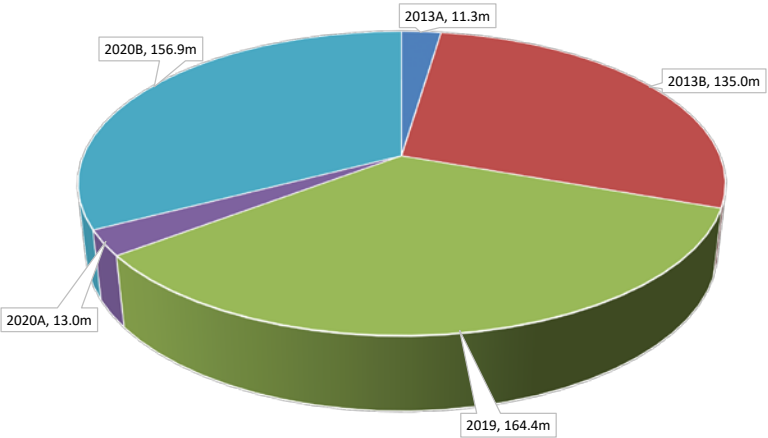
\*Includes accounts with balance over \$250k  
\*\*Credit Ratings: S&P/Moody's

Cash & Investments by Type

CASH MONEY MARKET/OTHER GOVERNMENT SECURITIES



Outstanding Cross County Debt



Agency Credit Ratings

S&P	AA	High investment-grade
Moody's	Aa2	High investment-grade
Kroll	AA+	High investment-grade

Short Term Debt Expense

Principal: \$11.27  
Interest: \$12.58

Investment Summary

Purchases Apr - Jun 2022:  
Amount: \$19.5m  
Average Term: 454 Days  
Average Rate: 2.87%

Weighted Average Rate on All Investments: 1.23%

Three Month Treasury at 06/30: 1.72%

Fed Funds Rate  
Increased 0.5% in May and 0.75% in June  
Rate raised to 2.5% at July meeting

**BI-STATE DEVELOPMENT  
TREASURER'S REPORT  
Quarter Ended June 30, 2022**

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**INVESTMENTS**

***Current Yields:***

Bi-State investments had an average yield of 1.21% for the month of June, up from 0.25% in March. The Federal Reserve raised rates at the May and June meetings, taking the rate to 1.75% as of the end of June. In July, the Fed unanimously approved one more rate hike of 0.75%, but did not speculate on the possibility of raising rates again at the next meeting in September.

***Invested Funds:***

In June, Bi-State directed approximately \$309.2 million of cash and investments. Approximately 27% of the invested funds were invested in U.S. Treasury or U.S. Government Agency securities, and none were invested in collateralized Certificates of Deposit (CDs). The balance was invested in AAA rated money market funds. The average maturity of Bi-State investments was approximately 78 days.

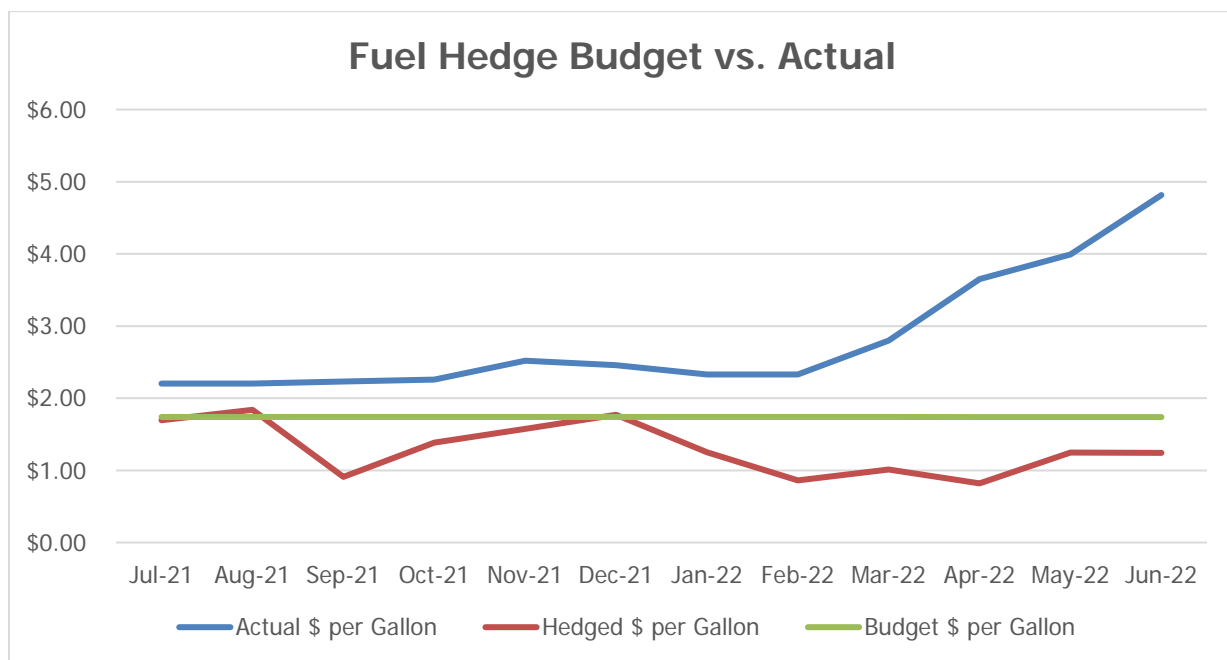
***Investment Purchases:***

In the quarter ending June 30, Bi-State purchased \$19.5 million in investments. The average term of new investments was 454 days, and the average yield was 2.87%.

Investment:	Par Amount	Term(days)	Yield	Purchased From	Fund
US Treasury Bill	\$ 3,000,000	357	2.52%	Bank of America	Transit Prop A
US Treasury Bill	\$ 3,000,000	357	2.52%	Bank of America	Transit Prop M City
US Treasury Bill	\$ 3,000,000	357	2.52%	Bank of America	Transit Sales Tax
US Treasury Bill	\$ 2,500,000	357	2.52%	Bank of America	Transit Operating
FHLB Bond	\$ 2,000,000	548	3.35%	Stern Brothers	Transit Prop A
FHLB Bond	\$ 2,000,000	548	3.35%	Stern Brothers	Transit Sales Tax
FHLB Bond	\$ 2,000,000	639	3.42%	UMB Bank	Transit Prop A
FHLB Bond	\$ 2,000,000	639	3.42%	UMB Bank	Transit Prop M City

## FUEL HEDGING

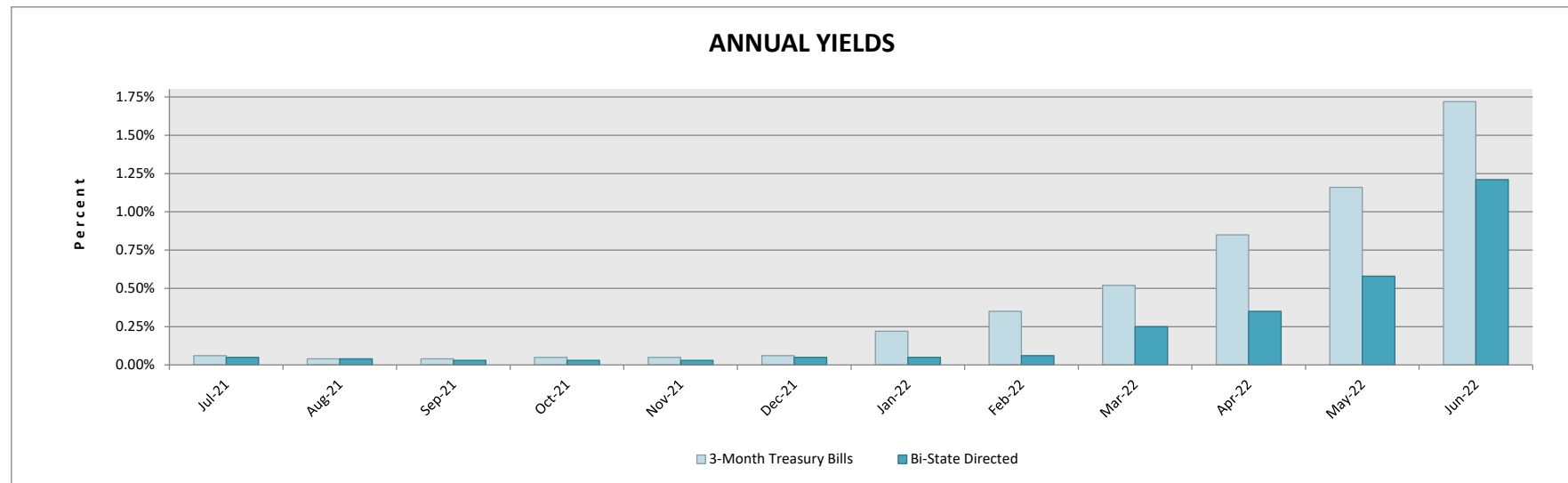
In June, in conjunction with its diesel fuel hedging program, Bi-State had a *realized gain* of approximately \$1.06 million and an *unrealized gain* of approximately \$8.98 million on the sale of Home Heating Oil #2 futures contracts. June oil prices ended the month at \$105.76 a barrel, a 5.5% increase since the end of March. Generally, as the price of oil increases, the value of Bi-State's future positions also increases. A gain in the futures partially offsets the actual increase in the cost of diesel fuel. If oil prices drop, the value of the futures decline. An increase in unrealized gains generally indicates that the price of fuel is rising, and losses generally indicate oil prices are falling.



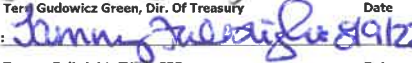


**BI-STATE DEVELOPMENT  
ANNUAL INVESTMENT REPORT  
FOR MOST CURRENT 12 MONTHS**

Funds (ooo's omitted)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Bi-State Investments	215,264	194,245	225,655	258,181	268,804	277,839	300,350	288,174	304,580	294,295	292,487	<b>309,282</b>
Trustee Investments	58,901	61,073	58,418	50,008	50,469	46,874	47,097	47,097	47,878	55,694	55,259	<b>54,318</b>

Yields\Rates Information	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
<b>Bi-State Directed</b>	0.05%	0.04%	0.03%	0.03%	0.03%	0.05%	0.05%	0.06%	0.25%	0.35%	0.58%	<b>1.21%</b>
Trustee Directed	0.86%	0.84%	0.88%	1.03%	1.02%	0.95%	0.97%	0.97%	0.94%	0.81%	0.73%	<b>1.36%</b>
<b>3-Month Treasury Bills</b>	0.06%	0.04%	0.04%	0.05%	0.05%	0.06%	0.22%	0.35%	0.52%	0.85%	1.16%	<b>1.72%</b>
1 Year Treasury	0.07%	0.07%	0.09%	0.15%	0.24%	0.39%	0.78%	1.01%	1.63%	2.10%	2.08%	<b>2.80%</b>
Fed Funds (target)	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	1.00%	<b>1.75%</b>
20-Year Municipals	2.04%	2.14%	2.26%	2.25%	2.11%	2.06%	2.33%	2.51%	2.73%	3.21%	0.68%	<b>3.54%</b>
SIFMA (BMA) Index (month end)	0.02%	0.02%	0.05%	0.05%	0.05%	0.10%	0.11%	0.20%	0.51%	0.44%	0.79%	<b>0.91%</b>



BI-STATE DEVELOPMENT - QUARTERLY TREASURER'S REPORT SUMMARY															
	AS OF: 30-Jun-2022					31-May-2022					30-Apr-2022				
	Wt. Avg. Maturity (1)	Dollars (,000 omitted)	Percentage Of Total	Rate	Market Value (2)	Wt. Avg. Maturity (1)	Dollars (,000 omitted)	Percentage Of Total	Rate	Market Value (2)	Wt. Avg. Maturity (1)	Dollars (,000 omitted)	Percentage Of Total	Rate	Market Value (2)
BI-STATE DIRECTED:															
Cash	0	\$14,153	4.6%	0.00%	\$14,153	0	\$13,807	4.7%	0.00%	\$13,807	0	\$11,665	4.0%	0.00%	\$11,665
Certificates of Deposit	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0
U.S. Agencies (discounted)	97	2,498	0.8%	0.11%	2,486	127	2,498	0.9%	0.11%	2,488	158	2,498	0.9%	0.11%	2,485
U.S. Agencies (coupon)	346	45,498	14.7%	1.44%	45,123	323	37,498	12.9%	1.03%	37,283	354	38,675	12.8%	1.03%	38,360
U.S. Treasury Securities	219	36,088	11.7%	0.87%	35,585	138	32,872	10.9%	0.26%	32,427	169	31,695	10.8%	0.26%	31,269
Other Investments (3)	1	211,045	68.2%	1.23%	211,045	1	205,812	70.7%	0.55%	205,812	3	209,762	71.6%	0.25%	209,762
TOTAL BI-STATE DIRECTED	78	\$309,282	100.0%	1.21%	\$308,392	59	\$292,487	100.0%	0.58%	\$291,817	68	\$294,295	100.0%	0.36%	\$293,541
TRUSTEE DIRECTED:															
Cash	0	\$0	0.0%	0.00%	\$0	0	\$0	0.0%	0.00%	\$0	0	\$0	0.0%	0.00%	\$0
Municipal Bonds	56	1,331	2.5%	3.68%	1,266	86	1,331	2.4%	3.68%	1,269	117	1,331	2.4%	3.68%	1,271
U.S. Agencies (coupon)	180	41,543	76.5%	1.42%	41,053	178	27,611	50.0%	1.23%	27,091	47	22,492	40.4%	1.71%	22,281
U.S. Treasury Securities	0	0	0.0%	0.00%	0	21	14,000	25.3%	0.11%	14,010	52	14,000	25.1%	0.11%	14,004
Other Investments (3)	1	11,445	21.1%	0.88%	11,445	1	12,317	22.3%	0.01%	12,317	3	17,871	32.1%	0.01%	17,871
SUB-TOTAL TRUSTEE	139	\$54,319	100.0%	1.36%	\$53,764	97	\$55,259	100.0%	0.73%	\$54,687	36	\$55,694	100.0%	0.81%	\$55,427
TOTAL BI-STATE & TRUSTEE	87	\$363,601		1.23%	\$362,156	65	\$347,746		0.60%	\$346,504	63	\$349,989		0.43%	\$348,968
LRV LEASE:															
Cash	0	4,711	3.2%	0.00%	4,711	0	4,709	3.2%	0.00%	4,709	0	4,709	3.2%	0.00%	4,709
US Treasury Securities	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0
Other Investments (4)	1	142,861	96.8%	5.80%	142,861	1	142,101	96.8%	5.80%	142,101	3	141,340	96.8%	5.80%	141,340
SUB-TOTAL LRV		\$147,572	100.0%	5.61%	\$147,572		\$146,810	100.0%	5.61%	\$146,810		\$146,049	100.0%	5.61%	\$146,049
Grand Total (5)		\$511,173			\$509,728		\$494,556			\$493,314		\$496,038			\$495,017
Explanatory Notes:															
(1) Approximate weighted average of days to effective maturity, from last business day of the month.															
(2) Market value of government securities provided by safekeeping agent. Cost equals market for other investments.															
(3) Includes money market funds and fuel hedging accounts.															
(4) Investment Contracts (leases). Values of Investment contracts adjusted to conform to lease payment schedules.															
(5) All amounts preliminary and subject to audit and adjustment.															
Prepared by:  Terese Gudowicz Green, Dir. Of Treasury Date										Reviewed by:  Tammy Fulbright, EVP & CFO Date					



**BI-STATE DEVELOPMENT  
MONTHLY TREASURER'S REPORT- ALL COMPANIES  
BANK / ISSUER SUMMARY as of: 6/30/2022**

**Section 1 Bank/Issuer Summary**

<b>BI-STATE DIRECTED *</b> <b>all non debt/lease assets, Inc. Prop M:</b>	<b>CASH</b>	<b>CERTIFICATES OF DEPOSIT</b>	<b>REPURCHASE AGREEMENTS</b>	<b>OTHER</b>	<b>GOVERNMENT SECURITIES</b>	<b>COMMERCIAL PAPER\ BA's</b>	<b>TOTAL</b>	<b>MARKET VALUE</b>	<b>NOTES</b>
BANK OF AMERICA MERRILL LYNCH	782,438	0	0	0	0	0	782,438	782,438	FDIC\tri-party collateral(deposits).
BLACK ROCK	0	0	0	69,658,146	0	0	69,658,146	69,658,146	Money Market Fund (Govt. Securities).
COMMERCE BANK	0	0	0	0	0	0	0	0	FDIC\FRB collateral.
INVESCO	0	0	0	85,265,147	0	0	85,265,147	85,265,147	Money Market Fund (Govt. Securities).
GOLDMAN FSQ GOVT	0	0	0	48,060,989	0	0	48,060,989	48,060,989	Money Market Fund (Govt. Securities).
FIRST MID BANK & TRUST	97,133	0	0	0	0	0	97,133	97,133	FDIC: repo collateral held at JBT.
JP MORGAN CHASE	45,758	0	0	0	0	0	45,758	45,758	FDIC (bank acct.)MMKT (First Tier\Prime)
BENEFLEX	4,307	0	0	0	0	0	4,307	4,307	FDIC\FRB collateral.
HEALTHSCOPE	50,370	0	0	0	0	0	50,370	50,370	FDIC\FRB collateral.
PNC BANK	12,606,172	0	0	0	0	0	12,606,172	12,606,172	FDIC\FRB collateral.
RBC DAIN RAUSCHER	0	0	0	8,385,418	0	0	8,385,418	8,385,418	Commodities Margin Acct. (fuel hedging)
RJ O'BRIEN	0	0	0	(324,965)	1,177,425	0	852,460	815,035	Commodities Trading Acct. (fuel hedging)
U.S. BANK	(49,266)	0	0	0	0	0	(49,266)	(49,266)	FDIC\FRB Collateral.
FARM CREDIT BANK	0	0	0	0	7,500,000	0	7,500,000	7,430,134	Safekept at Bank of America (BOA).
FEDERAL HOME LOAN BANK	0	0	0	0	40,496,097	0	40,496,097	40,178,578	Safekept at Bank of America (BOA).
U.S. TREASURY	0	0	0	0	34,910,718	0	34,910,718	34,444,933	Safekept by BOA or designated agent.
OTHER	616,572	0	0	0	0	0	616,572	616,572	
<b>sub-total BI-State directed</b>	<b>14,153,484</b>	<b>0</b>	<b>0</b>	<b>211,044,734</b>	<b>84,084,240</b>	<b>0</b>	<b>309,282,459</b>	<b>308,391,863</b>	
<b>TRUSTEE DIRECTED DEBT ISSUES</b>									
<u>BOK FINANCIAL</u>									
FEDERATED GOVT OBLIG	0	0	0	11,444,775	0	0	11,444,775	11,444,775	Money Market Fund (First Tier\Prime).
GOVERNMENT AGENCIES	0	0	0	0	41,542,415	0	41,542,415	41,052,762	Safekept at BOK Financial
MUNICIPAL BONDS	0	0	0	0	1,331,326	0	1,331,326	1,266,472	Safekept at BOK Financial
U.S. TREASURY	0	0	0	0	0	0	0	0	Safekept at BOK Financial
<i>sub-total</i>	0	0	0	11,444,775	42,873,741	0	54,318,516	53,764,009	
<b>SUB-TOTAL TRUSTEE (BONDS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,444,775</b>	<b>42,873,741</b>	<b>0</b>	<b>54,318,516</b>	<b>53,764,009</b>	
<b>SUB-TOTAL BI-STATE AND TRUSTEE</b>	<b>14,153,484</b>	<b>0</b>	<b>0</b>	<b>222,489,510</b>	<b>126,957,981</b>	<b>0</b>	<b>363,600,975</b>	<b>362,155,872</b>	
<b>LRV Lease\Leaseback 2001 C1 C2</b>									
FSVAIG	0	0	0	142,861,097	0	0	142,861,097	142,861,097	Guaranteed Investment Contract (GIC).
US TREASURY	4,710,892	0	0	0	0	0	4,710,892	4,710,892	Safekept by Lease Trustee.
<i>sub-total</i>	4,710,892	0	0	142,861,097	0	0	147,571,990	147,571,990	
<b>sub-total leases</b>	<b>4,710,892</b>	<b>0</b>	<b>0</b>	<b>142,861,097</b>	<b>0</b>	<b>0</b>	<b>147,571,990</b>	<b>147,571,990</b>	
<b>GRAND TOTAL</b>	<b>18,864,376</b>	<b>0</b>	<b>0</b>	<b>365,350,607</b>	<b>126,957,981</b>	<b>0</b>	<b>511,172,965</b>	<b>509,727,862</b>	

\* Please refer to Pages 5 and 10 for explanatory notes and credit ratings.

+ ABBREVIATIONS (above):

FDIC - Federal Deposit Insurance Corp.  
FRB - Federal Reserve Bank

Diesel Fuel Hedging Program - FY 2022						
	<b>Diesel Fuel Budget \ Actual Comparison:</b>	<b>Mar-22</b>	<b>Apr-22</b>	<b>Jun-22</b>	<b>Year to Date</b>	<b>Life to Date</b>
a	Gallons consumed-actual	266,974	282,692	298,289	3,552,734	102,918,301
b=(c/a)	Average cost per gallon-actual	\$ 3.65	\$ 3.99	\$ 4.81	\$ 2.79	\$ 2.09
c	<b>Total Diesel Fuel Cost-Actual</b>	<b>\$ 974,989</b>	<b>\$ 1,128,902</b>	<b>\$ 1,436,142</b>	<b>\$ 9,917,293</b>	<b>\$ 215,057,968</b>
d	Gallons consumed- budget	344,849	327,115	349,242	4,598,834	109,561,148
e=(f/d)	Average cost per gallon- budget	\$ 1.74	\$ 1.74	\$ 1.74	\$ 1.74	\$ 2.25
f	<b>Total Diesel Fuel Cost- Budget</b>	<b>\$ 599,451</b>	<b>\$ 568,624</b>	<b>\$ 607,087</b>	<b>\$ 7,994,153</b>	<b>\$ 246,113,911</b>
g=(f-c)	<b>Budget Variance (Unfavorable)</b>	<b>\$ (375,538)</b>	<b>\$ (560,278)</b>	<b>\$ (829,055)</b>	<b>\$ (1,923,140)</b>	<b>\$ 31,055,943</b>
h	<b>Realized Futures Gains (Losses)</b>	<b>\$ 756,143</b>	<b>\$ 776,210</b>	<b>\$ 1,065,410</b>	<b>\$ 5,479,475</b>	<b>\$ 4,064,281</b>
i=(c-h)	<b>Net Cost of Fuel</b>	<b>\$ 218,846</b>	<b>\$ 352,692</b>	<b>\$ 370,732</b>	<b>\$ 4,437,818</b>	<b>\$ 210,993,687</b>
j=(i-f)	<b>Net Budget Variance (Unfavorable)</b>	<b>\$ 380,605</b>	<b>\$ 215,932</b>	<b>\$ 236,355</b>	<b>\$ 3,556,335</b>	<b>\$ 35,120,224</b>
j=(i/f)	Net Cost of Fuel, Per Gallon, inc. Hedge	\$ 0.82	\$ 1.25	\$ 1.24	\$ 1.25	\$ 2.05
k=(e-i)	Net Budget Variance Per Gallon	\$ 0.92	\$ 0.49	\$ 0.50	\$ 0.49	\$ 0.20
<b>Futures Activity:</b>					<b>Price of Barrel of Oil:</b>	
	Futures Contracts Purchased	8	8	9	<b>Date</b>	<b>Price</b>
	Futures Contracts Sold	16	16	18	02/28/2022	\$ 95.72
	Futures Contracts Net Change at month end	(8)	(8)	(9)	03/31/2022	\$ 100.28
	Total Open Futures Contracts, at month end	128	120	111	04/30/2022	\$ 104.69
	Futures Contracts Unrealized Gain/(Loss) *	\$9,293,504	\$9,633,691	\$8,982,448	05/31/2022	\$ 114.67
	(% of Estimated Future Consumption)	88%	88%	87%	06/30/2022	\$ 105.76
<p>* = At month end</p> <p><b>Explanatory Notes:</b></p> <p>Consumption budgeted at approximately 100,000 gallons per week.</p> <p>A futures contract equals 42,000 gallons.</p> <p>Numbers above rounded.</p> <p>Amounts do not include transaction or consulting costs.</p> <p>Futures Contracts are purchased from Aug 2022 through Sep 2023 (14 months).</p> <p><b>Background:</b></p> <p>Linwood Capital is a consultant retained by Bi-State since April 2004 to assist with its energy price risk management program.</p> <p>Bi-State manages the cost of fuel by utilizing purchase of exchange traded futures, specifically NYMEX Heating Oil#2 (HO#2) futures.</p> <p>Generally, as oil prices increase, the value of the futures goes up, and acts to partially offset the actual increase in the price of fuel.</p>						



Bi-State Development						
Mass Transit Sales Tax Appropriation Cross-County Bonds & St Louis County Loan						
Series	2,013		2,019	2020A	2020B	Total Cross County
	2013A Bonds	2013B Loan	Refunding	Refunding	Refunding	
Issue date	1-Aug-13	1-Aug-13	26-Sep-19	21-Jul-20	21-Jul-20	
Principal (original)	\$381,225,000	\$75,000,000	\$164,430,000	\$12,950,000	\$158,225,000	
<b>Principal (currently outstanding)</b>	<b>\$22,125,000</b>	<b>\$135,000,000</b>	<b>\$164,430,000</b>	<b>\$12,950,000</b>	<b>\$158,255,000</b>	<b>\$492,760,000</b>
Lien on 1/4 cent Prop M, Prop M2, Prop A tax	Senior	Subordinate	Senior	Senior	Senior	
Stand alone credit rating (S&P\ Moody's\ Kroll)	AA\Aa2\AA+	NA	AA\Aa2\AA+	AA\Aa2\AA+	AA\Aa2\AA+	
Maturity date(s)	2,048	2,053	2,048	2,045	2,043	
Optional Call Date	Various	Anytime	2,029	2,030	2,030	
Optional Put Date	NA	2,018	NA	NA	NA	
Interest rate mode	Fixed	1% + SIFMA	Fixed	Fixed	Fixed	
Rate	3.00%-5.00%	1.02%-1.06%	3.00%-5.00%	4.00%	0.75%- 3.00%	
Interest pmt. Dates (4/1 & 10/1)	April, October	April, October	April, October	April, October	April, October	
<b>Annual debt service:</b>						
<b>Interest - FY 2021</b>	<b>\$5,094,906</b>	<b>\$1,413,000</b>	<b>\$7,086,500</b>	<b>\$359,722</b>	<b>\$2,292,147</b>	<b>\$16,246,275</b>
<b>Principal - (Previous payment 10/1/20 - \$10,445,000) (next payment 10/1/21 - \$12,230,000)</b>	<b>\$10,855,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,375,000</b>	<b>\$12,230,000</b>
<b>total princ.&amp;int.</b>	<b>\$15,949,906</b>	<b>\$1,413,000</b>	<b>\$7,086,500</b>	<b>\$359,722</b>	<b>\$3,667,147</b>	<b>\$28,476,275</b>
Debt Service Reserve Fund (DSRF)	\$12.5 million in DSRF with bond trustee, Bank of Oklahoma Financial.	NA	NA	Common DSRF with 2013A	Common DSRF with 2013A	
Other	Refunded Series 2002A,B,C, 2007, and Series 2010B.	Refunded Series 2010A Bonds	Refunded Balance of 2009, and 2013A Bonds Maturing in 2019, 2028, 2046 and 2048	Refunded Balance of 2013A Bonds Maturing in 2020		

#### Arch Tram Refunding Bonds, 2021:

On August 26, 2021, Bi-State closed on the Series 2021 Taxable Arch Tram Refunding Bonds, which refunded the Arch Series 2014 Revenue Bonds. The bonds have a par value of \$7,483,283 and a 23-year term, maturing in December 2044. The 2021 refunding allowed for debt service savings of over \$753,000 over the life of the bond. The annual debt service requirement is approximately \$421,000 per year.

#### Debt Restructuring, 2020:

On July 21, 2020, the Agency issued its tax-exempt \$12.5 million par Series 2020A Bonds, and taxable \$158.3 million par Series 2020B Bonds, in order to generate debt service savings. Together, the 2020 Bonds refunded \$160 million of the Series 2013A, and generated savings of \$36.4 million over the life of the bonds, and allowed Bi-State to reduce the required reserve fund by \$6.7 million.

#### Debt Restructuring, 2019:

On September 12, 2019, Bi-State successfully sold its \$164,430,000 Series 2019 Bonds. The deal closed on September 26, 2019, and a true interest cost of 2.87% was achieved. The bond restructuring refunded all \$97 million of the Series 2009 and \$90 million of the Series 2013A Cross County Bonds, and generated \$49.1 million in debt service savings (in 2019 dollars), of which \$19.9 million was set aside for public safety infrastructure.

#### Series 2013A and 2013B Bonds:

On July 1, 2013, Bi-State successfully sold its \$381,225,000 Series 2013A Bonds at a rate of 4.75%. Between 2013 and 2015, St Louis County approved three loan advances using the Prop A Capital Reserve to reduce borrowing costs. The first loan for \$75 million was granted in 2013, with an interest rate of 1.06%. St Louis County approved the second loan in 2014 for \$30 million at 1.04%, and the third loan in 2015 for \$30,000 at 1.02%, allowing Bi-State to refund a portion of the 2013A debt. As of December 2021, \$22.1 million of the 2013A and \$75 million of the 2013B Bonds are still outstanding.

#### Bi-State Development/St. Clair County Transit District Revenue Bonds Refunding, 2014:

On December 4, 2014, Bi-State and St Clair County Transit District closed on the \$4,160,000 issuance of the Series 2014 Bi-State Development/St Clair County Metrolink Extension Project Refunding Revenue Bonds. The bonds mature in 2027, and \$2,155,000 in principal is still outstanding.

#### Capital Leases:

Bi-State has one remaining capital lease, its 2001 LRV Lease (C1, C2 Tranches). In February 2011, staff negotiated a default cure agreement with the 2001 C1 C2 lease investor. The agreement provided that Bi-State deposit additional collateral with the lease trustee, of which the St. Clair County Transit District (SCCTD) provided 70%. Our current collateral requirement is approximately \$10.6 million.

**Bi-State Development Agency dba Metro**  
**Credit Ratings of Financial Institutions (see also page 5)**

Depository Banks:	Long-Term Debt Rating			Short-Term Debt Rating		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch
Bank of America, N.A.	A+	Aa2	AA	A-1	P-1	F1+
PNC Bank	A	Aa3	AA-	A-1	P-1	F1+
<b>Trust Companies:</b>						
BOK Financial	A-	A3	A	A-2	P-1	F1
<b>Money Market Funds:</b>						
	S&P			Moody's		
Black Rock Fed Trust	AAAm			Aaa-mf		
Black Rock Fed Fund	AAAm			Aaa-mf		
Black Rock T Fund	AAAm			Aaa-mf		
Federated Govt Oblig Fund	AAAm			Aaa-mf		
Invesco Government and Agency	AAAm			Aaa-mf		
Invesco Treasury	AAAm			Aaa-mf		
Wells Fargo Treasury	AAAm			Aaa-mf		
<b>Other:</b>	Long-Term Debt Rating					
	S&P	Moody's	Fitch			
AIG (2001 LRV Lease)	A+	A2	A+			
U.S. Treasury	AA+	Aaa	AAA			
Federal Home Loan Bank (FHLB)	AA+	Aaa				
Federal Farm Credit Bank (FCB)	AA+	Aaa	AAA			

## **MEMORANDUM**

TO: Audit, Finance and Administration Committee

FROM: Thomas P. Curran  
Executive Vice President, Administration

DATE: August 19, 2022

SUBJECT: Quarterly Procurement Activity Report

Attached for your review are the following reports for the Fourth Quarter of Fiscal Year 2022.

Procurement Activity Report - Non-Competitive Procurement Trend. Federal regulations and Board Policy require that procurements be conducted in a manner which fosters full and open competition. In certain instances, however, competition may not be feasible or practical. This section of the report summarizes the relationship of non-competitive spending compared to total spending. All individual non-competitive contract awards exceeding \$100,000 are presented to the Board of Commissioners for approval prior to award.

Procurement Card Transactions Report. Bi-State's Procurement Department administers a Procurement Card Program that provides a means for cardholders to procure low-cost goods and services independently. This report details the overall volume of transactions, as well as information related to procedural violations.

Contract Awards Over \$100,000 Report. This report lists the highest value contracts that have been approved during the Fourth Quarter of Fiscal Year 2022.

Contract Modifications Report. The Contract Modifications Report lists contracts that have been modified for pricing or period of performance.

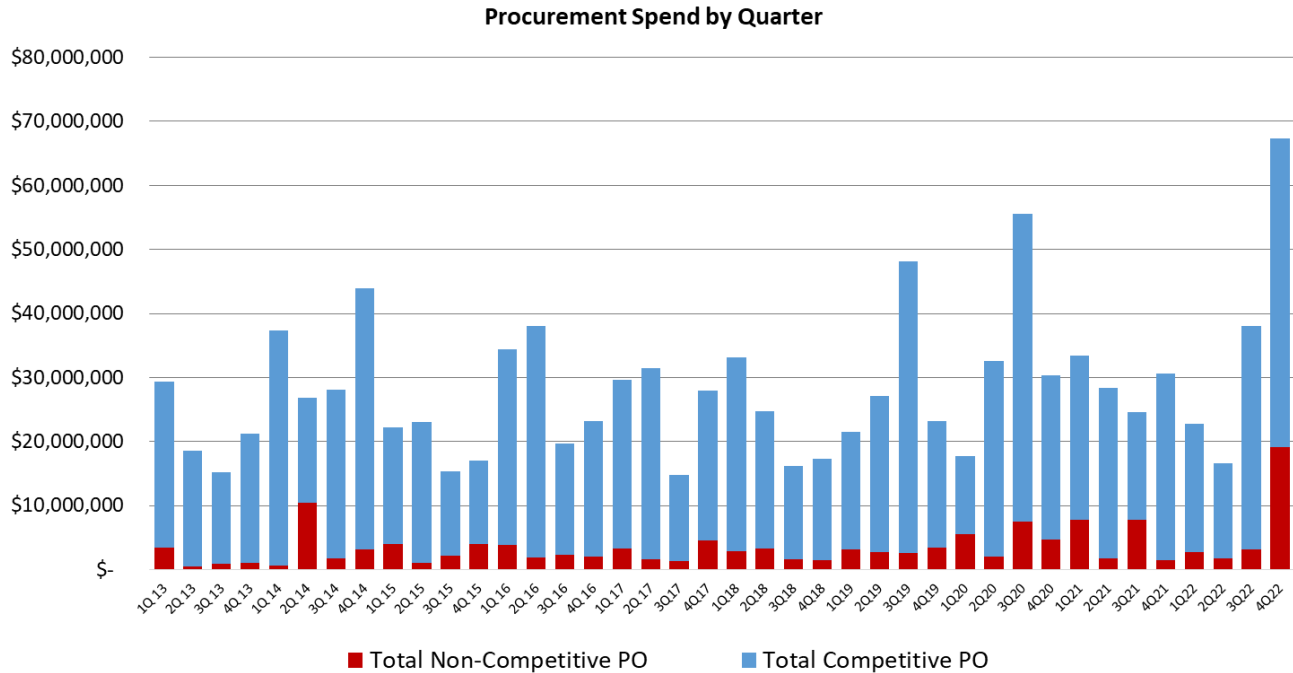
Attachments

## Procurement Activity Report

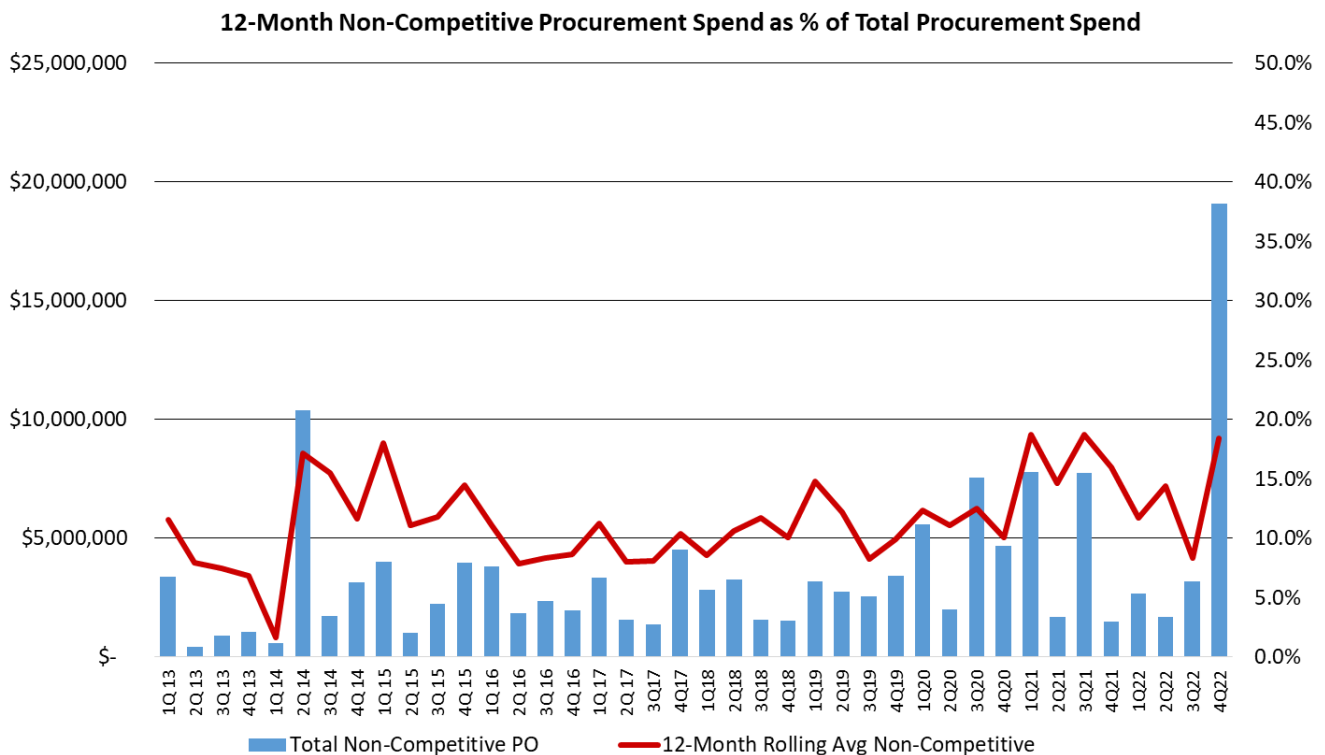
### Non-Competitive Procurement Trend

#### FY 2022 – Fourth Quarter

Fourth Quarter FY 2022 Non-Competitive Procurements total \$19,087,189 or 28.3% of the total Purchase Order Commitment volume of \$67,356,341.



Non-Competitive Procurements total \$26,626,631 or 18.4% of the total Procurement Spend of \$144,742,953 during the last twelve months.



**PROCUREMENT CARD TRANSACTIONS REPORT - FY 2022**

	1ST QUARTER FY 22		2ND QUARTER FY 22		3RD QUARTER FY 22		4TH QUARTER FY 22		YEAR-TO-DATE FY 22	
	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT
TOTAL TRANSACTIONS	3,623	\$1,348,329	2,652	\$1,050,425	4,421	\$875,111	5,793	\$1,417,069	16,489	\$4,690,934
TRANSACTIONS INVESTIGATED	362	\$640,866	265	\$585,625	442	\$588,461	579	\$888,721	1,648	\$2,703,673
PERCENTAGE OF TOTAL INVESTIGATED	10.0%	47.5%	10.0%	55.8%	10.0%	67.2%	10.0%	62.7%	10.0%	57.6%
CONFIRMED PROCEDURAL VIOLATIONS	0 TRANSACTIONS	\$ -	6 TRANSACTIONS*	\$147,541	1 TRANSACTION	\$3,996	1 TRANSACTION	\$6,000	8 TRANSACTIONS	\$157,537
CONFIRMED VIOLATION PERCENTAGE OF TOTAL	0.0%	0.0%	0.2%	14.0%	0.0%	0.5%	0.0%	0.4%	0.0%	3.4%

\* Two confirmed procedural violations involved payments to BJC Corporate Health for drug testing totaling \$125,927.50

# CONTRACT AWARDS OVER \$100,000 FOR FY 2022 - 4TH QUARTER

Solicitation	Contract Name	Date	DBE	Funding	Amount	Modification / Change Order	Contract Not-to- Exceed Amount	Period of Performance
22-SS-313254-DR	SCADA System Central Traffic Control (CTC) Upgrade - Collins Aerospace ARINC	4/11/2022	0%	FTA Grant, Prop M, SCCTD	\$4,560,998.00	NO	\$4,560,998.00	March 2022 - December 31, 2024
22-SB-316067-GH	Communication System Upgrade - Wissehr Electric	5/31/2022	0%	FTA Grants & Prop M	\$3,498,500.00	NO	\$3,498,500.00	Through July 30, 2023
20-RFP-106732-DR	Microtransit Pilot Project - River North Transit (Via)	5/31/2022	8%	Operations & Federal Funds	\$2,565,760.71	YES	\$5,866,886.00	Option Year 2 - June 1, 2022 - May 31, 2023
17-RFP-103314-DGR	Union Station Tunnel Design - Modjeski & Masters	6/22/2022	10%	FTA Grant and Prop M	\$1,694,165.52	YES	\$8,025,922.01	Contract Modification #5 adding four years to project: June 30, 2022 to May 1, 2026
22-SB-280006-FP	Parking Lot Concrete Overlay - Raineri Construction	5/19/2022	9%	Federal & Local	\$1,654,250.00	NO	\$1,654,250.00	May 5, 2022 - October 31, 2022
21-RFP-235989-KM	Bus & Van Inspection Services - First Transit, Inc.	6/24/2022	0%	FTA Grant	\$551,338.65	NO	\$551,338.65	Vehicle inspection services required by FTA for Buy America and safety
22-RFP-244987-CG	On-Call GEC Services Traction Power - STV, Inc.	5/12/2022	0%	TBD	\$500,000.00	NO	\$500,000.00	May 16, 2022 - May 15, 2027; five base years
18-SB-104858-SG/KM	Bus Shelter/Transit Center Cleaning - MERS Goodwill	4/11/2022	10%	Operating	\$491,952.88	YES	\$2,459,764.40	Option Year 3 - April 1, 2022 - March 31, 2023
18-SB-104998-SG/MD	Metro Armored Car Services - Loomis Armored US LLC	6/24/2022	0%	Operating	\$421,806.20	YES	\$1,892,002.24	Option Year 2 - adding funds for June 1, 2022 - May 31, 2023
22-RFP-313158-CG	Financial Advisory Services - Columbia Capital Mgmt.	6/27/2022	0%	Operating	\$400,000.00	NO	\$400,000.00	Five-year contract for financial advisory services not to exceed \$400,000
22-SB-338138-MD	Parts for Upgrade of CCTV System - Dynamic Control, Inc.	6/15/2022	0%	Operating	\$387,358.00	NO	\$387,358.00	Period of performance will continue until all parts are delivered.
21-SB/RFP-161954-DGR	Track System Upgrades - Railworks Track systems	6/24/2022	23%	FTA Grant	\$241,233.71	YES	\$4,195,615.71	Contract Modification #1 adding funds to cover significant material cost increases
22-RFP-295008-MD	On-Call Graphic Design - Cathy Wood	4/4/2022	0%	Operating	\$200,000.00	NO	\$200,000.00	April 1, 2022 - March 31, 2026; Two base yrs plus two option yrs
22-RFP-312083-CG	Third Party Oracle Support Services - Spinnaker Support	5/17/2022	0%	Operating	\$184,614.00	NO	\$923,070.00	August 1, 2022 - July 31, 2023 with four renewal options years
State of MO Contract AR3227-MO	Blade Replacement Server - World Wide Technology	5/2/2022	0%	FTA Grant & Prop M	\$181,538.60	NO	\$181,538.60	March 2022 - March 2027; Blade Servers will be replaced.
21-SB-318077-KM	Disinfecting Services Riverview & Ballas TCs - MERS Goodwill	5/2/2022	0%	Operating	\$136,164.60	NO	\$136,164.60	One year contract from May 9, 2022 - May 8, 2023
19-SB-106246-TJ	Missouri Yards & Shops Facility Cleaning - World Mgmt.	6/15/2022	10%	Operating	\$130,000.00	YES	\$495,460.00	Option Year 1 through June 11, 2023.
22-RFP-291011-MD	License Monitoring Program - Embark Safety	5/11/2022	0%	Operating	\$129,279.35	NO	\$129,279.35	May 10, 2022- May 9, 2027; base years 1 through 5

# CONTRACT MODIFICATIONS FOR FY 2022 - 4TH QUARTER

Solicitation	Contract Name	Date	DBE	Funding	Amount	Modification / Change Order	Contract Not-to-Exceed Amount	Period of Performance
20-RFQ-106841-MD	Cardiovascular & Cancer Ultrasound Screening - CardiOptics LLC	4/4/2022	0%	Operating	\$87,000.00	YES	\$261,000.00	Option Year 2 - March 11, 2020 - March 10, 2023
18-SB-104858-SG/KM	Bus Shelter/Transit Center Cleaning - MERS Goodwill	4/11/2022	10%	Operating	\$491,952.88	YES	\$2,459,764.40	Option Year 3 - April 1, 2022 - March 31, 2023
17-RFP-103726-MD	On-Call Pre-Development Services - PGAV Planner, LLC	4/13/2022	0%	Operating	\$0.00	YES	\$285,000.00	Modification No. 7 extending Option Year 4 for 90 days; Jan 13, 2017-July 12, 2022
18-RFP-105106-DGR	Skinker Bridge Rehab Design - STV, Inc.	4/14/2022	14%	N/A	\$0.00	YES	\$518,470.00	No cost contract Modification #2 to add time to Dec 21, 2020-Oct 31, 2022 contract
22-SB-301012-MD	Switches for Information Technology - World Wide Technology	4/14/2022	0%	FTA Grant, Prop M, SCCTD	-\$24,432.10	YES	\$508,558.49	Price reduction of -\$24,432.01; reduction in price of Stealthwatch ID Service Engine
20-RFP-106674-CG	MetroLink Convention Center Renovation - WSP USA	4/14/2022	TBD	N/A	\$0.00	YES	\$69,219.73	No cost time extension - March 13, 2022- June 11, 2022
19-RFP-105520-MD	On-Call Information Technology Consulting Services	4/21/2022	0%	Operating	Not applicable	YES	Not applicable	Option Year 1; Eleven IT firms available on an as-needed basis
21-SB-170968-DGR	East Riverfront Stair Replacement - The Harlan Company	4/25/2022	0%	Operating	\$0.00	YES	\$736,300.00	Contract Modification #1 adds time to current contract from 8/30/21 to 10/31/22
17-SB-104294-TJ	St. Clair Yards & Shops Facility Cleaning - MERS Goodwill	5/9/2022	10%	Operating	\$48,000.00	YES	\$656,926.40	Contract Modification #4 adds funds for April 2022 - September 2022.
20-RFP-106579-MD	Repair/Restore Artwork - McKay Lodge Conservation	5/11/2022	0%	Operating	\$20,000.00	YES	\$84,960.00	Option Year 2 through May 10, 2023
19-RFP-105865-FP/TJL	Safety Data Sheet Mgmt System - Velocity EHS	5/11/2022	0%	Operating	\$10,618.00	YES	\$78,704.69	Option Year 1 - May 9, 2022 - May 8, 2023
20-RFP-106732-DR	Microtransit Pilot Project - River North Transit (Via)	5/31/2022	8%	Operations & Federal Funds	\$2,565,760.71	YES	\$5,866,886.00	Option Year 2 - June 1, 2022 - May 31, 2023
21-SB-191974-FP	Emerson Park Belleville Lot Resurfacing - Gleeson Asphalt, Inc.	5/31/2022	21%	Federal & SCCTD	\$13,750.00	YES	\$1,426,717.37	May 17, 2021 - October 31, 2021 change order/modification
21-SB-164970-FP	Construction of Bus Stop Pads Ph. 3 - Mayer Landscaping	6/2/2022	21%	FTA Grant and SCCTD	\$24,909.43	YES	\$371,596.48	Modification due to unexpected subgrade conditions
21-SS-126951-CB/DR	Public Address (PA/CIS) Upgrade - Collins Aerospace	6/3/2022	0%	FTA Grant, Prop M, SCCTD	\$0.00	YES	\$4,549,415.00	January 11, 2021 - June 13, 2023
15-RFP-101653-DR	Pension Plan Actuarial Services - Milliman, Inc.	6/10/2022	0%	Operating	\$30,000.00	YES	\$389,600.00	Extension of Option Year 2 through June 30, 2022.
19-SB-106246-TJ	Missouri Yards & Shops Facility Cleaning - World Mgmt.	6/15/2022	10%	Operating	\$130,000.00	YES	\$495,460.00	Option Year 1 through June 11, 2023.
17-RFP-103314-DGR	Union Station Tunnel Design - Modjeski & Masters	6/22/2022	10%	FTA Grant and Prop M	\$1,694,165.52	YES	\$8,025,922.01	Contract Modification #5 adding four years to project: June 30, 2022 to May 1, 2026
18-SB-104998-SG/MD	Metro Armored Car Services - Loomis Armored US LLC	6/24/2022	0%	Operating	\$421,806.20	YES	\$1,892,002.24	Option Year 2 - adding funds for June 1, 2022 - May 31, 2023
21-SB/RFP-161954-DGR	Track System Upgrades - Railworks Track systems	6/24/2022	23%	FTA Grant	\$241,233.71	YES	\$4,195,615.71	Contract Modification #1 adding funds to cover significant material cost increases
21-SB-158959-DGR	Sheaves for the Gateway Arch - JK Pulley Company	6/24/2022	0%	Gateway Beneficial Fund	\$85,709.84	YES	\$141,230.32	Option Year 1 - purchase two large track pulleys for NPS for Arch transportation sys.
21-SB-153958-DGR	Z Gate Crossing Belleville - Hank's Excavating & Landscaping	6/27/2022	8%	FTA Grants and SCCTD	\$65,669.89	YES	\$338,194.39	Contract Mod #1 to add funding to cover fencing materials price increase & wiring
18-RFP-105207-DGR	Support Services Arch Transp. Control - Epic Systems	6/28/2022	0%	Regional Freight District	\$0.00	YES	\$82,965.00	Option Year 1 through October 31, 2022; requested by National Park Service