



Combined Meeting of the  
Operations Committee and  
Audit, Finance &  
Administration Committee  
August 20, 2019 8:00 a.m.

## Open Session Agenda

## Notice of Meeting and Agenda

### Bi-State Development Combined Meeting of the Operations Committee and Audit, Finance, & Administration Committee Tuesday, August 20, 2019, 8:00 a.m.

**Headquarters - Board Room, 6<sup>th</sup> Floor  
One Metropolitan Square, 211 N. Broadway, Suite 650  
St. Louis, Missouri 63102**

**This location is accessible to persons with disabilities. Individuals with disabilities needing information or communication accommodations should call Bi-State Development at (314) 982-1400, for TTY access, call Relay 711. Sign language interpreter services or other accommodations for persons with hearing or speech disabilities will be arranged if a request for such service is made at least two days in advance of the meeting. Large print material, Braille material or other formats will also be provided upon request.**

<b>Agenda</b>	<b>Disposition</b>	<b>Presentation</b>
1. Call to Order	Approval	Chair Holman
2. Roll Call	Quorum	M. Bennett
3. Public Comment	Information	Chair Holman
4. Minutes of the May 14, 2019 Operations Committee Open Meeting	Approval	Chair Holman
5. Minutes of the May 31, 2019 Audit, Finance & Administration Committee Open Meeting	Approval	Chair Holman
6. Interagency Agreement between the Village of Sauget, Illinois and Bi-State Development, on behalf of the St. Louis Downtown Airport	Approval	M. Lamie / E. Dahl
7. Memorandum of Agreement with East-West Gateway Council of Governments for Operational Funding for the St. Louis Regional Freightway for a Three-Year Term Beginning in FY 2020	Approval	M. Lamie
8. St. Louis Regional Freightway 2020 Multimodal Transportation Project List	Approval	M. Lamie
9. Memorandum of Understanding between the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District	Approval	J. Mefford-Miller / J. Butler
10. Contract Award: Central States – Purchase of Paratransit Vans	Approval	J. Mefford-Miller / L. Jackson / D. Curry
11. Bus Stop Signage Replacement Project	Approval	J. Mefford-Miller / L. Jackson / G. Smith

Agenda	Disposition	Presentation
12. Union Station Tunnel, Design Services Contract Modification, Modjeski and Masters	Approval	J. Mefford-Miller / C. Poehler / T. Nittler
13. Contract Modification: Contract Extension with Blue Sky Apparel for Supply of Metro Transit Management Uniforms and Accessories	Approval	J. Mefford-Miller / L. Jackson / G. Smith
14. Potential Refunding of Series 2009 and Series 2013 Bonds	Approval	T. Roach / M. Vago / T. Fulbright / J. White
15. Revisions to <i>Board Policy, Chapter 100 - Compliance Program</i>	Approval	B. Enneking / K. Swagler
16. Sole Source Contract Award – Indra Sistemas S.A. (Indra USA) for PCI Compliant Software/Hardware Upgrade to Ticket Vending Machines	Approval	L. Jackson / K. Kinkade / J. Schifferdecker / G. Smith
17. Contract Award: Cellular Phone Services	Approval	L. Jackson / K. Kinkade / G. Smith
18. Contract Award – Life & Disability Insurance	Approval	C. Stewart / G. Smith / A. Dunn
19. Revised - Internal Audit Charter	Approval	J. Cali
20. Metro Transit Operations Report	Information	J. Mefford-Miller
21. Metro Brand Refresh Overview	Information	T. Zimmerman
22. Internal Audit Department Support for St Louis County Council	Information	J. Cali
23. Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2019	Information	C. Stewart
24. Update on Risk Management Insurance Program	Information	C. Stewart / K. Brittin
25. Financial Statements	Information	M. Vago
26. Treasurer's Report	Information	T. Fulbright
27. Procurement Report	Information	G. Smith
28. Internal Audit Follow-Up Summary - 4 <sup>th</sup> Quarter FY2019	Information	J. Cali
29. Internal Audit Status Report - 4 <sup>th</sup> Quarter FY 2019	Information	J. Cali
30. Internal Audit State Safety Oversight Status Report – 2 <sup>nd</sup> Quarter Calendar Year 2019	Information	J. Cali
31. Treasury-Safekeeping Quarterly Accounts Audit – Ending June 30, 2019	Information	J. Cali
32. President/CEO Report	Information	T. Roach
33. Unscheduled Business	Approval	Chair Holman
34. Call of Dates for Future Committee Meetings	Information	M. Bennett
35. Adjournment to Executive Session: <i>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, Section 10.080 (D) Closed Records: Legal under §10.080(D)(1); Real Estate under §10.080(D)(2); Personnel under §10.080(D)(3); Health Proceedings</i>	Approval	Chair Holman



Agenda	Disposition	Presentation
<p><i>under §10.080(D)(4); Employee Negotiations under §10.080(D)(5); Data Processing under §10.080(D)(6); Purchasing and Contracts under §10.080(D)(7); Proprietary Interest under §10.080 (D)(8); Hotlines under §10.080(D)(9); Auditors under §10.080(D)(10); Security under §10.080(D)(11); Computers under §10.080(D)(12); Personal Access Codes under §10.080(D)(13); Personal Information under §10.080(D)(14); Insurance Information under §10.080(D)(15); Rail, Bus, or Facilities Safety and Accidents under §10.080(D)(16) or Protected By Law under §10.080(D)(17).</i></p>		

**\* Note:** Public comment may be made at the written request of a member of the public specifying the topic(s) to be addressed and provided to the Agency's information officer at least 48 hours prior to the meeting.

No public comment shall be allowed by parties or their legal counsel in connection with any matter involving a pending bid protest, litigation, or legal matter. The following rules shall be observed: 1) All individuals shall state their name, address and topic for comment; 2) All individuals shall address the Chair and shall not proceed with public comment until recognized by the Chair; 3) No disrespectful language may be used or comments with respect to personalities shall be made; 4) An individual called to order by the Chair shall immediately desist from speaking until permitted to continue by the Chair; and 5) Public comment by an individual shall be limited to five minutes, unless permission to continue is given by motion adopted by the Committee.

**Open Session Item**

**4**

**BI-STATE DEVELOPMENT  
OPERATIONS COMMITTEE MEETING  
OPEN SESSION MINUTES  
May 14, 2019**

**Committee Members in Attendance**

Michael S. Buehlhorn  
Derrick Cox  
Irma Golliday (via phone)  
Vernal Brown  
Rose Windmiller

**Other Commissioners in Attendance**

Herbert Simmons (via phone)  
Justin Zimmerman

**Staff in Attendance**

Taulby Roach, President and Chief Executive Officer  
Barbara Enneking, General Counsel and Deputy Secretary  
Myra Bennett, Manager of Board Administration  
Jerry Valley, External Communications Manager  
Jim Cali, Director Internal Audit  
Andrew Ghiassi, Manager Safety & Loss Control  
Jason Powell, Sergeant, MetroLink  
Scott Grott, General Manager MetroLink  
Matthew Hibbard, Social Media Communications Manager  
Dave Sanders, Senior Director Marketing & Partnerships  
Larry Jackson, Executive Vice President Administration  
Jim Smith, Safety Auditor II  
Darren Curry, Chief Mechanical Officer  
Virginia Alt-Hildebrandt, Manager Administrative Services  
Michael Gibbs, Manager Financial Operations – Administration & Business Operations  
Mark Vago, Senior VP, Chief Financial Officer  
Sally Bender, Internal Auditor, PT  
Gary Smith, Internal Auditor  
Larry Rusbarsky, Director Financial Planning & Budget  
Betty Keaton, Budget System Administrator & Analyst  
Kent Swagler, Director Corporate Compliance & Ethics  
Ted Zimmerman, Vice President Marketing & Communications  
Angela Staicoff, Sr. Internal Auditor  
Patti Beck, Director Communications  
Kathy Brittin, Director Risk Management Safety & Claims  
Chris Poehler, Asst. Executive Director Engineering Systems  
Kerry Kinkade, VP Chief Information Officer  
Michael Shane Jennings, Manager IT ERP Systems  
Vernice Kelly, Director of Human Resources

Greg Smith, Vice President Procurement & Inventory Management  
Diana Bentz, Vice President Organizational Effectiveness  
Charles Stewart, Executive Vice President Organizational Effectiveness  
Jessica Mefford-Miller, Executive Director Metro Transit  
Lisa Burke, Executive Assistant

**Others in Attendance**

Justin Sobeck, MODOT / BSSO  
Jim Hickey, IDOT / BSSO

**1. Open Session Call to Order**

**8:00 a.m.** The Bi-State Development Operations Committee met on May 14, 2019 in the Board Room of Corporate Headquarters, located on the 6<sup>th</sup> Floor, 211 North Broadway, in St. Louis, Missouri. Chairman Buehlhorn called the Open Session of the Operations Committee Meeting to order at 8:00 a.m.

**2. Roll Call**

**8:00 a.m.** Roll call was taken, as noted above.

**3. Public Comment**

**8:00 a.m.** No speaker cards were submitted.

**4. Minutes of the March 26, 2019, Combined Meeting of the Operations Committee and Audit, Finance & Administration Committee Meeting**

**8:00 a.m.** The minutes of the March 26, 2019, Combined Meeting of the Operations Committee and Audit, Finance & Administration Committee Meeting were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Cox and seconded by Commissioner Windmiller. Commissioner Zimmerman abstained, stating that he did not attend the March 26, 2019 meeting. **Motion passed with a majority vote, and 1 abstention.**

**5. Gateway Arch Marketing and Advertising Agency Services**

**8:01 a.m.** A briefing paper was provided in the Committee packet, regarding a request that the Committee accept and refer to the Board of Commissioners for approval, a request for authorization to award Contract 19-RFP-105970-MD – Gateway Arch Marketing Advertising Agency Services. Mary Lamie, Executive Director – Tourism Innovation, and Greg Smith, Vice President Procurement, Material Management and Supplier Diversity, provided a brief overview.

It was noted that On March 12, 2019, Bi-State Development (BSD) issued solicitation 19-RFP-105970-MD- Gateway Arch Marketing Advertising Agency Services. The solicitation was issued to obtain proposals from qualified firms to provide Professional Counsel, Strategic Planning Services, and Brand Management for BSD's Tourism Innovation enterprise, as well as the National Park Service (NPS). In response to the solicitation, four (4) proposals were received and forwarded to the evaluation team, which consisted of individuals within BSD, including Marketing & Communications and Operations, as well as the National Park Service. After review of all proposals, and as a result of the procurement process, Paradigm New Media Group,

Inc. is the highest ranking firm. Management is recommending that the Operations Committee accept, and forward to the Board of Commissioners for approval, a request to authorize the President and CEO to enter into a contract with the highest ranking firm, Paradigm New Media Group, Inc., whose proposal is most advantageous to BSD, with price and other factors considered, in a not-to-exceed amount of \$1,567,500. This amount includes a 10% contingency for potential unforeseen activities and events.

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

**6. Contract Modification: Time Extension for Found Design (d.b.a. MERJE) for Systemwide Signage & Wayfinding Design**

**8:02 a.m.** A briefing paper was provided in the Committee packet, regarding a request that the Committee accept and to refer to the Board of Commissioners for approval, an authorization for the President and CEO to issue a contract modification for a no-cost, time extension for six months with MERJE, to continue their systemwide signage programming and design work with Metro Transit. Larry Jackson, Executive Vice President, Administration, provided an overview of this issue, including the work that has been completed to date, as well as remaining work.

A motion to approve the agenda item as presented, and forward it to the Board of Commissioners for approval, was made by Commissioner Simmons and seconded by Commissioner Brown. Motion passed unanimously.

**7. Sole Source Contract: The Trapeze Group, Inc. for Replacement of AssetWorks FleetFocus with the Trapeze Enterprise Asset Management System and Implementation**

**8:05 a.m.** A briefing paper was provided in the Committee packet, regarding a request to approve, and refer to the Board of Commissioners for approval, a sole source contract with the Trapeze Software Group, Inc., in an amount not to exceed of \$1,200,000, for replacement of AssetWorks Fleet Focus with the Trapeze Enterprise Asset Management System, and implementation to expand the scope of Contract 17-RFP-103083-DR, to include rolling stock assets. Larry Jackson, Executive Vice President, Administration, gave a brief overview of this issue.

It was noted that in February 2017, the Board of Commissioners approved a request to enter into a contract with Trapeze Software Group, Inc. to provide an Enterprise Asset Management (EAM) system software and implementation. The EAM implementation was in support of the Bi-State Development Transit Asset Management Program, which was designed to achieve "Total Asset Visibility" and provide asset management tools that will promote better management of safety-related public transportation capital assets. The scope of the implementation included Maintenance of Way/Right of Way and Facilities Management assets; however, the scope did not include rolling stock. It was reported that, during the EAM implementation, the Vehicle Maintenance Department recognized that the new system provided all of the capabilities of the current system, FleetFocus, as well as much desired new functionality. EAM has been designed and developed specifically for public transit by Trapeze. All features that go into the EAM product are designed to meet the asset, work, and materials management needs of the public transit industry. In addition, it was noted that BSD will be able to take advantage of all the new features built into the product because of feedback from the other large transit customers that

employ the Trapeze EAM system. Management is recommending that the Operations Committee accept, and refer to the Board of Commissioners for approval, a request to enter into a sole source contract with the Trapeze Software Group, Inc., in an amount not to exceed of \$1,200,000. (This amount includes necessary all necessary software licenses and consulting services necessary to implement the new system, including migration of existing data from FleetFocus to EAM.)

Commissioner Windmiller posed questions regarding the length of the contract. Kerry Kinkade, Chief Information Officer, stated that the contract would not exceed 18 months, and would include licensing and one year of support and consulting services. He also noted that the cost will be offset by the discontinuation of the FleetFocus system.

A motion to approve the agenda item as presented, and forward it to the Board of Commissioners for approval, was made by Commissioner Simmons and seconded by Commissioner Brown. **Motion passed unanimously.**

## **8. Metro Transit Operations Report**

**8:11 a.m.** Jessica Mefford-Miller, Executive Director Metro Transit, provided a Metro Transit Operations Report to the Operations Committee, as follows:

- Ridership continues to show a decrease, with notable loss in revenue for MetroBus and MetroLink.
- Wages and benefits remain favorable to budget, primarily due to vacancies.
- For the last 18 months, service productivity has held steady, with expected seasonal fluctuations.
- Looking ahead, we are hopeful that the Metro ReImagined service plan will more closely match service level to market demand, driving an increase in productivity beyond FY20.
- Preventable accidents increased in 3rd Quarter FY19, due to an increase in new operator hires.
- In recent months, the Safety Department has introduced enhanced training initiatives to reduce the rise of preventable accidents.
- Absenteeism is a critical challenge for Metro Transit; a trend that is consistent across the industry.
- Management and labor continue to work to evaluate trends in absenteeism, and policy, contractual, and management strategies that can be applied to reduce overall absenteeism, specially unauthorized absences.
- The third quarter saw a drop in vehicle reliability for MetroLink, and a significant drop for Call-A-Ride. This increase in delays, and erosion in reliability, reflects a relatively high average fleet age for both modes. These trends will only be reversed by vehicle replacement.
- Increased personnel presence and communication regarding security continue to result in notable reductions in security-related, negative customer contacts.

Commissioner Windmiller stated that she understands that written communications, letters, e-mails, social media and texts are included in the statistics regarding complaints; however, she asked if verbal communications are included. Ms. Mefford-Miller noted that these are not necessarily included, unless an e-mail is sent regarding the communication. Commissioner

Simmons asked if the decrease in customer complaints factors in the decrease in ridership. President and CEO Roach noted that he would like to increase communication with our police partners, to ensure Metro is tracking all complaints, especially with regard to security issues. Committee discussion was held regarding this issue. Mr. Roach noted that discussions continue with the Police partners, as well as REJIS, regarding solutions to the issues regarding data collection. He noted that this type of information could help significantly with the deployment of resources.

Ms. Mefford-Miller noted that communication and collaboration has improved dramatically over recent months; however, Metro continues to receive different types of information from its different partners. She stated that it is good to receive information on what type of incident occurred; however, knowing exactly where and what time the incident occurred could assist with deployment.

Ms. Mefford-Miller noted that Metro Transit has been working to redefine the roles and responsibilities of the members of its security team, with the goal of creating a more comprehensive security program. In addition, in April, Metro initiated a search for a new lead for this program, the General Manager of Public Safety. She indicated that this individual will provide strategic leadership to Metro Public Safety and will coordinate the work of law enforcement partners and contractors. Two additional leadership positions will also be filled in the near future. These positions include the Director of Security, who will provide critical leadership to Metro's own Public Safety Officers, and the Manager of Contract Security who will provide leadership and oversight of Metro's contract security team. Commissioner Simmons asked the target date for filling these positions. Ms. Mefford-Miller stated that the goal is to have the positions filled in June; however, since an executive search firm is being used, it may take slightly longer.

## 9. **Metro ReImagined Final Update**

**8:37 a.m.** Jessica Mefford-Miller, Executive Director Metro Transit, provided a "Metro ReImagined" final update, to the Operations Committee. She noted that in 2017, Metro Transit engaged the consulting services and expertise of Transportation Management & Design, Inc. (TMD) to conduct a comprehensive operational analysis of transit service in the City of St. Louis and St. Louis County. Named "Metro ReImagined", the resulting plan for service offers a new vision for public mobility that is designed to improve Metro's system ridership, customer experience, and cost effectiveness. She noted that the 18 month review process included in-depth analysis of system productivity, industry best practices, and public and customer feedback, including community outreach in the fall of 2017 and spring of 2018.

Ms. Mefford-Miller stated that the main aspects of the service plan include the following:

- 10 high-frequency fixed routes that will provide **15-minute service** during varying periods of time in operating hours. Metro's existing highest-performing bus routes – such as the #70 Grand and the #74 Florissant – will be included in this category, but riders will experience even greater frequency, especially during weekday daytime periods. These routes will serve markets across both the City of St. Louis and St. Louis County.
- The majority of the MetroBus routes in Missouri will operate primarily with frequencies of **30 minute service** during the daytime and 60 minutes during evenings and weekend periods. This tier of service will include some aberrations to that norm, either with 30-minute service

- during all operating hours, or 30-minute service only during peak hours or on certain segments of the route.
- Four **express routes** will provide only a few trips in the morning and evening peak operating hours on weekdays to serve specific job and population centers. These routes will operate with more limited stops and connect commuters directly to major employment centers including Downtown and the Central West End.
  - For markets that may not be well suited for fixed-route, all-day service (due to low density, lack of transit-supportive infrastructure, or demand for short-distance trips), Metro will utilize a variety of **alternative mobility strategies**, such as on-demand services or limited fixed routes, that only operate at certain times of day. These services will complete Metro's coverage, and are likely to be brokered by Metro and supported by partnerships with institutions and contracted operators.
  - Weekend service will become uniform by route, such that any given route's **Saturday and Sunday service will be the same**. This change should make service more predictable and simple.

Ms. Mefford-Miller reported that in Spring/Summer 2019, Metro/BSD staff, along with Vector Communications, will work together to engage those customers who will be impacted by the plan and inform the general public about the improved ranges of services. These efforts are moving toward a Fall 2019 implementation.

It was noted that this item was submitted for information only, and no action is required by the Committee.

#### 10. **Bi-State Safety Oversight Update**

**8:58 a.m.** Jessica Mefford-Miller, Executive Director of Metro Transit, introduced Andrew Ghiassi, Director of Safety, who provided the Operations Committee and Bi-State Development Board of Commissioners with an annual status report on the safety of Metro's rail fixed guideway system. He also gave an overview of the Federal Transit Administration's forthcoming regulations, and their impacts to enhancing Metro Transit's current robust system safety and loss control program. He noted that Justin Sobeck, MODOT/BSSO, and Jim Hickey, IDOT/BSSO, are in attendance at today's meeting, if there should be any questions from the Board.

Mr. Ghiassi noted that BSSO received MAP-21 Certification in September, 2018, and the impact to Metro Transit includes the following: 1) increased hazard reporting, 2) increased event reporting, 3) new BSSO program standards, 4) new bus safety requirements, and 5) increased presence of BSSO. In addition, he gave an overview of the items that are included as FTA reportable event criteria. Mr. Ghiassi noted that the safety management system consists of four components, including: 1) Safety Management Policy, 2) Safety Risk Management, 3) Safety Assurance, and 4) Safety Promotion. He also gave an overview of BSSO/Metro collaboration which consists of internal audits, event debriefs, safety meetings, facility inspections, safety certification, vehicle inspections, exercises / drill, and joint meetings. Jim Hickey, IDOT/BSSO, and Justin Sobeck, MODOT/BSSO, commended Metro Transit for their work in the collaboration process.

It was noted that this information has been provided to the Committee and Board of Commissioners for information only, and no formal action is needed on this item.



**11. Requesting Board Direction Regarding Executive Session Board Policy**

**9:13 a.m.** President and Chief Executive Officer, Taulby Roach, stated that it is not the job of the Executive staff to set Board Policy; however, it is staff's job to be responsive to Board directives. He noted that members of the Board of Commissioners have spoken to him with concerns regarding the number of items currently placed on the Executive Session agenda for discussion. Mr. Roach stated that he has spoken with staff, including the Director of Internal Audit, Jim Cali, for input regarding this issue. Mr. Cali stated that staff has followed best policies, based on Illinois and Missouri State policies, and has crafted agendas to be as open and transparent as possible to the public; however, there are certain items where it is appropriate to place them on the Executive Session agenda, due to the nature of the item. Mr. Cali cited "draft" audit reports, as one of these types of items, along with an explanation as to why draft reports are closed items. It was noted that, upon approval of the report, the final audits are open records. Commission discussion held regarding the nature of executive session items, Board Policy, differences in Missouri and Illinois State Law, taking votes in executive session, and transparency issues. Barbara Enneking, Legal Counsel, noted that Bi-State Development functions under the Board Policies which have been established to take into consideration state laws; however, the Board may choose to amend those policies, if it so wishes. After discussion of this issue, President and CEO Roach noted that staff should draft changes to the Board Policy, as follows, per the direction of the Committee, and these changes are to be presented for discussion and approval at the next Board of Commissioners meeting, scheduled for June 28, 2019:

- 1) Require that the specific exemption for closing be noted for each agenda item on the executive session agenda;
- 2) Provide that no action item votes are to be taken in closed session;
- 3) Include a provision for recording of meetings; and
- 4) Include a provision for the possible release of certain executive session minutes as open records.

**12. Unscheduled Business**

**9:33 a.m.** There was no unscheduled business; however, Commissioner Windmiller noted that, in Attachment 1 of the Board of Commissioner By-laws, under section 10.040, Standing Committees, C. 1., there is a typographical error in the last sentence. The word "to" should be changed to the word "two", so that the sentence reads, "...shall be composed of two Missouri Commissioners and two Illinois Commissioners." Staff indicated that this typographical error will be corrected.

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

**9:34 a.m.** Myra Bennett, Manager of Board Administration, advised the Committee of the upcoming meetings, as follows:

Audit, Finance & Administration Committee:	Friday, May 31, 2019; 8:00 a.m.
Board Meeting:	Friday, June 28, 2019; 8:00 a.m.

**14. 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); Real Estate under §10.080(D)(2); Personnel under §10.080(D)(3); Health**

**Proceedings under §10.080(D)(4); Employee Negotiations under §10.080(D)(5); Data Processing under §10.080(D)(6); Purchasing and Contracts under §10.080(D)(7); Proprietary Interest under §10.080(D)(8); Hotlines under §10.080(D)(9); Auditors under §10.080(D)(10); Security under §10.080(D)(11); Computers under §10.080(D)(12); Personal Access Codes under §10.080(D)(13); Personal Information under §10.080(D)(14); Insurance Information under §10.080(D)(15); Rail, Bus, or Facilities Safety and Accidents under §10.080(D)(16) or Protected By Law under §10.080(D)(17).**

**8:35 a.m.** Pursuant to the requirements of Section 10.080 (D) (1, 6, 7, 8 and 9) of the Bi-State Development Agency's Board Policy, Chapter 10, Committee Chair Buehlhorn requested a motion to allow the Committee to move into closed session.

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

Michael S. Buehlhorn - Aye  
Derrick Cox - Aye  
Irma Golliday - Aye  
Vernal Brown - Aye  
Rose Windmiller - Aye

Herbert Simmons - Aye  
Justin Zimmerman - Aye

**Motion passed 7 to 0, and the Open Session meeting was adjourned at 8:36 a.m.**

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Deputy Secretary to the Board of Commissioners  
Bi-State Development

**Open Session Item**

**5**

**BI-STATE DEVELOPMENT  
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MEETING  
OPEN SESSION MINUTES  
FRIDAY, MAY 31, 2019**

**Operations Committee Members in Attendance**

Aliah Holman, Chair  
Constance Gully  
Justin Zimmerman  
Fred Pestello  
Herbert Simmons

**Other Commissioners in Attendance**

Rose Windmiller  
Derrick Cox  
Vernal Brown (via phone)

**Staff in Attendance**

Taulby Roach, President and Chief Executive Officer  
Lisa Stump, Legal Counsel, Lashly & Baer  
Myra Bennett, Manager of Board Administration  
Mark Vago, Sr. VP Chief Financial Officer  
Charles Stewart, Executive Vice President, Organizational Effectiveness  
Jim Cali, Director Internal Audit  
Jerry Vallely, External Communications Manager  
Patti Beck, Director Communications  
Larry Rusbarsky, Director Financial Planning & Budget  
Tamara Fulbright, Sr. Director Financial Planning & Treasury  
Betty Keaton, Budget System Administrator & Analyst  
Theresa Gudowicz Green, Manager Treasury Operations  
Jacqueline Covington, Capital Budget Administrator & Analyst  
Gary Smith, Internal Auditor  
Scott Grott, General Manager MetroLink  
Matthew Hibbard, Social Media Communications Manager  
Ted Zimmerman, VP Marketing & Communication  
Michael Gibbs, Manager Financial Operations & Business Operations  
Gregory Smith, VP Procurement & Inventory Management  
John Langa, Vice President Economic Development  
Jessica Mefford-Miller, Executive Director Metro Transit  
Sarah Clarke, Director Gateway Arch Operations  
Chance Baragary, Project Director - Arch  
Robert Hopkins, Director Gateway Arch Riverboats  
Larry Jackson, Executive Vice President Administration  
Virginia Alt-Hildebrandt, Manager Administrative Services  
Andrew Ghiassi, Manager Safety & Loss Control  
Anita Dunn, Health and Welfare Plan Manager  
Carmen Brothers, Retirement Plan Manager  
David Toben, Director of Benefits

Kathy Brittin, Director Risk Management Safety & Claims  
Kerry Kinkade, VP Chief Information Officer  
Virgie L. Chaffen, Jr., Director Labor Relations  
Kent Swagler, Director Corporate Compliance & Ethics  
Shirley Bryant-Taylor, Corporate Legal Department Manager  
Brenda Krieger, Executive Assistant  
Jessica Gershman, Assist Executive Director Planning & Systems  
Dawn Haney, Accountant III

**Others in Attendance**

Erica M. Brooks, Saving Suburban & Dale Ave, Bus Route #79  
Gabriel Cornelius, Saving Suburban & Dale Ave, Bus Route #79  
Doran Swanson, Saving Suburban & Dale Ave, Bus Route #79  
Joan Filla, CSJ  
Nancy Corcoran, CSJ  
Ramona Williams, Schnucks

**1. Open Session Call to Order**

**8:00 a.m.** The Bi-State Development Audit, Finance and Administration Committee met on May 31, 2019 in the Board Room of Corporate Headquarters, located on the 6<sup>th</sup> Floor, 211 North Broadway, in St. Louis, Missouri. Committee Chair Holman called the Open Session of the Audit, Finance and Administration Committee Meeting to order at 8:00 a.m.

**2. Roll Call**

**8:00 a.m.** Roll call was taken as noted above.

**3. Public Comment**

**8:02 a.m.** Erica Brooks, Ferguson resident, addressed the Board of Commissioners, noting concerns regarding Metro Reimagined and plans to change the Bus #79 route at Suburban and Dale Avenue. She stated that she feels that riders were not informed of the proposed changes, and the public was not able to supply input in the decision making process. She stated that she rode many of the North County bus routes, speaking to riders, to raise awareness of the proposed changes, and many riders were not aware changes were being made. Ms. Brooks asked if Bi-State Development would, at minimum, look into the possibility of alternating this bus route, and not eliminate it totally, and she asked that BSD reach out to the public to gain additional input and feedback, before making any changes. Commissioner Simmons and Commissioner Cox addressed Ms. Brooks' concerns, stating that Bi-State will look into this issue. Chair Holman thanked Ms. Brooks for her input.

Chair Holman noted that she had received a speaker card from Mitch Eagles, and asked if Mr. Eagles was in attendance. Hearing no response, Chair Holman moved on to Agenda Item 4.

**4. Minutes of the March 26, 2019 Combined Meeting of the Operations Committee and Audit, Finance & Administration Committee**

**8:12 a.m.** The minutes of the Open Session of the March 26, 2019 Combined Meeting of the Operations Committee and Audit, Finance & Administration Committee were provided in the Board packet. A motion to approve the minutes was made by Commissioner Simmons and seconded by Commissioner Windmiller. Commissioner Zimmerman abstained from the vote. **Motion passed with a majority vote.**

*Due to technical difficulties with the phone system, Commissioner Brown was unable to participate in the remainder of the Open Session meeting; however, she was able to rejoin the meeting during the Executive Session portion of the meeting.*

**5. FY 2020 Risk Assessment & Audit Work Plan**

**8:12 a.m.** A briefing paper was provided in the Committee packet, with regard to FY 2020 Risk Assessment and Audit Work Plan, which was provided as an attachment. Jim Cali, Director of Internal Audit, (IAD) provided a brief overview, noting that the scope of the Annual Audit Work Plan is designed to address key risk areas in Corporate Systems, Support Systems, and Operational Systems.

Mr. Cali stated that, based on the documentation presented to the Audit, Finance and Administration Committee, staff recommends that the Committee approve the Fiscal Year 2020 Audit Work Plan. He noted that the Safety & Security Plan was approved previously.

Commissioner Gully made a motion that the Committee approve the Fiscal Year 2020 Audit Work Plan and Risk Assessment. Motion seconded by Commissioner Simmons. **Motion passed unanimously.**

**6. Change in Title for the Director of Internal Audit**

**8:14 a.m.** A briefing paper was provided in the Committee packet, requesting that the Committee accept, and forward to the Board of Commissioners for approval, a change in title for the “Director of Internal Audit” to “Chief Audit Executive”. Jim Cali, Director of Internal Audit, (IAD) provided a brief overview, noting that the Institute of Internal Auditors (IIA), which is the governing body for the Internal Audit Department, refers to the person in a senior position, responsible for effectively managing the internal audit activity as the “Chief Audit Executive”; however, the Board Policy currently refers to this position as “Director of Internal Audit”. Upon the recommendation of an external peer review, and to maintain consistency, a request is being made for a change in Board Policy to address the issue, along with a request that the effective date not be tabled, per Board Policy, so that the item can be approved and go into effect at the June 28, 2019 Board of Commissioners meeting.

Commissioner Pestello made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the change of title for the “Director of Internal Audit” to “Chief Audit Executive”, as proposed. Motion seconded by Commissioner Gully. **Motion passed unanimously.**

**7. Sole Source Contracts for Hardware and Software Maintenance**

**8:15 a.m.** A briefing paper was provided in the Committee packet, requesting that the Committee accept, and forward to the Board of Commissioners for approval, a request for FY 2020 funding for sole source contracts for Hardware and Software Maintenance. Larry Jackson, Executive Vice President Administration, gave an overview of this issue, noting that Bi-State Development (BSD) has made significant investment in its technology platforms to enhance all aspects of our businesses. Each of these systems requires continued support from the manufacturer/developer, to ensure the software functions as expected and remains current with technology updates. When software products are initially licensed and deployed, BSD enters into software maintenance agreements with the manufacturer/developer that ensure the necessary support is available. These software maintenance agreements provide for:

- 1) Correction of “bugs” discovered after software delivery;
- 2) Enhancement of the software to improve performance and maintainability;
- 3) Adaptive maintenance to ensure continued efficient operation in changing operational environments; and
- 4) Emergency support to correct issues that may interfere with the efficient operation of the software.

It was reported that BSD’s FY 2020 Operating Budget allocates approximately \$3,114,000 for costs associated with hardware and software maintenance contracts. Most of the contracts are less than \$100,000 per year; therefore, they do not require approval of the Board of Commissioners. There are four providers, however (noted below), whose annual costs are anticipated to exceed the \$100,000 threshold which require Board approval.

<u>Supplier</u>	<u>Product Description</u>	<u>Annual Cost</u>
Kronos	Employee Timekeeping System	\$ 131,000
Oracle	Financial/ERP System	\$ 576,000
Scheidt and Bachmann	Farebox Management System	\$ 328,000
Trapeze	Operations & Customer Service Systems	\$ 1,360,000

BSD staff will analyze each situation, prior to entering into any contracts, to verify the continued need and appropriate level of support, and negotiations will be conducted with the contractors to ensure reasonableness of cost.

Commissioner Zimmerman made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the request for FY 2020 funding for sole source contracts for Hardware and Software Maintenance., as presented. Motion seconded by Commissioner Cox.  
**Motion passed unanimously.**

**8. Contract Award – Voluntary Employee Benefit Insurance Program**

**8:17 a.m.** A briefing paper was provided in the Committee packet, requesting that the Committee accept, and forward to the Board of Commissioners for approval, a request for approval to award Contract 19-RFP-105913-FP - Voluntary Employee Benefits Insurance Program to Unum, at an estimated employee funded cost of \$550,000 annually, or \$2,750,000 for three (3) base years and two (2) option years of the contract. David Toben, Director of Benefits, gave an overview of this

issue, noting that, on March 3, 2019, Gallagher Benefit Services, on behalf of and in conjunction with Bi-State Development (BSD), issued Solicitation 19-RFP-105913-FP to retain a qualified firm to offer voluntary Critical Illness, Off-The-Job Accident, Permanent Life insurance with Long Term Care Rider, and Individual Short Term Disability benefits to employees of BSD. Gallagher received a total of seven (7) responses that met the minimum requirements, as noted below:

- |                 |              |
|-----------------|--------------|
| 1. Allstate     | 5. Trustmark |
| 2. Cigna        | 6. Unum      |
| 3. The Hartford | 7. Voya      |
| 4. MetLife      |              |

Through its evaluation of the seven (7) companies and their ability to offer all four products, Gallagher determined that Unum offered the most advantageous coverage terms for the premium cost, and the BSD evaluation team concurred. In addition, Unum offers a 3-year rate guarantee and streamlined administrative support for these products.

Commissioner Zimmerman noted that he is accustomed to seeing a matrix listing and an evaluation list, but did not see that information in the packet. Mr. Toben stated that he has that information, and will forward it to the Board of Commissioners. He noted that Unum offered all four of the voluntary services noted. Commissioner Windmiller asked if the rates go up or down, dependent upon the number of participants in the programs. Mr. Toben stated that the rates are not dependent upon participation. In addition, he noted that these programs are purely voluntary, and there are no direct costs to Bi-State Development regarding these programs.

Commissioner Gully made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the request for approval to award Contract 19-RFP-105913-FP - Voluntary Employee Benefits Insurance Program to Unum, at an estimated employee funded cost of \$550,000 annually, or \$2,750,000 for three (3) base years and two (2) option years of the contract, as presented. Motion seconded by Commissioner Windmiller. **Motion passed unanimously.**

**9. 25th Amendment to the Pension Plan for Salaried Employees of the Bi-State Development Agency of Missouri-Illinois Metropolitan District**

**8:23 a.m.** A briefing paper was provided in the Committee packet, requesting that the Committee accept, and forward to the Board of Commissioners for approval, a request for approval of the 25th Amendment to the Bi-State Development Salaried Employees' Pension Plan. Charles Stewart, Executive Vice President of Organizational Effectiveness, gave an overview of this issue, noting that, at its February 6, 2019 meeting, the Salaried Pension Committee discussed and voted to recommend an Amendment to revise the Active Death Benefit as follows:

Change Sec. 5.07(b) of the Plan Document so that when a Vested Active Plan Participant dies prior to retirement, their Beneficiary is eligible for 100% of the accrued benefit, rather than 50%, and allow for the Beneficiary to choose among the survivor portion of all available payment options.

Mr. Stewart stated that the purpose of Plan Amendment 25 is to bring this survivor benefit in line with the other defined benefit pension plans.



Commissioner Cox made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the request for approval of the 25th Amendment to the Bi-State Development Salaried Employees' Pension Plan., as presented. Motion seconded by Commissioner Simmons. **Motion passed unanimously.**

**10. Revisions to Board Policy, Section 30.050, Financial Reporting – Monthly**

**8:25 a.m.** A briefing paper was provided in the Committee packet, requesting that the Committee accept, and forward to the Board of Commissioners for approval, an amendment to revise the Board policy for defining the required financial statement presentation to the Board of Commissioners and each operating company. Mark Vago, Senior Vice President and Chief Financial Officer, gave an overview of this item, noting that RubinBrown provided input regarding this issue. He stated that, in order to streamline the information presented to the Board, remove redundant or excessive information, and ensure that the information is focusing on the key issues, staff has reviewed the current statements being presented, and recommend the following:

- Retain: President & CEO transmittal letter, including disclaimer.
- Retain: Combining Statement of Activity and Combining Statement of Financial Position for Business Units and the Self Insurance Units, with interfund eliminations.
- Retain: Business Divisions Combining Statement of Activity and Combining Statement of Financial Position, with interfund eliminations.
- Retain and Modify: Financial highlight for each Business Unit be presented in focus point format, instead of full narrative.
- Modify: Financial Statements for each Business Unit being presented should include:
  - Statement of Activity (Revenue and Expense) with Supporting Schedule of Contract, Sales Tax and Grant Revenue, as applicable;
  - Statement of Financial Position (Balance Sheet);
  - Statement of Cash Flow.
- Remove: Financial Statements for each Business Unit deemed excessive or redundant include:
  - Schedule of Wages and Benefits;
  - Schedule of Cash Receipts and Disbursements;
  - Schedule of Aged Receivables;
  - Capital Expenditures for Active Projects.
- Retain and Modify: Performance Indicators for each Business Unit be limited to only critical/key indicators. The critical/key indicators will be presented as a one page dashboard in conjunction with the Financial Statements. A separate KPI book will no longer be published, but the data will be maintained. The peer transit group comparisons using National Transit Database statistics will be published annually under separate cover.
- Remove and Modify: Financial Statements presentation for the three (3) Self-Insurance Units will be in a combined format with all units on a single page, with interfund eliminations. Individual unit Financial Statements would be removed. The combined presentation of Financial Highlights and Financial Statements is

recommended due to claims expense being the primary influence on financial performance.

Mr. Vago also noted that staff is requesting that the effective date not be tabled, per Board Policy, so that the revisions can be approved and go into effect at the June 28, 2019 Board of Commissioners meeting.

Commissioner Holman suggested that the language in the financial reports mirror the language in the FY 2020 Action Plans. Mr. Vago agreed. He stated that, with regard to the performance indicators, he will be working closely with executive staff, such as Mary Lamie, Charles Stewart, and Jessica Mefford-Miller, and items will be color coded to identify favorable, versus unfavorable trends. Commissioner Gully asked that the statements include a cross reference key from financials and key performance indicators. Commissioner Zimmerman thanked President/CEO Roach and the staff for streamlining this process, as the Commissioners have requested.

Commissioner Zimmerman made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the amendments as outlined in the attachments to Board Policy, Section 30.050, Financial Reporting – Monthly. Motion seconded by Commissioner Gully.  
**Motion passed unanimously.**

#### **11. Bi-State Development Operating and Capital Budget FY 2020 – 2022**

**8:34 a.m.** A briefing paper, PowerPoint presentation, and draft budget was provided in the Committee packet, along with a request that the Committee accept, and forward to the Board of Commissioners for approval, the following: (1) the Bi-State Development Operating and Capital Budget FY 2020 - 2022; (2) the three-year Transportation Improvement Plan; (3) Grant resolutions required to apply for federal and state funding necessary to support the Bi-State Development's projects and programs; and (4) Authorization of management to seek grants and/or appropriations from federal programs, the City of St. Louis, St. Louis County, and the states of Missouri and Illinois.

President and CEO, Taulby Roach, gave a PowerPoint presentation and overview of the proposed budget. He noted that the "Message from the President" contains a graph which indicates where Bi-State Development was heading, based on budget trends from the past several years. Mr. Roach indicated that the current trend was not sustainable, and therefore, he directed staff to re-evaluate their proposed budgets, as well as re-evaluate the way in which BSD provides services. He commended staff for their work in reducing expenses.

Mr. Roach noted the following key items regarding the upcoming budget cycle:

- Metro Reimagined, a comprehensive full scale analysis of the MetroBus System, yielded a framework for phased improvements. As the result of the study, a service rollout with better connectivity is scheduled for the fall 2019.
- The system redesign will be the largest overhaul to Missouri bus routes in 15 years.
- Major emphasis on safety and security, better service connectivity and comfort is expected to provide a catalyst for a resurgence of ridership.

- St Louis Regional Freightway will continue the promotion of unrivaled freight assets. Financial stability of the Freightway is our policy focus.
- Gateway Arch opened the newly completed Visitor Center and Museum in July 2018.
- Riverfront Attractions anticipates expanding services by more than 10% projecting an increase of 15,000 riverboat passengers.
- St. Louis Downtown Airport continues to be the airport of choice for professional sports teams and businesses and a transfer point for patient and organ transplants for regional medical centers. Negotiation of lease agreements continue for a long term sustainable future.

President/CEO Roach gave an overview of budgets for all Bi-State Development enterprises, including Metro Transit. He noted that the only increase contained in the Metro Transit budget is with regard to safety and security, which remains the primary focus, and includes restructuring of security, as well as changes in leadership. Mr. Roach provided an overview of expenses, as well as the main sources of funding. It was noted that, as with any service industry, compensation will always be the largest cost to the organization. He reported that some staffing cuts were made, and the eliminated positions were primarily in management.

Mr. Roach gave an overview of the Metro Reimagined project, noting that changes are being made to make Metro Transit more nimble. He noted that this project calls for a bold redesign of the system, and as with any change, there will be risks, and it will take riders some time to adjust. He noted that information has been provided to show comparisons between Metro Transit and other transit systems, and stated that if the Board has any questions between now and the June Board of Commissioners Meeting, please contact him.

President Roach reviewed Capital Projects, including the various funding sources, as well as capital cash flow usage. He reviewed the various Bi-State enterprises, noting the following:

- FY 2019 projections for the Gateway Arch were impacted by a Federal government shutdown and flooding reducing performance expectations and making comparisons to the FY 2020 budget difficult. River levels remain an issue. He reviewed costs and revenues, and noted that it is the goal to increase products at the Arch, in addition to the tram. Service is planned to increase by 3.6% over FY 2019 budget.
- Negotiations of the Combined Lease Agreement (CLA) is a primary focus of the St. Louis Downtown Airport. He noted that he and Mary Lamie are pursuing a Capital bill in Springfield for Illinois funding.
- FY 2020 revenue sources for the St. Louis Regional Freightway include East-West Gateway Council of Governments for \$350,000 and Madison County Transit for \$100,000. Projected resources represent a significant increase over FY 2019 projection and budget. The St. Louis Regional Freightway is focused on increasing regional funding.
- An overview was provided regarding Executive Services, Self-Insurance Funds, and Non-Profit Support.

Discussion held regarding “service expenses” line of the Metro Reimagined budget, correlation of expenses based on federal government funding received, safety and security, and funding for the St. Louis Downtown Airport CLA.

Commissioner Simmons made a motion that the Committee accept, and forward to the Board of Commissioners for approval, the Operating and Capital Budget FY 2020 – 2022. Motion seconded by Commissioner Zimmerman. **Motion passed unanimously.**

**Chair Holman noted that Item numbers 12-18 (as noted below) contain several standard Safety Reports, Treasury Safekeeping Reports and Status Reports submitted by Jim Cali, Director of Internal Audit.**

- 12. SSO – Safety Policy Audit**
- 13. SSO – Safety Goals & Objectives Audit**
- 14. IAD SSO – Status Report 1st Quarter Calendar Year 2019**
- 15. IAD Status Report 3rd Quarter FY 2019**
- 16. IAD Audit Follow-Up Summary 3rd Quarter FY 2019**
- 17. Treasury Safekeeping Report for December 31, 2018**
- 18. Treasury Safekeeping Report for March 31, 2019**

**She stated that these items have been submitted for information only, and asked if there were any questions or comments from the Committee regarding these items. Being none, Chair Holman moved to agenda Item 19.**

**19. Credit Rating Agencies**

**9:28 a.m.** A briefing paper was provided in the Committee packet, to inform the Committee of annual feedback from the rating agencies, regarding the Agency's financial strengths, weaknesses and any recommendations to address any weaknesses. Mark Vago, Chief Financial Officer, noted that, on April 9, 2019, S&P Global issued a rating of AA+, the second highest rating available from S&P Global, on Bi-State Development's bonds supporting its MetroLink system. The rating is regarding Bi-State Development's Series 2009 and 2013A bonds. The strong rating reflects several key considerations by S&P Global:

- The broad and diverse economy of the St. Louis metropolitan statistical area;
- Very strong maximum annual debt service coverage; and
- Historically low volatility of sales tax revenue, nationally and locally.

It was noted that this information was provided for information only, and no action is required of the Committee.

**20. Quarterly Financial Statements – Third Quarter Ending March 31, 2019**

**9:29 a.m.** Mark Vago, Senior Vice-President and Chief Financial Officer, provided an overview of the 2019 quarterly financial statements for the third quarter, period ending March 31, 2019, including performance indicators, for all Bi-State business divisions including: Executive Services, Gateway Arch Tram, Riverfront Attractions, St. Louis Downtown Airport, Metro, St. Louis Regional Freightway, Bi-State Development Research Institute, and Arts in Transit.

**21. Performance Indicators – Third Quarter Ending March 31, 2019**

Mark Vago, Senior Vice-President and Chief Financial Officer, noted that an overview of the 2019 performance indicators for the third quarter ending March 31, 2019, was presented along with the previous agenda item.

**22. Treasurer's Report – Third Quarter Ended March 31, 2019**

**9:37 a.m.** Tammy Fulbright, Senior Director of Financial Planning and Treasury, provided an overview of the Treasurer's Report for the third quarter ended March 31, 2019, as provided in the Committee packet, including rates of return, trustee directed funds, debt service payments, and bond payments.

**23. Quarterly Procurement Report – Third Quarter Fiscal Year 2019**

**9:41 a.m.** A memorandum was provided in the Committee packet, to provide a summary of the quarterly procurement activity for the third quarter of fiscal year 2019. Gregory Smith, Vice President – Purchasing, Materials Management, and Supplier Diversity, provided an overview of this report, highlighting the graphs contained in the Procurement Activity Report, and Non-Competitive Procurement Trend. Chair Holman noted that this information was presented for information only, and no action of the Committee is required.

**24. President/CEO Report**

**9:43 a.m.** Bi-State Development President/CEO Taulby Roach addressed the Committee, noting that this upcoming weekend will be an extremely active weekend for Metro Transit, with both the Cardinals and Blues games, and it will be "all hands on deck" this weekend.

Commissioner Zimmerman noted that he had received an e-mail regarding the "Link Market" program this weekend, and was unsure if any other Commissioners and/or staff had received the same correspondence. President/CEO Roach stated that he is aware of the e-mail and will draft a response to the correspondence. Brief discussion was held with regard to the discontinuation of the "Link Market" program by Bi-State Development, including costs of operating the program, the audit burden placed on the organization to operate the program, and the reputational impact to Bi-State Development and Metro Transit in discontinuing the program.

Commissioner Simmons responded to Mr. Roach's comments regarding the busy upcoming weekend being the "perfect storm" for Metro Transit, and stated that this is the perfect time for the show of increased security, which Metro has made its highest priority.

Commissioner Cox noted that the Board had discussed possible changes in Board Policy regarding the way in which Executive Session meetings are conducted, and asked when these changes will be coming before the Board for further discussion and approval. Mr. Roach noted that staff will present this item at the June 28, 2019 Board of Commissioners Meeting.

**25. Unscheduled Business**

**9:53 a.m.** There was no unscheduled business.

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

**9:54 a.m.** The Board was advised of the upcoming meetings, as follows:

Board of Commissioners Meeting:	Friday	June 28, 2019	8:00 AM
Operations Committee:	Tuesday	August 20, 2019	8:00 AM
Audit, Finance & Administration:	Friday	August 23, 2019	8:00 AM

**27. 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); Real Estate under §10.080(D)(2); Personnel under §10.080(D)(3); Health Proceedings under §10.080(D)(4); Employee Negotiations under §10.080(D)(5); Data Processing under §10.080(D)(6); Purchasing and Contracts under §10.080(D)(7); Proprietary Interest under §10.080(D)(8); Hotlines under §10.080(D)(9); Auditors under §10.080(D)(10); Security under §10.080(D)(11); Computers under §10.080(D)(12); Personal Access Codes under §10.080(D)(13); Personal Information under §10.080(D)(14); Insurance Information under §10.080(D)(15); Rail, Bus, or Facilities Safety and Accidents under §10.080(D)(16) or Protected By Law under §10.080(D)(17).**

**9:54 a.m.** Chair Holman requested a motion to allow the Board to go into closed session, pursuant to the requirements of the Bi-State Development Agency's Board Policy, Chapter 10, Section 10.080 (D) (10) – Auditors.

A motion to go into Executive Session as noted above, was made by Commissioner Gully and seconded by Commissioner Simmons. A roll call vote was taken as follows:

Justin Zimmerman – Yea  
Constance Gully – Yea  
Aliah Holman, Chair – Yea  
Fred Pestello – Yea

Rose Windmiller – Yea  
Derrick Cox – Yea  
Herbert Simmons – Yea

**Motion passed unanimously, and the Open Session meeting was adjourned at 9:55 a.m.**

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Deputy Secretary to the Board of Commissioners  
Bi-State Development



**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Mary C. Lamie, Executive Vice President – Multi Modal Enterprises  
**Subject:** **Intergovernmental Agreement between the Village of Sauget, Illinois and Bi-State Development on behalf of the St. Louis Downtown Airport**  
**Disposition:** Approval  
**Presentation:** Mary C. Lamie, Executive Vice President – Multi Modal Enterprises and Erick A. Dahl, St. Louis Downtown Airport Director

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, to enter into an Intergovernmental Agreement between the Village of Sauget, Illinois and Bi-State Development (**BSD**), on behalf of the St. Louis Downtown Airport (**Airport**), for the purpose of improving the intersection at Curtis Steinburg Drive and Sauget Business Boulevard (the **Project**). (**Attachment One**).

**Background:**

The Village of Sauget, Illinois, received Federal and State funding from the East-West Gateway Council of Governments in 2009 to improve the intersection at Curtis Steinburg Drive and Sauget Business Boulevard. The Airport owns two quadrants of the intersection and agreed to fund 50% of the local match for the Project, not to exceed \$100,000.

During peak traffic flow, this intersection operates poorly and inefficiently due to its configuration, increased traffic from the growing Sauget Business Park, and increased traffic from motorists bypassing the “at-grade” train crossings along Illinois Route 3. In addition, the Airport contributes more than 600 shift workers to the traffic congestion. Without the proposed intersection improvements, excessive delays and unnecessary vehicle emissions will continue to increase.

The Project design will include dedicated turn lanes, roadway alignment, new shoulders, sidewalks, a bus stop, necessary safety and accessibility requirements such as ADA ramps with detectable warning panels, and crosswalks.

The Project was delayed due to changes in scope and certification of right of way plans. Changes in scope included increased turning radius for large semi-trucks, ADA requirements, sidewalks, bus stops, and other safety improvements mandated by applicable governing agencies. Due to the delays, scope changes, and inflation since 2009, when the Project was first approved, the Airport’s approximate local share has increased from \$100,000 to \$125,000.



**Analysis:**

Improvements to the intersection at Curtis Steinburg Drive and Sauget Business Boulevard have long been sought by the Airport for the benefit of Airport users and others in the local area. As the primary access point to the Airport, nearly all Airport users utilize this intersection with a wide assortment of vehicles, including large semi-trucks. The traffic demands on the intersection required a design that improved safety and efficiency, but also included consideration for the growing Sauget Business Park, barge/rail terminals along the Mississippi River and the Airport. In addition, this Project will complement the Curtis Steinburg Road Replacement from the Gulfstream entrance to this intersection. (**Attachment Two**).

Although originally expected to cost no more than \$565,000, the current estimate of the Project is \$650,000. As the Federal / State share of the Project is capped at \$452,020, the increase in the Project cost must necessarily come from the local match funded by the Village of Sauget and the St. Louis Downtown Airport.

The Table below compares the original 2009 estimate with the new 2019 estimate. It is important to note that the Project will not be bid until August 2019; therefore, actual costs may be lower or higher than the new estimate.

	Original Estimate		New Estimate		Difference
<b>Construction</b>					
Total Cost	\$	565,026	\$	650,000	\$ 84,974
Federal/State Share	\$	452,021	\$	452,021	\$ -
Local Share	\$	113,005	\$	197,979	\$ 84,974
					\$ -
Village	\$	56,503	\$	98,990	\$ 42,487
Airport	\$	56,503	\$	98,990	\$ 42,487
					\$ -
					\$ -
<b>Engineering</b>					
Total Cost	\$	84,949	\$	84,949	\$ -
Federal/State Share	\$	67,959	\$	67,959	\$ -
Local Share	\$	16,990	\$	16,990	\$ -
					\$ -
Village	\$	8,495	\$	8,495	\$ -
Airport	\$	8,495	\$	8,495	\$ -
					\$ -
Total Local Match	\$	64,998	\$	107,485	\$ 42,487

From the above Table, the total increase in local match for the Airport is \$42,487, for an expected match of \$107,485. This exceeds the 2009 estimate by \$7,485.

**Committee Action Requested:**

Management recommends that the Operations Committee accept and forward to the Board of Commissioners for approval, this request to execute an Intergovernmental Agreement between the Village of Sauget and Bi-State Development, on behalf of the St. Louis Downtown Airport, for the purpose of improving the intersection at Curtis Steinburg Drive and Sauget Business Boulevard.

**Attachments:**

Attachment One: Map of Curtis Steinburg Drive and Sauget Business Boulevard Intersection Improvement Project.

Attachment Two: Curtis Steinburg Drive Replacement

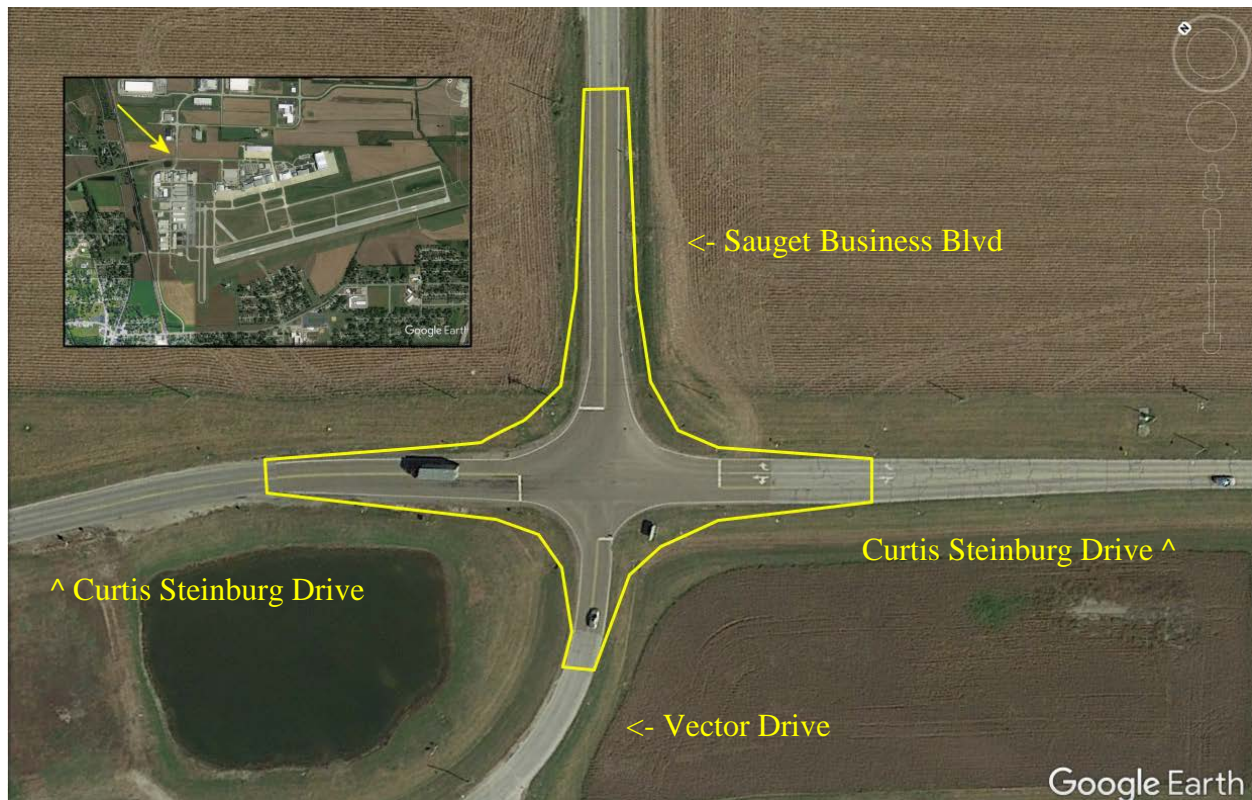
**Funding Source:**

Up to a maximum of \$125,000 from the Airport Enterprise Fund will be utilized as a 50/50 local match with the Village of Sauget. The total Project cost is not expected to exceed \$650,000. The Federal / State share of the Project is capped at \$452,020.



## Attachment One:

### Map of Curtis Steinburg Drive and Sauget Business Boulevard Intersection Improvements



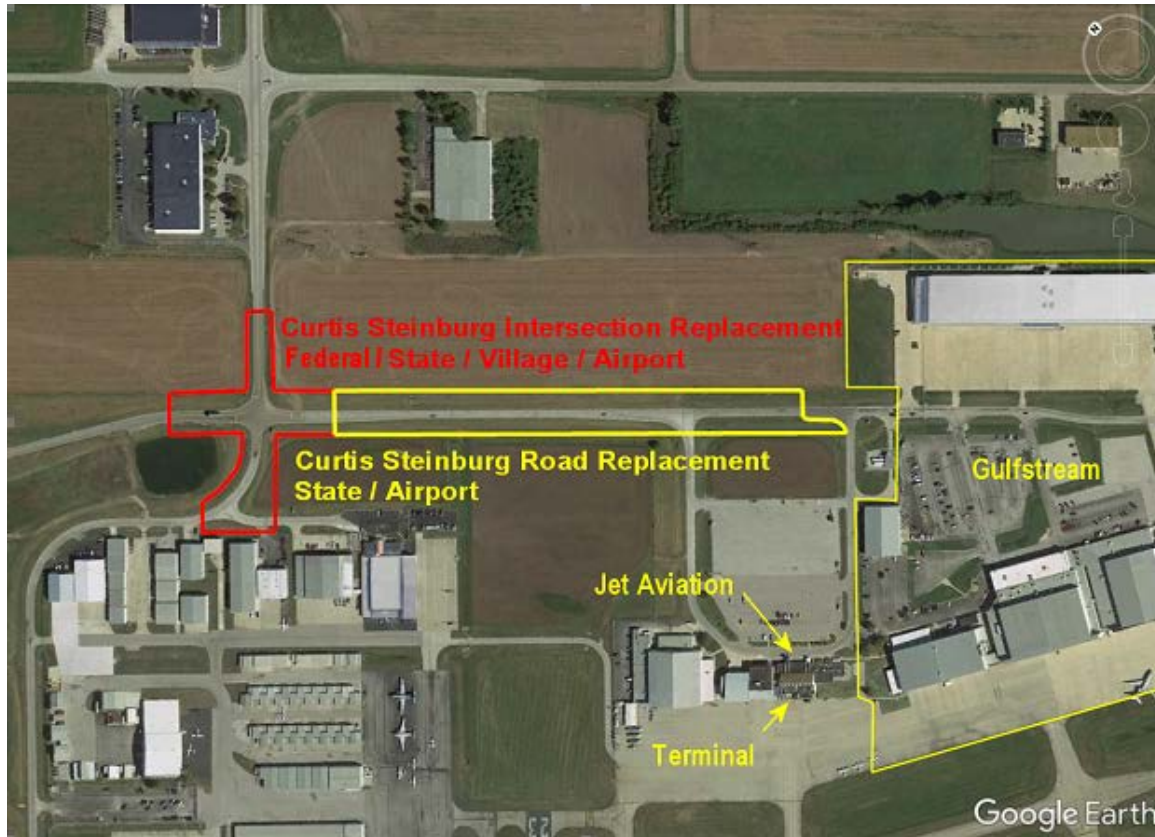
Yellow line shows approximate roadway limits of the proposed intersection.

Inset box shows the approximate location of the project in relation to the airport.



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**Attachment 2**

Attachment Two:  
Curtis Steinburg Drive Roadway Improvements and Intersection Project



Red line shows the boundary of the Curtis Steinburg Drive/Sauget Business Boulevard Intersection Replacement Project, which is scheduled to go out for bid in August, 2019. The project is funded in part with Federal, State, Village of Sauget, and Airport funds.

Yellow line shows the boundary of the Curtis Steinburg Drive Replacement Project, which is currently under construction. This project is funded in part with State and Airport funds.

Labels indicate the general location of Jet Aviation, the Airport Terminal, and Gulfstream.

**Open Session Item**

**7**



**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Mary C. Lamie, Executive Vice President of Multi Modal Enterprises  
**Subject:** **Memorandum of Agreement with East-West Gateway Council of Governments for Operational Funding for the St. Louis Regional Freightway for a Three-Year Term Beginning in FY 2020**  
**Disposition:** Approval  
**Presentation:** Mary C. Lamie, Executive Vice President of Multi Modal Enterprises

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request to enter into a Memorandum of Agreement (MOA) with East-West Gateway Council of Governments (EWGCOG) for the operational funding of the St. Louis Regional Freightway (Freightway), for a three-year term beginning in Fiscal Year 2020.

**Background:**

The St. Louis Regional Freightway (**Freightway**) was formed, based on a recommendation from the St. Louis Regional Freight Study, funded by EWGCOG in 2013. On September 24, 2014, the EWGCOG Board of Directors approved the establishment of the Freight District (now called St. Louis Regional Freightway). The St. Louis Regional Freightway is a public-private partnership to optimize the St. Louis region's freight transportation network, and it is the newest BSD business enterprise.

Previously, EWGCOG agreed to provide the Freightway \$150,000 per year, for three years, for reimbursement of formational costs and operational expenses starting in Calendar Year 2015, and continuing through Calendar Year 2017. The last revenue recognized for this agreement occurred in December 2017.

Pending EWGCOG Board of Directors approval, this agreement will provide Bi-State Development no more than three hundred and fifty thousand dollars (\$350,000.00) per year, for a term of three years, to be appropriated for operations of the Freightway.

**Analysis:**

East-West Gateway Council of Governments has agreed to reimburse operational expenses of the Freightway for three years beginning in Fiscal Year 2020, in an amount not to exceed \$350,000.00.

**Committee Action Requested:**

Management recommends that the Operations Committee accept and forward to the Board of Commissioners for approval, a request to enter into a Memorandum of Agreement with East-West Gateway Council of Governments for the operational funding of the St. Louis Regional Freightway, for a three-year term beginning in Fiscal Year 2020.

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Audit, Finance & Administration Committee  
MOA with EWGCOG for Operational Funding  
for the St. Louis Regional Freightway  
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**Attachments:**

Exhibit A: Draft 2019 Memorandum of Agreement

**Funding Source:**

East-West Gateway Council of Governments.

Open Session Item 7

**Exhibit A**

# EXHIBIT A

**MEMORANDUM OF AGREEMENT  
BY AND BETWEEN  
EAST-WEST GATEWAY COUNCIL OF GOVERNMENTS  
AND  
THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS  
METROPOLITAN DISTRICT**

THIS MEMORANDUM OF AGREEMENT ( the “Agreement”) is made by and among EAST-WEST GATEWAY COUNCIL OF GOVERNMENTS ( “EWGCOG”), a Missouri non-profit corporation and regional council of governments, formed under and governed by the laws of the State of Missouri, and located at 1 S. Memorial Drive, Suite 1600, St. Louis, Missouri 63102 and the BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT (the “Agency”), an interstate transportation authority created by Section 70.370, *et seq.* of the Missouri Revised Statutes and Chapter 127, Section 63r-1, *et seq.* of the Illinois Compiled Statutes as a body corporate and politic, and located at 211 N. Broadway, Suite 700, St. Louis, Missouri 63102 (together the “Parties”).

**WITNESSETH:**

WHEREAS, the Agency is authorized to acquire by gift, purchase or lease and to plan, construct, operate and maintain airports, wharfs, docks, harbors, and industrial parks adjacent to and necessary and convenient thereto, bridges, tunnels, warehouses, grain elevators, commodity and other storage facilities, sewage disposal plants, passenger transportation facilities, and air, water, rail, motor vehicle and other terminal and parking facilities; to contract with municipal or other political subdivisions for the services or use of any facility owned or operated by the Agency or owned or operated by the municipality or other political subdivision; to disburse funds for its lawful activities; and to perform all other necessary and incidental functions; and

WHEREAS, the Agency is a party to an interstate compact between the States of Missouri and Illinois, and ratified by the United States Congress and implementing legislation of the States of Missouri and Illinois at Section 70.370, *et seq.* of the Missouri Revised Statutes and Chapter 127, Section 63r-1, *et seq.* of the Illinois Compiled Statutes, respectively (jointly the “Compact”) which provides that the Bi-State Metropolitan Development District of the Agency embraces the following territory: the City of St. Louis, Missouri and the counties of St. Louis, St. Charles and Jefferson in Missouri, and the counties of Madison, St. Clair and Monroe in Illinois (together the “District”); and

WHEREAS, EWGCOG is the metropolitan planning organization for the St. Louis region serving the City of St. Louis, Missouri, St. Louis County, Missouri, Jefferson County, Missouri, St. Charles County, Missouri, Franklin County, Missouri, St. Clair County, Illinois, Madison County, Illinois, and Monroe County, Illinois, and members of EWGCOG (individually “an EWGCOG Member” and together “EWGCOG Members”); and

# EXHIBIT A

WHEREAS, since 2012, these EWGCOG Members have advocated the establishment of a regional freight district referred to as the St. Louis Regional Freightway (the “Freightway”) to provide better coordination and leadership to support the St. Louis region’s freight and logistic industry; and

WHEREAS, EWGCOG formed a regional freight working group (the “Working Group”) to discuss the establishment of a regional organizational structure that would become the Freightway and hired consultants to advise the Working Group; and

WHEREAS, the Agency established the Freightway as a unit of the Agency and previously entered into Memoranda of Agreement with EWGCOG relating to funding the Freightway; and

WHEREAS, EWGCOG has agreed to fund the operations and activities of the Freightway for an additional three-year term; and

WHEREAS, EWGCOG and the Agency intend for the Freightway to serve the St. Louis region which includes the following jurisdictions: in Missouri – the City of St. Louis, Franklin County, Jefferson County, St. Charles County, and St. Louis County and in Illinois – Madison County, Monroe County, and St. Clair County (the “Region”); however, the Agency and the Freightway’s ability to operate within Franklin County is pursuant to a separate agreement between the Agency and Franklin County for that purpose; and

WHEREAS, the Agency and EWGCOG have the authority to cooperate with one another for furtherance of their purposes; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the Parties agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions of Words and Terms.** The words and terms as used in this Agreement shall have the following meanings:

“**Agency**” means the Bi-State Development Agency of the Missouri-Illinois Metropolitan District doing business as Metro, an interstate transportation authority created by Section 70.370 *et seq.* of the Missouri Revised Statutes and Chapter 127, Section 63r-1 *et seq.* of the Illinois Compiled Statutes as a body corporate and politic, and its successors and assigns.

“**Agreement**” means this Memorandum of Agreement, as it may be amended from time-to-time in accordance with Section 8.5.

“**CY**” means calendar year which is the period beginning January 1 and ending December 31.

# EXHIBIT A

**“Compact”** means the interstate compact between the States of Missouri and Illinois, and ratified by the United States Congress and implementing legislation of the States of Missouri and Illinois; Joint Resolutions of August 31, 1950, 64 Stat. 568, Pub. L. No. 81-743; September 21, 1959, 73 Stat. 582, Pub. L. No. 86-303; September 30, 1985, 99 Stat. 477, Pub. L. No. 99-106; April 1, 1996, 110 Stat. 883, Pub. L. No. 104-125; December 19, 2011, 125 Stat. 775, Pub. L. No. 112-71 and Mo. Rev. Stat. §§ 70.370-70.373 (Supp. 2012); 45 Ill. Comp. Stat. 100/1-110/5 (Supp. 2013).

**“EWGCOG”** means East-West Gateway Council of Governments, the metropolitan planning organization for the Region.

**“EWGCOG Members”** means the City of St. Louis, Missouri and its successors and assigns, the following counties: in Missouri – St. Louis County, Jefferson County, St. Charles County, and Franklin County, in Illinois – St. Clair County, Madison County, and Monroe County, other members of EWGCOG as defined in EWGCOG’s bylaws, and each entity’s successors and assigns.

**“EWGCOG Payments”** means EWGCOG reimbursements to be made to the Agency as described in Article VI.

**“District”** means the geographical area served by the Agency and defined in the Compact that includes: the City of St. Louis, Missouri and the counties of St. Louis, St. Charles and Jefferson in Missouri, and the counties of Madison, St. Clair, and Monroe in Illinois.

**“Freightway”** means the St. Louis Regional Freightway established as a unit of the Agency.

**“Freightway Council”** means the St. Louis Regional Freightway Council established by the Freightway composed of representatives from governmental entities and industry participants.

**“Region”** means the geographical area served by EWGCOG that includes: the City of St. Louis, Missouri, in Missouri – St. Louis County, Jefferson County, St. Charles County, and Franklin County, and in Illinois – St. Clair County, Madison County, and Monroe County.

**“Working Group”** means the St. Louis Regional Freightway Working Group that was formed by EWGCOG in 2014 to determine the viability of a regional freight district and to develop a strategic action plan for the Freightway. The Working Group’s membership includes public / private sectors representatives from both Missouri and Illinois who are experts in the field of transportation development.

## ARTICLE II

### PROJECT UNDERSTANDING

**Section 2.1. History and Approval.** The creation of the Freightway was included as a recommendation from the St. Louis Regional Freight Study funded by EWGCOG in 2013. In August of 2014, EWGCOG formed the Working Group to establish and develop a framework for a regional organization structure that would become the Freightway. On September 24, 2014, the EWGCOG Board of Directors approved the establishment of the Freightway as a business enterprise unit of the Agency. On June 26, 2015, the Agency confirmed the hiring of an Executive Director for the Freightway to begin and organize the Freightway. The Agency and EWGCOG entered into a Memorandum of Agreement in 2016 and again in 2017.

**Section 2.2. Purpose.** The purposes of the Freightway are to: (a) incorporate public sector and private industry director to foster, coordinate, and lead economic growth in the freight industry sector throughout the Region, (b) develop the freight industry in the Region and to optimize the Region's freight portfolio by initiating and supporting key public and private infrastructure projects, freight-related investments and land use requirements, and (c) market and advocate for the Region's freight opportunities, focusing specifically on freight industry elements of pipeline, roadways, rivers, runways, and rail. In all events, the purpose, operation, and activities of the Freightway shall be consistent with the Compact and the activities of the Freightway shall be those expressly authorized by or necessary and incidental to the activities authorized by the Compact.

**Section 2.3. Responsibilities.** Primary responsibilities for the Freightway will include initiating, advocating for and supporting key public and private infrastructure projects, freight-related investments and strategic land use recommendations, related to freight industry elements of pipeline, roadways, rivers, air and rail. Efforts include: (a) working with the Region's public and private sector leadership on funding additional freight bridge capacity over the Mississippi River for the six class-one railroads that come to and through the St. Louis Region, (b) leveraging state highway funding for specific road improvements and grade separations, (c) working with public jurisdictions and private logistics providers to increase rail, port, and roadway logistics capacity, and (d) improved roads for large manufacturing facilities to better reach logistics and shipping transfer stations. These efforts help bridge the gap between public infrastructure investment and private logistics capacity and manufacturing.

**Section 2.4. Operations.** The Freightway Council shall act in a nonbinding advisory role to the Freightway in order to: (a) formulate short and long-range organizational development plans to further the mission of the Freightway; (b) analyze and assess trends and Regional needs related to the mission of the Freightway; and (c) optimize the use of present and future resources to accomplish the purposes of the Freightway.

**Section 2.5. Obligations of the Agency.** The Agency has established the Freightway as a unit of the Agency as described in this Agreement. Subject to the terms of this Agreement, the Agency will operate and maintain the Freightway, including the hiring of employees, as further

# EXHIBIT A

discussed in Article V. Funding of the activities and operations of the Freightway will be provided, in part, by EWGCOG. In no event will the Agency be obligated to utilize any general revenue of the Agency to fund the Freightway's operations.

**Section 2.6. Obligations of EWGCOG.** EWGCOG agrees to reimburse the Agency for the costs associated with the Freightway's activities and operations, subject to the limitations described in Article VI.

## ARTICLE III

### REPRESENTATIONS

**Section 3.1. Representations by the Agency.** The Agency makes the following representations as the basis for its undertakings described in this Agreement:

(a) The Agency is an interstate transportation authority created by and pursuant to the Compact as a body corporate and politic.

(b) The Agency has lawful power and authority under its Compact to enter into the transactions contemplated by this Agreement and to carry out its obligations as described in this Agreement. By proper action of its Board of Commissioners, the Agency has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(c) No further actions or approvals by the Board of Commissioners are necessary in connection with this Agreement.

(d) The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the Agency will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any restriction or any agreement or instrument to which the Agency is a party or by which it or any of its property is bound, or the Agency's Compact or Bylaws or any order, rule or regulation applicable to the Agency or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Agency under the terms of any instrument or agreement to which the Agency is a party.



# EXHIBIT A

**Section 3.2. Representations by EWGCOG.** EWGCOG makes the following representations as the basis for its undertakings described in this Agreement:

(a) EWGCOG is a non-profit organization designated as the metropolitan planning organization for the Region, with a Board of Directors that consists of 24 voting members comprised of the chief elected officials from the member local governments and citizens representing the states of Missouri and Illinois, as described in EWGCOG's bylaws.

(b) EWGCOG has lawful power and authority to enter into this Agreement and to carry out its obligations as described in this Agreement. By proper action of its Board of Directors, EWGCOG has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(c) No further actions or approvals by the Board of Directors is necessary in connection with this Agreement, except with respect to the appropriation of funds to support EWGCOG Payments as described in Article VI.

(d) The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, including the appropriation of funds by the Board of Directors to support EWGCOG Payments and the expenditure of funds for the purposes provided in this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by EWGCOG will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which EWGCOG is a party or by which it or any of its property is bound, or any order, rule or regulation applicable to EWGCOG, or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of EWGCOG under the terms of any instrument or agreement to which EWGCOG is a party.

## ARTICLE IV

### TERM, DEFAULT, REMEDIES, TERMINATION, AND WITHDRAWAL

**Section 4.1. Agreement Term.** The term of this Agreement shall begin upon execution by the Parties and shall remain in effect until final payment has been made under the terms of this Agreement, unless: (a) the term is extended through mutual agreement of the Parties as provided in Section 8.5, or (b) this Agreement is terminated.

**Section 4.2. Events of Default.** If any one or more of the following events occurs, it is hereby defined as and declared to be and to constitute an Event of Default under this Agreement:

(a) Default in the disbursement of any EWGCOG Payments; or

(b) A default or breach in the observance or performance of any provision of this Agreement on the part of EWGCOG or the Agency which continues for 60 calendar days after the

# EXHIBIT A

non-defaulting party has given written notice to the defaulting party specifying the default and the defaulting party has not cured the default or breach within the 60 day period.

**Section 4.3. Remedies on Default.** If an Event of Default as described in Section 4.2(a) or (b) has occurred, then the Agency or EWGCOG may, at the party's election, take any one or more of the following actions: mandamus or other suit, action, or other proceedings at law or in equity, to enforce its rights against the defaulting party, and its officers, agents and employees, to require and compel duties and obligations required by the provisions of this Agreement; or take any other action at law or in equity.

**Section 4.4. Rights and Remedies Cumulative.** The rights and remedies reserved by the Parties and those provided by law shall be construed as cumulative and continuing rights and these rights and remedies shall not be exhausted by the exercise of a right or remedy on one or more occasions.

**Section 4.5. Waiver.** No waiver by a party to this Agreement of any breach or default shall operate as a waiver of any subsequent breach or default of the same or other provision of this Agreement, and in case of a breach or default by EWGCOG, the Agency may nevertheless accept from EWGCOG any payment or payments due under this Agreement without in any way waiving the Agency's right to exercise any of its rights and remedies as provided in Article IV with respect to any breach or default of EWGCOG which were in existence at the time when the payment or payments were accepted by the Agency.

**Section 4.6. Termination.** The Parties each have a right to terminate this Agreement as described below. Termination will be effected by the terminating party providing written notice to the non-terminating party in accordance with Section 8.3 and the termination shall take effect no later than 30 calendar days after the notice is given, as defined in Section 8.3.

(a) *EWGCOG's Right of Termination.* EWGCOG may terminate this Agreement (i) at any time it is in EWGCOG's best interest; (ii) in the event that the EWGCOG Board of Directors does not authorize or appropriate funding to support EWGCOG Payments; or (iii) if the Agency is in breach or default of this Agreement and does not cure the breach or default as described in Section 4.2.

(b) *The Agency's Right of Termination.* The Agency may terminate this Agreement (i) at any time it is in the Agency's best interest; (ii) in the event that the EWGCOG Board of Directors does not authorize or appropriate funding to support EWGCOG Payments; or (iii) if EWGCOG is in breach or default of this Agreement and does not cure the breach or default as described in Section 4.2.

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## ARTICLE V

### PERSONNEL, SUBCONTRACTING, AND PURCHASES

**Section 5.1. Executive Vice President – Multi Modal Enterprises.** The Agency has appointed the Executive Vice President – Multi Modal Enterprises to oversee the Freightway for the term and on the conditions that the Agency has determined. The Agency has developed and shall maintain a job description for the Executive Vice President – Multi Modal Enterprises. The compensation of the Executive Vice President – Multi Modal Enterprises shall be set by the Agency.

The Executive Vice President – Multi Modal Enterprises shall be in charge of the general supervision of the day-to-day affairs of the Freightway, subject to the Agency's policies and procedures. The Executive Vice President – Multi Modal Enterprises reports to and is subject to the supervision and direction of the Agency's President & Chief Executive Officer.

**Section 5.2. Additional Personnel.** The Agency may hire or designate additional personnel to assist in the operation of the Freightway as deemed necessary by the Executive Vice President – Multi Modal Enterprises.

**Section 5.3. Subcontracting and Purchases.** The Freightway may subcontract for services pursuant to Agency policy. All procurements of or expenditures for goods or services must be conducted / incurred in accordance with Agency policy.

## ARTICLE VI

### COSTS, PAYMENTS, AND INVOICES

**Section 6.1. Costs.** EWGCOG shall reimburse the Agency for the costs described in Section 6.1(a) and (b). All costs reimbursed by EWGCOG are subject to Sections 6.2 and 6.4. EWGCOG shall not reimburse the Agency for any costs described in Section 6.1(c).

(a) *Operational Costs.* EWGCOG's reimbursements to the Agency shall be limited to costs incurred by the Agency for the activities and operation of the Freightway. These costs include:

(i) Personnel costs to include the salary / wages, fringe benefits, and indirect costs paid by the Agency for the management of the Freightway by the Executive Vice President – Multi Modal Enterprises and other staff hired by the Agency to work for the Freightway. The fringe benefit and indirect costs must be incurred in accordance with the Agency's audited rates.

(ii) Travel costs that are reasonable, necessary, and incurred in accordance with the Agency's written travel policy.

# EXHIBIT A

(iii) Other direct expenses that are reasonable, necessary, and incurred in accordance with Agency policy. These costs may include, but are not limited to: phone charges, reproduction / printing costs, office supplies, etc.

(b) *Ineligible Costs.* EWGCOG shall not reimburse the Agency for any costs associated with lobbying activities or entertainment.

(i) Lobbying costs include the cost of any activity that is designed to influence or attempt to influence, on any basis other than the merits of the matter, an employee or officer of the states or federal government, or attempts to influence the introduction or passage of state or federal legislation.

(ii) Entertainment costs include the cost of any activity generally considered to provide entertainment, amusement, or recreation, including but not limited to, the costs of social, athletic and sporting clubs, theaters, or meals; however, the cost of meals for an Agency employee consumed on approved travel for the Freightway is not to be considered ineligible entertainment costs, if it meets the requirements as a valid reimbursable expense under Agency policy governing Agency employees.

(iii) The Agency shall remain responsible for withholding all taxes associated with Freightway personnel.

(iv) EWGCOG shall not be responsible for reimbursing the Agency for any costs incurred that are unreasonable, unnecessary, are not related to the activities and operation of the Freightway, are not incurred and accounted for in accordance with the Agency's written policies or generally accepted accounting principles, or for costs incurred during a CY for which the EWGCOG Board of Directors has not authorized or appropriated funds.

**Section 6.2. Payment.** Except as stated in Section 6.4, the total reimbursement that EWGCOG provides to the Agency under this Agreement shall not exceed an amount of three hundred and fifty thousand dollars (\$350,000.00) per year for a term of three years.

**Section 6.3. Invoices.** The Agency shall submit monthly invoices to EWGCOG.

(a) The invoices must include the following information:

(i) The billing period.

(ii) The amount due for each category of cost (i.e. personnel, travel, and other expenses) and the total amount due to the Agency for the month.

(iii) Back-up documentation that demonstrates that the costs meet the eligibility requirements described in Section 6.1 (i.e. copies of cancelled checks, receipts, vendor / service provider invoices, etc.).

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(iv) The Agency's "remit to" address. This is the address to which EWGCOG will mail payments.

(b) The Agency shall submit each invoice to EWGCOG at the address listed below. Unless specifically requested or authorized by EWGCOG, EWGCOG will not accept electronic, emailed, or faxed invoices.

Accounts Payable  
East-West Gateway Council of Governments  
1 S. Memorial Drive, Suite 1600  
St. Louis, MO 63102

**Section 6.4. Appropriation.** The funds to support EWGCOG Payments have been approved and appropriated by the EWGCOG Board of Directors for CY 2019, CY 2020, and CY 2021 costs; therefore, any payments made by EWGCOG to the Agency shall only be for costs incurred during CY 2019, CY 2020, and CY 2021 and, as stated in Section 6.1(c), costs incurred after the end of CY 2021 are not eligible for reimbursement. EWGCOG Payments for subsequent CYs are subject to the EWGCOG Board of Directors approval and appropriation of funds to support EWGCOG Payments. Any funding for subsequent CYs will be governed by a separate agreement or by an amendment to this Agreement pursuant to Section 8.5.

**Section 6.5. Report.** Within 30 calendar days of the end of the Agency's calendar year, the Agency shall submit to EWGCOG a summary financial report that shows all of the costs incurred by the Agency for the Freightway and that were reimbursed by EWGCOG.

## ARTICLE VII

### REPORTING, ACCESS TO RECORDS, AND RECORDS RETENTION

**Section 7.1. Reporting.** Thirty days following the end of each six-month period the Agency will provide a summary report of the activities of the Freightway during the past six months.

**Section 7.2. Access to Records.** The Agency shall keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Freightway in accordance with generally accepted accounting principles consistently applied, and will furnish to EWGCOG any information as may be reasonable concerning the Freightway, in order to enable EWGCOG to determine whether the Agency complied with the provisions of this Agreement.

**Section 7.3. Records Retention.** Records of the Freightway, including minutes, notices, and other records shall be maintained in accordance with the law and Agency policy. The record retention periods for the Freightway documents will be governed by Agency policies. The Agency shall keep a copy of the following records at the principal office of the Freightway: (a)

# EXHIBIT A

resolutions adopted by the governing body of the Freightway and minutes of all meetings and records of all actions approved by the governing body of the Freightway; (b) a list of the names and business or home address of its current members and officers; and (c) appropriate financial statements.

## ARTICLE VIII

### MISCELLANEOUS PROVISIONS

**Section 8.1. No Assignment.** No party to this Agreement shall assign the Agreement as a whole or part without the written consent of the other parties, nor shall a party assign any monies due or to become due under this Agreement without the previous written consent of the other parties.

**Section 8.2. Third Party Beneficiaries.** Notwithstanding anything contained in this Agreement to the contrary, no person or entity shall be deemed to be a third party beneficiary of this Agreement, and nothing in this Agreement (either expressed or implied) is intended to confer upon any other person or entity any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

**Section 8.3. Notices.** All notices or other communications required or desired to be given under this Agreement shall be in writing and shall be deemed duly given when mailed by first class, registered or certified mail, postage prepaid, addressed as follows:

(a) To the Agency:

Bi-State Development Agency of the Missouri-Illinois Metropolitan  
District  
One Metropolitan Square  
211 N. Broadway, Suite 700  
St. Louis, Missouri 63102  
Attention: President and Chief Executive Officer

(b) To EWGCOG:

East-West Gateway Council of Governments  
1 S. Memorial Drive, Suite 1600  
St. Louis, Missouri 63102  
Attention: Executive Director

All notices given by first class, certified or registered mail shall be deemed duly given three business days following the date they are so mailed. The Parties may from time-to-time designate, by notice given in accordance with Section 8.3 to the other parties, another address to which subsequent notices or other communications must be sent.

# EXHIBIT A

**Section 8.4. Liability.** EWGCOG and the Agency (the “Indemnifying Parties”) each agree to indemnify, defend and hold harmless, to the fullest extent permitted by law, EWGCOG and the Agency, including each entity’s members, employees, directors, and agents (the “Indemnified Party”) from and against all claims, liabilities, damages, losses, or costs (including, but not limited to, attorney’s fees and litigation costs) arising out of or relating to the negligence or willful misconduct of such Indemnifying Party and/or its members, agents, employees, directors and agents in connection with the work performed or payments made under the terms of this Agreement. Nothing contained in this Agreement shall constitute or be construed as a waiver or limitation for any of the parties’ rights or defenses with regard to each party’s applicable sovereign, governmental, or official immunities and protections as provided by federal or state constitution or by federal or state law.

**Section 8.5. Changes.** A party may, from time-to-time, request changes to this Agreement. Changes that are mutually agreed upon by the Parties must be effected through written amendments to this Agreement and will not take effect until each party provides its express written approval.

**Section 8.6. Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, this holding shall not invalidate or render unenforceable any other provisions of this Agreement. In the event that any part, section, or subsection of this Agreement shall be determined to be invalid or unenforceable, it is the intention of the Parties that there be added as part of this Agreement a clause or terms similar to the invalid or unenforceable part as may be possible and be legal, valid, and enforceable to the extent that this can be accomplished without distorting the intent of the Parties.

**Section 8.7. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri. In interpreting this Agreement, the provisions of the Compact shall prevail over any conflicting provisions of other Missouri laws.

**Section 8.8. Execution in Counterparts.** This Agreement may be executed simultaneously in counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers or officials.

***[SIGNATURE PAGES TO FOLLOW]***

***[Remainder of page left intentionally blank]***

**EXHIBIT A**

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

By:

\_\_\_\_\_  
Taulby Roach  
President & CEO

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name & Title



**EXHIBIT A**

**EAST-WEST GATEWAY COUNCIL OF GOVERNMENTS**

By:

\_\_\_\_\_  
James M. Wild  
Executive Director

Attest:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title



**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Mary C. Lamie, Executive Vice President of Multi Modal Enterprises  
**Subject:** **St. Louis Regional Freightway 2020 Multimodal Transportation Project List**  
**Disposition:** Approval  
**Presentation:** Mary C. Lamie, Executive Vice President of Multi Modal Enterprises

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Bi-State Development (BSD) Board of Commissioners (**Board**) for approval, the St. Louis Regional Freightway (**Freightway**) 2020 Multimodal Transportation Project List.

**Background/Analysis:**

The mission of the St. Louis Regional Freightway is to develop and grow the manufacturing and the logistic industries, through partnerships with public and private sector leaders. The Freight Development Committee, chaired by Terminal Railroad Association of St. Louis (**TRRA**) President Mike McCarthy, is responsible for preparing the region's Freight Development Plan (**FDP**) that includes a list of multi modal transportation projects that will help grow our economy and regional workforce through the region's manufacturing and logistics industries. The Freight Development Plan will help drive economic growth through freight infrastructure improvements and will help raise awareness and support for multimodal infrastructure funding. Investing in our transportation infrastructure will increase the freight network's efficiency, reliability, capacity and level of service, leading to increased productivity, competitiveness, and economic growth.

The Freight Development Committee is comprised of a broad cross-section of industry leaders representing manufacturing, logistics, industrial real estate, workforce development, economic development organizations, academia, all modes of transportation, both the Illinois and Missouri Departments of Transportation and the East-West Gateway Council of Governments (**EWGCOG**).

Each year, from 2016 through 2018, the Freight Multi Modal Transportation Project List was unanimously approved by the Freight Council and the Bi-State Development Board of Commissioners. The project list has also helped the region gain critical support for infrastructure funding from state lawmakers and congressional delegations from Illinois and Missouri. Since the development of the Freight Multimodal Transportation Project list, the Freightway has played a key role in securing funding for five of the priority projects. From May 2018 through July 2018, efforts from the Freightway resulted in the region receiving more than \$400 million in multimodal transportation funding, including: \$220 million for the Interstate 270 Chain of Rocks Bridge replacement over the Mississippi River; \$18.7 million from the Illinois Competitive Freight Program; and \$172 million for the region's top priority project, the Merchants Rail Bridge replacement over the Mississippi River.

The Freight Development Committee updated the project list for 2020. Through this public-private partnership, the project list is a tool for elected leaders, the DOTs and regional leaders to

better understand the infrastructure needs of manufacturing and logistic industries that represent the region and the nation's supply chain.

Project selection was based on the following criteria:

- Economic Impact
- Efficiency Impact
- Multimodal Impact
- Safety and Security in Travel

The projects in the attached 2020 Multimodal Transportation Project List were developed through a request for projects throughout the St. Louis region from state and local agencies and Freightway committee members. On January 22, 2019, the Freight Development Committee members met, and the projects were vetted with public and private stakeholders from across the region. During this meeting, the Interstate 255/Davis Street Ferry Road Interchange was elevated to a high priority project. With funding secured for the Merchants Rail Bridge replacement project, highest priority projects for the region include:

- Interstate 270 Improvements from Interstate 70 (Missouri) to Illinois Route 111 (Missouri and Illinois) as the highest priority project
- North Riverfront Commerce Corridor Improvements (Missouri)
- Illinois Route 3 Access Improvements (Illinois)
- Interstate 255 / Davis Street Ferry Road Interchange (Illinois)
- Interstate 70 Improvements from Warrenton to Stan Musial Veterans Memorial Bridge (Missouri)

On April 3, 2019, the Freight Development committee reconvened to finalize the list. On May 22, 2019, the State of Illinois announced funding for the Interstate 255/Davis Street Ferry Road. Funding for a second Freightway project was also included with this announcement for the I-64 improvements from Green Mount Road to Illinois Route 158 (Air Mobility Drive). The Freightway Council approved the project list during the August 19, 2019, Council Meeting.

A copy of the Freightway 2020 Multimodal Transportation Project List is included as **Exhibit A**.

**Committee Action Requested:**

Management recommends that the Operations Committee discuss and forward to the Board of Commissioners for approval, the St. Louis Regional Freightway 2020 Multimodal Transportation Project List.

**Attachments:**

**Exhibit A:** St. Louis Regional Freightway 2020 Multimodal Transportation Project List

**Funding Source:**

Funding approval is not required. The projects will be funded through various sources, including federal, state and local funding and public-private partnerships.

**Exhibit A**





# 2020 Multimodal Transportation Project List

## ST LOUIS REGIONAL FREIGHTWAY

# EXHIBIT A

### Advanced to Construction



**Merchants Bridge (TRRA) Replacement over the Mississippi River (MO-IL)**  
Replacement of Terminal Railroad Association 130-year old rail bridge  
*Freightway's #1 Priority*  
*Funded: Summer 2018*



**I-270 Mississippi River Chain of Rocks Bridge Replacement (MO-IL)**  
Project B in I-270 Improvements from I-70 (MO) to Illinois Route 157 (IL)  
*Highest Priority Project*  
*Funded: Spring 2018*



**North Park Access Improvements (MO)**  
Safety and capacity improvements along Hanley Road from I-70 to Madison Avenue  
*Funded in 2018*



**Earth City Access Improvements (MO)**  
(A) St. Charles Rock Road preservation of 1.3-mile corridor  
(B) Arterial roadway pavement repairs in Earth City  
*Construction nearing completion*



**J.S. McDonnell Connector Access Improvements (MO)**  
Roadway improvements to enhance truck traffic movements and replace deteriorated rail crossing  
*Construction Funding Approved 2019*



### Advanced to Construction



**I-255 / Davis Street Ferry Road Interchange (IL)**  
New interchange and connecting roadways to serve emerging industrial area near Union Pacific Dupo Intermodal Yard including future grade separation over five rail tracks  
*Funded: Summer 2019*



**I-64 Improvements from Green Mount Road to Illinois Route 158 (Air Mobility Drive) (IL)**  
Expansion of I-64 to six lanes as well as other safety and capacity improvements  
*Funded: Summer 2019*



**Union Pacific Railroad Lenox Tower Replacement (IL)**  
Remove Lenox Rail Tower in Mitchell, Illinois in order to centralize dispatching in Omaha, Nebraska  
*Funded: Spring 2018 and Spring 2019*



### Partially Programmed for Construction



**North Riverfront Commerce Corridor Improvements (MO)**  
(A) Hall Street and Riverview Drive improvements (*Partially Funded*)  
(B) Branch Street improvements  
(C) I-70 westbound off-ramp to North Broadway relocation (*Complete*)  
*Highest Priority Project*



**I-270 Improvements from I-70 (MO) to Illinois Route 157 (MO-IL)**  
(A) Improvements and some widening from I-70 to Mississippi River (*US-67 to MO-367 Funded*)  
(C) Widening from Mississippi River to Route 157 (*IL-111 Interchange Funded*)  
*Highest Priority Project*







# 2020 Multimodal Transportation Project List

## ST LOUIS REGIONAL FREIGHTWAY

# EXHIBIT A

### Partially Programmed for Construction



#### Illinois Route 3 Access Improvements (IL)

- (A) Illinois Route 3 relocation from River Park Drive to Monsanto Avenue  
(B) Falling Springs Road / Illinois Route 3 railroad bypass (*Partially Funded*)  
**Highest Priority Project**



#### America's Central Port Improvements (IL)

- (A) Granite City Harbor track revitalization  
(B) Granite City Harbor general cargo dock revitalization (*Funded*)  
(C) Union Pacific / Kansas City Southern connection through A&K yard  
(D) New port entrance at IL-3 (*Funded*)



### Concept Development or Planning



#### I-70 Improvements from Warrenton to Stan Musial Veterans Memorial Bridge (MO)

- (A) Improvements from Wentzville to Stan Musial Memorial Bridge (40 miles)  
(B) Expansion to six lanes from Wentzville to Warrenton (20 miles)  
**Highest Priority Project**



#### Kaskaskia Regional Port District Improvements (IL)

- (A) Terminal #1 second rail loop track and lead track rail upgrades  
(B) Terminal #2 second entrance and third dock  
(C) Port Development at Fayetteville



#### Mississippi River Port Development Projects (MO)

- (A) Crystal City Port development with access roadway  
(B) City of St. Louis south riverfront site  
(C) St. Louis County Port development north/south sites



### Concept Development or Planning



#### St. Louis Lambert International Airport North Cargo Improvements (MO)

- (A) Banshee Road reconstruction  
(B) McDonnell Boulevard / Airport Road intersection reconstruction  
(C) Taxiway V connector (*Complete*)



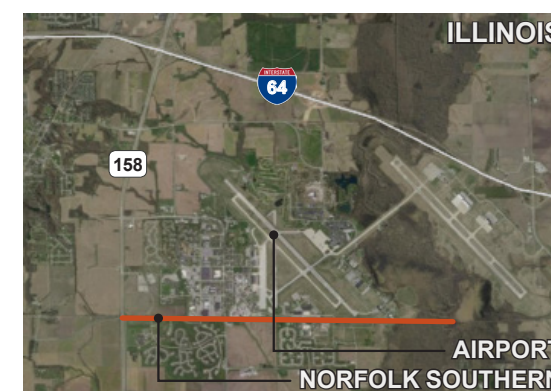
#### I-255 / Fish Lake (Ramsey Road) Interchange (IL)

- New interchange to provide additional access to the Union Pacific Dupo Intermodal Yard



#### St. Louis Lambert International Airport Access Improvements (MO)

- (A) Cargo City access analysis  
(B) Fee Fee Road bridge improvement  
(C) Gist Road upgrade



#### MidAmerica St. Louis Airport Distribution Improvements (IL)

- New two-mile rail spur from Norfolk Southern mainline to enable freight rail access for industry on the eastern side of airport



#### Illinois Route 158 (Air Mobility Drive) Expansion from Route 161 to Route 177 (IL)

- One-mile extension of two lanes along a growth corridor near I-64 and MidAmerica St. Louis Airport









**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Jessica Mefford-Miller, Executive Director Metro Transit  
**Subject:** **Memorandum of Understanding between the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District**  
**Disposition:** Approval  
**Presentation:** Jessica N. Mefford-Miller, Executive Director Metro Transit; Jeffrey Butler, General Manager Paratransit

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request to renew the Intergovernmental Agreement with the State of Missouri on behalf of the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (**Metro**).

**Background:**

In March, 1996, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (known hereafter as the Government Entity) entered into an Agreement with the Department of Social Services (**DSS/DMS**) for the administration of scheduled transportation services for Missouri Medicaid eligible individuals served by the Government Entity, to obtain non-emergent but medically necessary, Missouri Medicaid covered services. In turn, DSS/DMS agreed to reimburse the Government Entity the Title XIX federal share of actual and reasonable costs established for the provision of medically necessary transportation provided by the Government Entity. The rate of reimbursement for the eligible administration of medically necessary transportation costs is the Title XIX federal share (50%). In addition, the Government Entity's costs of services are reviewed, and the estimated cost per unit is adjusted each year as necessary. This agreement has been in place since 1996 and was recently updated and approved by The Bi-State Development Agency of Missouri-Illinois Metropolitan District's (Metro's) General Counsel.

**Analysis:**

These services continue to be provided to customers who qualify under the Agreement. Payments to Bi-State Development Agency of the Missouri-Illinois Metropolitan District for Fiscal Year July 1, 2019 – June 20, 2020, are reimbursed at the rate of (50%) the adjusted Cost per Trip of \$56.36.

**Committee Action Requested:**

Management recommends that the Operations Committee accept and forward to the Board of Commissioners for approval, this request to authorize the President and CEO to execute this Agreement with the State of Missouri on behalf of the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (METRO).

Open Session Agenda Item  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
“Missouri Department of Social Services MO HealthNet MOU”  
August 20, 2019  
Page 2

**Attachments:**

Included is the MOU sent by the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development of the Missouri-Illinois Metropolitan District (METRO).

*No Board Policy applies; however, Missouri Revised Statutes §70.220 and §70.230 require agreements between municipalities or other units of government to be approved by the Governing Board of such entity.*

**Open Session Item 9**  
**Attachment**

**Memorandum of Understanding Between  
The Missouri Department of Social Services  
MO HealthNet Division**

**And**

**The Bi-State Development Agency of the Missouri-Illinois Metropolitan District**

**1. Purpose**

- 1.1 This agreement is entered into by the Department of Social Services, MO HealthNet Division (DSS/MHD) and **The Bi-State Development Agency of the Missouri-Illinois Metropolitan District** (known hereafter as the Government Entity) for the administration of scheduled Title XIX transportation services for MO HealthNet eligible individuals served by the Government Entity to obtain non-emergent but medically necessary, MO HealthNet covered services.
- 1.2 The purpose of this agreement is to make every effort to provide the most efficient and cost effective non-emergency medical transportation (NEMT) services available to Medicaid eligible individuals served by the Government Entity.
- 1.3 The Government Entity shall provide scheduled transportation services for individuals eligible to receive Medicaid on the day services are provided, who have no other transportation resources, to and/or from covered MO HealthNet medical services in the most appropriate, least costly manner.
- 1.4 To be eligible for MO HealthNet coverage of NEMT services, individuals must:
  - a. Be a MO HealthNet eligible under a federally matched eligibility category. Individuals eligible under State only eligibility categories: 02, 08, 52, 57, 59, 64, 65, 82 & 91 are not eligible for the MO HealthNet NEMT program. Individuals eligible as Qualified Medicaid Beneficiaries (QMB) are also excluded.
  - b. Have no access to free transportation.
- 1.5 This agreement replaces all other current and preceding agreements.

**2. Term of Agreement/Modifications**

- 2.1 This agreement shall be effective upon execution by both parties and shall continue in full force until terminated by either party.
- 2.2 The parties agree that any changes to the agreement must be by formal amendment, reviewed, approved and signed by the parties.
- 2.3 The parties agree that no other documents, including correspondence, acts and oral communications by or from any person, shall be construed as an amendment to the agreement.
- 2.4 Either party may terminate this agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof after providing a minimum of thirty (30) days written notice to the other party.
  - a. In the event federal/state funds are not appropriated, allotted, or available to either party, said party shall provide written notice of termination to the other party at least five (5) days prior to the effective date of termination due to funds not appropriated, allotted, or available.

**3. Responsibilities of the Government Entity**

- 3.1 The Government Entity agrees to:
  - 3.1.1 Identify MO HealthNet eligible individuals and determine those who do not have access to free NEMT for scheduled medically necessary, MO HealthNet covered services.
  - 3.1.2 Require individuals to adhere to the following, to be eligible for MO HealthNet coverage of NEMT services:

- a. Be MO HealthNet eligible under a federally matched eligibility category. Individuals eligible under State only eligibility categories: 02, 08, 52, 57, 59, 64, 65, & 82 are not eligible for the MO HealthNet NEMT program. Individuals eligible as Qualified Medicaid Beneficiaries (QMB) are also excluded.
  - b. Have no access to free transportation.
- 3.1.3. Arrange the most cost-effective, NEMT service appropriate for the needs of the MO HealthNet eligible individual.
- 3.1.4 Provide, as requested by DSS/MHD, the information necessary to request federal funds available under the State MO HealthNet match rate. Information will include at least: Participant name; MO HealthNet departmental client number (DCN); Date of Service; Name of MO HealthNet provider; Name of MO HealthNet NEMT provider and Actual cost of service.
- 3.1.5 Certify to DSS/MHD the provisions of the non-federal share for transportation services via completion of DSS/MHD "Certification of General Revenue". The Government Entity will be required to include this in its Application for Funds from the Department of Social Services MO HealthNet Division (MHD) Title XIX Transportation Operating Assistance Program and Certification of General Revenue (Appendix A) and on each Invoice for MO HealthNet Administration of Transportation (Appendix C).
- 3.1.6 Provide professional, technical and clerical staff to conduct administrative functions necessary for the proper and efficient administration of non-emergency medically necessary transportation.
- 3.1.7 Maintain the confidentiality of participants records and eligibility information received from DSS/MHD and use that information only in the administration, technical assistance and coordination of activities authorized under this agreement. The Government Entity shall not disclose to third parties confidential factual matter provided by DSS/MHD except as may be required by statute, ordinance, or order of the Court, or as authorized by DSS/MHD. The Government Entity shall notify DSS/MHD immediately of any request of such information. The Government Entity shall provide DSS/MHD with copies of all MO HealthNet Daily Trip forms with each monthly administrative claim.
- 3.1.8 Submit its estimated operating cost annually as part of its Estimated Administrative Operating Budget (Appendix B). An estimated cost per unit is determined by dividing the Total Administrative Operating Expense by the estimated total transportation units (mile, trips, etc.). The Government Entity will be allowed a variance of five percent between the estimated cost per unit and the actual cost per unit.
- 3.1.9 Submit administrative claims via Invoice for MO HealthNet Administration of Transportation form (Appendix C) monthly. Claims submitted to DSS/MHD must include a certification that costs have been incurred in the performance of the contract and a record of actual costs. These claims will be certified by signature of the authorized agent of the Government Entity.
- 3.1.10 Submit in March of each year a financial status report which includes the actual net operating cost and actual cost per unit for the current fiscal year's activity. The allowed cost per unit may be adjusted if the variance between the estimated cost per unit and the actual cost per unit is greater than five percent.
- 3.1.11 Accept responsibility for disallowances and incur the penalties of same resulting from the activities associated with this agreement. Return to DSS/DMS any federal share which is deferred or ultimately disallowed or both arising from the administrative claims submitted to DSS/MHD by the Government Entity.
  - A. If the Government Entity fails to comply with the nondiscrimination provisions of this Agreement, DSS/MHD shall impose such contract sanctions as it or CMS may determine to be appropriate, including but not limited to:
    - 1) Withholding of payments to transportation agency under the Agreement until the Government Entity complies;
    - 2) Cancellation, termination or suspension of the Agreement, in whole or part, or both.
- 3.1.12 Maintain all necessary documentation for a minimum of six (6) years that supports the administrative claims, actual operating budget and actual cost per unit, and provide the Centers for Medicare and Medicaid Services (CMS) any necessary data for auditing purposes.

- 3.1.13 Consult with DSS/MHD on issues arising out of this agreement. Conduct all activities recognizing the authority DSS/MHD in the administration of the MO HealthNet State Plan on issues, policies, rules and regulations on program matters. MHD, at least annually, will exchange information with the Government Entity regarding policy and procedure relating to the efficient administration of non-emergency medically necessary transportation.
- 3.1.14 Allow DSS/MHD and CMS, or any of their representatives, full access to and the right to examine, during normal business hours and as often as DSS/MHD or CMS deems necessary, all of the Government Entity's records with respect to all matters covered by this contract. Such representatives shall be permitted to audit under the guidelines of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and examine and make excerpts of transcripts from such records and other matters covered by this contract. Such rights shall last for five years beyond the longer or the following periods: (1) the period during which any property acquired with funds provided pursuant to this contract is used for purposes for which the federal financial assistance is extended, or for another purpose involving the provisions of similar services or benefits; or (2) the period during which the Government Entity retains ownership or possession of such property.
- 3.1.15 Maintain in amount and form satisfactory to DSS/MHD such insurance as will be adequate to protect the Government Entity in case of accident. If permitted by law, the Government Entity may maintain a self-insurance program in lieu of purchasing insurance coverage. The Government Entity shall verify compliance with this section by submitting a copy of its certificate of insurance, or if self-insures, a copy of its self-insurance plan.
- 3.1.16 To the extent permitted by law, hold harmless and indemnify DSS/MHD, its agents, employees and assigns, from every expense, liability or payment arising out of any negligent act or omission committed in the performance of this contract by the Government Entity, its employees or subcontractors. By execution and performance of this agreement, the Government Entity does not intend to, nor shall it be deemed to have waived or relinquished any immunity or defense on behalf of the Government Entity, and the Government Entity's Commissioners, officers, directors, servants, employees, agents, successors or assigns.
- 3.2 The Government Entity shall comply with all federal and state statutes, regulations and executive orders relating to nondiscrimination and equal employment opportunity to the extent applicable to the Government Entity. These include, but are not limited to:
- A. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color, or national origin (this includes individuals with limited English proficiency) in programs and activities receiving federal financial assistance and Title VII of the Act which prohibits discrimination on the basis of race, color, national origin, sex, or religion in all employment activities;
  - B. Equal Pay Act of 1963 (P.L. 88-38, as amended, 29 U.S.C. § 206 (d));
  - C. Title IX of the Education Amendments of 1972, as amended (20 U.S.C §§ 1681-1683 and 1685-1686) which prohibits discrimination on the basis of sex;
  - D. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794) and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) which prohibit discrimination on the basis of disabilities;
  - E. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101-6107) which prohibits discrimination on the basis of age;
  - F. Equal Employment Opportunity - E.O. 11246, "Equal Employment Opportunity", as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity";
  - G. The Pro-Children Act of 1994 (PL 103-227) regarding environmental tobacco smoke;
  - H. Missouri State Regulation, 19 CSR 10-2.010, Civil Rights Compliance Requirements;
  - I. Missouri Governor's E.O. #94-03 (excluding article II due to its repeal);
  - J. Missouri Governor's E.O. #05-30; and

- K. The requirements of any other nondiscrimination federal and state statutes, regulations, and executive orders that may apply to the services provided under the agreement.
- 3.2.1 The Government Entity shall comply with all the requirements imposed by the U.S. Department of Transportation regulations implementing the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990 (and any subsequent amendments thereto) set forth in 49 CFR Parts 27, 37, and 38, as well as all applicable regulations and directives issued pursuant thereto by other Federal Department or Agencies.
- a. The Government Entity agrees to accept and abide by the terms and conditions of 49 CFR Parts 40, 651, and 653 mandating drug and alcohol testing.
- 3.2.2 In the event that the Government Entity utilizes subcontractors, the following requirements shall apply:
- A. DSS/MHD reserves the right to approve any subcontractor utilized by the agency for the services/products required herein. In the event DSS/MHD requires prior approval to subcontract, the agency shall provide notification of its intent to subcontract within the timeframe specified by the DSS/MHD.
- B. All subcontracts shall be subject to the terms and conditions of this agreement. The utilization of a subcontractor shall in no way relieve the Government Entity of the responsibility for providing the services/performance required herein.
- 3.2.3 The Government Entity shall not assign or delegate any interest in the Agreement and shall not transfer any interest in the Agreement whether by assignment or novation, without the prior written consent of DSS/MHD.
- 3.2.4 To the extent permitted by law, the Government Entity shall hold DSS/MHD, including its agencies, employees, and assignees, harmless for any negligent or intentional act or omission committed by any subcontractor or other person employed by or under the supervision of the Government Entity under the terms of the agreement.
- 3.3 The agreement shall be interpreted according to the laws of the State of Missouri. To the extent that a provision of the agreement is contrary to the Constitution or laws of the State of Missouri or of the United States, the provision shall be void and unenforceable. However, the balance of the agreement shall remain in force between the parties unless terminated by consent of both the Government Entity and the Department. The Government Entity and DSS/MHD shall comply with all local, state, and federal laws and regulations relating to the performance of this agreement.
- A. The agreement will be read and enforced as though every provision of law and clause required by law to be inserted herein were included. If any such provision is not inserted, then upon the notification of either party the agreement will be amended to make such correction.
- 3.3.1 The exclusive venue for any legal proceeding relating to or arising out of the agreement shall be in the Circuit Court of Cole County, Missouri.

#### **4. Responsibilities of the DSS/MHD**

- 4.1 DSS/MHD agrees to:
- 4.1.1 Reimburse the Government Entity the Title XIX federal share of actual and reasonable costs established for the provision of medically necessary transportation provided by the Government Entity. Reimbursement is based upon the estimated operating cost of The Government Entity as determined from the Governments Entity's estimated administrative operating budget (Appendix B). The rate of reimbursement for the eligible administration of medically necessary transportation costs will be the Title XIX federal share (50%). The estimated operating cost will be reviewed in March of each year and the estimated cost per unit may be adjusted in March of each year.
- A. The Government Entity shall not be reimbursed for administration of non-emergency medically necessary medical transportation services incurred prior to the effective date of the Agreement or after the termination of this Agreement. Post audit activities will be conducted by DSS/MHD.

- B. Reimbursement received, as a result of this agreement, shall not be used to reduce the amount the Government Entity has allowed for non-emergency medical transportation of Missouri MO HealthNet eligible individuals or to reduce its existing transportation program.
- 4.1.2 Provide the Government Entity access to the information necessary to properly provide and seek reimbursement for administration of non-emergency medically necessary transportation.
- 4.1.3 Review administrative payments made to the Government Entity to ensure that NEMT services are provided in the most efficient and cost effective manner and that payments do not duplicate other MO HealthNet NEMT payments.
- 4.1.4 Provide written instructions, technical assistance, and necessary consultation to staff of the Government Entity regarding the responsibilities assumed within the terms of this agreement.
- 4.1.5 To the extent permitted by applicable law, hold harmless and indemnify the Government Entity, its Commissioners, directors, officers, employees, agents, and assigns, from every expense, liability of payment arising out of any negligent act or omission committed in the performance of this agreement by DSS/MHD, its employees or subcontractors.
- 4.1.6 No other payments or reimbursements will be made to the Government Entity, other than those specified above.
- 4.2 Invoicing – The Government Entity shall submit a request for reimbursement detailing their costs incurred, as directed by DSS/MHD. The Government Entity shall submit it to DSS/MHD at the following:  
Missouri Department of Social Services  
MO HealthNet Division-Fiscal and Administrative Section  
P.O. Box 6500  
Jefferson City, MO 65102-6500
- 4.3 Payments – DSS/MHD will pay the Government Entity after receipt of a valid and approved reimbursement request.

## **5. Confidentiality**

- 5.1 All discussions with the Government Entity and all information gained by the Government Entity as a result of the Government Entity's performance under the agreement shall be confidential, to the extent required by law.
- 5.2 The Government Entity shall release no reports, documentation or material prepared pursuant to the agreement to the public without the prior written consent of the DSS/MHD, unless such disclosure is required by law.
- 5.3 If required by the DSS/MHD, the Government Entity and any required Government Entity personnel shall sign specific documents regarding confidentiality, security, or other similar documents.
- 5.4 The Government Entity shall use appropriate administrative, physical and technical safeguards to prevent use or disclosure of any information confidential by law that it creates, receives, maintains, or transmits on behalf of the DSS/MHD other than as provided for by the contract. Such safeguards shall include, but not be limited to:
  - A. Encryption of any portable device used to access or maintain confidential information or use of equivalent safeguard;
  - B. Encryption of any transmission of electronic communication containing confidential information or use of equivalent safeguard;
  - C. Workforce training on the appropriate uses and disclosures of confidential information pursuant to the terms of the contract;
  - D. Policies and procedures implemented by the Government Entity to prevent inappropriate uses and disclosures of confidential information by its workforce and subcontractors, if applicable; and
  - E. Any other safeguards necessary to prevent the inappropriate use or disclosure of confidential information.



5.5 HIPAA: The Department of Social Services (DSS) is subject to and must comply with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH) (PL-111-5) (collectively, and hereinafter, HIPAA) and all regulations promulgated pursuant to authority granted therein. For the purposes of this agreement, contract shall mean agreement.

- a. The Government Entity shall be a "Business Associate" of DSS, as defined in the Code of Federal Regulations (CFR) at 45 CFR 160.103, and shall comply with the provisions of the Business Associate Agreement attached hereto as Attachment A. For purposes of the Business Associate Agreement, the term "contractor" shall refer to Government Entity.

6. **Government Entity Information:** *The Government Entity shall provide the following information:*

Contact Person Name (Printed): **Jeffrey Butler**

Email Address: [jsbutler@metrostlouis.org](mailto:jsbutler@metrostlouis.org)

Street Address: **One Metropolitan Square, 211 N Broadway Suite 700**

City, State, Zipcode **St. Louis MO, 63102-2759**

Phone: **(314) 982-1505**

- A. The Government Entity shall notify the DSS/MHD within ten (10) days of any changes to the information provided in section 6 above.

~~~~~  
***In witness thereof, the parties below hereby execute this agreement.***

\_\_\_\_\_  
Authorized Signature for the Government Entity  
The Bi-State Development Agency of the Missouri-Illinois  
Metropolitan District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature for MO HealthNet Division

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature for the Department of Social Services

\_\_\_\_\_  
Date

## Attachment A – Business Associate Agreement

(rev 08-29-13)

*(Health Insurance Portability and Accountability Act of 1996, as amended)*

1. Health Insurance Portability and Accountability Act of 1996, as amended - The Department and the contractor are both subject to and must comply with provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH) (PL-111-5) (collectively, and hereinafter, HIPAA) and all regulations promulgated pursuant to authority granted therein. The contractor constitutes a “Business Associate” of the Department. Therefore, the term, “contractor” as used in this section shall mean “Business Associate.”
2. The contractor agrees that for purposes of the Business Associate Provisions contained herein, terms used but not otherwise defined shall have the same meaning as those terms defined in 45 CFR Parts 160 and 164 and 42 U.S.C. §§ 17921 *et. seq.* including, but not limited to the following:
  - a. “Access”, “administrative safeguards”, “confidentiality”, “covered entity”, “data aggregation”, “designated record set”, “disclosure”, “hybrid entity”, “information system”, “physical safeguards”, “required by law”, “technical safeguards”, “use” and “workforce” shall have the same meanings as defined in 45 CFR 160.103, 164.103, 164.304, and 164.501 and HIPAA.
  - b. “Breach” shall mean the unauthorized acquisition, access, use, or disclosure of Protected Health Information which compromises the security or privacy of such information, except as provided in 42 U.S.C. § 17921. This definition shall not apply to the term “breach of contract” as used within the contract.
  - c. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the contractor.
  - d. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the Department.
  - e. “Electronic Protected Health Information” shall mean information that comes within paragraphs (1)(i) or (1)(ii) of the definition of Protected Health Information as specified below.
  - f. “Enforcement Rule” shall mean the HIPAA Administrative Simplification: Enforcement; Final Rule at 45 CFR Parts 160 and 164.
  - g. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
  - h. “Individual” shall have the same meaning as the term “individual” in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502 (g).
  - i. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
  - j. “Protected Health Information” as defined in 45 CFR 160.103, shall mean individually identifiable health information:
    - 1) Except as provided in paragraph (2) of this definition, that is: (i) Transmitted by electronic media; or (ii) Maintained in electronic media; or (iii) Transmitted or maintained in any other form or medium.
    - 2) Protected Health Information excludes individually identifiable health information in (i) Education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; (ii) Records described at 20 U.S.C. 1232g(a)(4)(B)(iv); and (iii) Employment records held by a covered entity (Department) in its role as employer.
  - k. “Security Incident” shall be defined as set forth in the “Obligations of the Contractor” section of the Business Associate Provisions.
  - l. “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C.
  - m. “Unsecured Protected Health Information” shall mean Protected Health Information that is not secured through the use of a technology or methodology determined in accordance with 42 U.S.C. § 17932 or as otherwise specified by the secretary of Health and Human Services.
3. The contractor agrees and understands that wherever in this document the term “Protected Health Information” is used, it shall also be deemed to include Electronic Protected Health Information.

4. The contractor must appropriately safeguard Protected Health Information which the contractor receives from or creates or receives on behalf of the Department. To provide reasonable assurance of appropriate safeguards, the contractor shall comply with the business associate provisions stated herein, as well as the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH) (PL-111-5) and all regulations promulgated pursuant to authority granted therein.
5. The Department and the contractor agree to amend the contract as is necessary for the parties to comply with the requirements of HIPAA and the Privacy Rule, Security Rule, Enforcement Rule, and other rules as later promulgated (hereinafter referenced as the regulations promulgated thereunder). Any ambiguity in the contract shall be interpreted to permit compliance with the HIPAA Rules.
6. **Permitted Uses and Disclosures of Protected Health Information by the Contractor**
  - 6.1 The contractor may not use or disclose Protected Health Information in any manner that would violate Subpart E of 45 CFR Part 164 if done by the Department, except for the specific uses and disclosures in the contract.
  - 6.2 The contractor may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, the Department as specified in the contract, provided that such use or disclosure would not violate HIPAA and the regulations promulgated thereunder.
  - 6.3 The contractor may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1) and shall notify the Department by no later than ten (10) calendar days after the contractor becomes aware of the disclosure of the Protected Health Information.
  - 6.4 If required to properly perform the contract and subject to the terms of the contract, the contractor may use or disclose Protected Health Information if necessary for the proper management and administration of the contractor's business.
  - 6.5 If the disclosure is required by law, the contractor may disclose Protected Health Information to carry out the legal responsibilities of the contractor.
  - 6.6 If applicable, the contractor may use Protected Health Information to provide Data Aggregation services to the Department as permitted by 45 CFR 164.504(e)(2)(i)(B).
  - 6.7 The contractor may not use Protected Health Information to de-identify or re-identify the information in accordance with 45 CFR 164.514(a)-(c) without specific written permission from the Department to do so.
  - 6.8 The contractor agrees to make uses and disclosures and requests for Protected Health Information consistent with the Department's minimum necessary policies and procedures.
7. **Obligations and Activities of the Contractor**
  - 7.1 The contractor shall not use or disclose Protected Health Information other than as permitted or required by the contract or as otherwise required by law, and shall comply with the minimum necessary disclosure requirements set forth in 45 CFR § 164.502(b).
  - 7.2 The contractor shall use appropriate administrative, physical and technical safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by the contract. Such safeguards shall include, but not be limited to:
    - a. Workforce training on the appropriate uses and disclosures of Protected Health Information pursuant to the terms of the contract;
    - b. Policies and procedures implemented by the contractor to prevent inappropriate uses and disclosures of Protected Health Information by its workforce and subcontractors, if applicable;
    - c. Encryption of any portable device used to access or maintain Protected Health Information or use of equivalent safeguard;
    - d. Encryption of any transmission of electronic communication containing Protected Health Information or use of equivalent safeguard; and
    - e. Any other safeguards necessary to prevent the inappropriate use or disclosure of Protected Health Information.
  - 7.3 With respect to Electronic Protected Health Information, the contractor shall use appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Electronic Protected Health Information that contractor creates, receives, maintains or transmits on behalf of the

Department and comply with Subpart C of 45 CFR Part 164, to prevent use or disclosure of Protected Health Information other than as provided for by the contract.

- 7.4 In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), the contractor shall require that any agent or subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of the contractor agrees to the same restrictions, conditions, and requirements that apply to the contractor with respect to such information.
- 7.5 By no later than ten (10) calendar days after receipt of a written request from the Department, or as otherwise required by state or federal law or regulation, or by another time as may be agreed upon in writing by the Department, the contractor shall make the contractor's internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, created by, or received by the contractor on behalf of the Department available to the Department and/or to the Secretary of the Department of Health and Human Services or designee for purposes of determining compliance with the HIPAA Rules and the contract.
- 7.6 The contractor shall document any disclosures and information related to such disclosures of Protected Health Information as would be required for the Department to respond to a request by an individual for an accounting of disclosures of Protected Health Information in accordance with 42 USCA §17932 and 45 CFR 164.528. By no later than five (5) calendar days of receipt of a written request from the Department, or as otherwise required by state or federal law or regulation, or by another time as may be agreed upon in writing by the Department, the contractor shall provide an accounting of disclosures of Protected Health Information regarding an individual to the Department. If requested by the Department or the individual, the contractor shall provide an accounting of disclosures directly to the individual. The contractor shall maintain a record of any accounting made directly to an individual at the individual's request and shall provide such record to the Department upon request.
- 7.7 In order to meet the requirements under 45 CFR 164.524, regarding an individual's right of access, the contractor shall, within five (5) calendar days following a Department request, or as otherwise required by state or federal law or regulation, or by another time as may be agreed upon in writing by the Department, provide the Department access to the Protected Health Information in an individual's designated record set. However, if requested by the Department, the contractor shall provide access to the Protected Health Information in a designated record set directly to the individual for whom such information relates.
- 7.8 At the direction of the Department, the contractor shall promptly make any amendment(s) to Protected Health Information in a Designated Record Set pursuant to 45 CFR 164.526.
- 7.9 The contractor shall report to the Department's Security Officer any security incident immediately upon becoming aware of such incident and shall take immediate action to stop the continuation of any such incident. For purposes of this paragraph, security incident shall mean the attempted or successful unauthorized access, use, modification or destruction of information or interference with systems operations in an information system. This does not include trivial incidents that occur on a daily basis, such as scans, "pings," or unsuccessful attempts that do not penetrate computer networks or servers or result in interference with system operations. By no later than five (5) days after the contractor becomes aware of such incident, the contractor shall provide the Department's Security Officer with a description of any remedial action taken to mitigate any harmful effect of such incident and a proposed written plan of action for approval that describes plans for preventing any such future security incidents.
- 7.10 The contractor shall report to the Department's Privacy Officer any unauthorized use or disclosure of Protected Health Information not permitted or required as stated herein immediately upon becoming aware of such use or disclosure and shall take immediate action to stop the unauthorized use or disclosure. By no later than five (5) calendar days after the contractor becomes aware of any such use or disclosure, the contractor shall provide the Department's Privacy Officer with a written description of any remedial action taken to mitigate any harmful effect of such disclosure and a proposed written plan of action for approval that describes plans for preventing any such future unauthorized uses or disclosures.

- 7.11 The contractor shall report to the Department's Security Officer any breach immediately upon becoming aware of such incident and shall take immediate action to stop the continuation of any such incident. By no later than five (5) days after the contractor becomes aware of such incident, the contractor shall provide the Department's Security Officer with a description of the breach, the information compromised by the breach, and any remedial action taken to mitigate any harmful effect of such incident and a proposed written plan for approval that describes plans for preventing any such future incidents.
- 7.12 The contractor's reports required in the preceding paragraphs shall include the following information regarding the security incident, improper disclosure/use, or breach, (hereinafter "incident"):
- a. The name, address, and telephone number of each individual whose information was involved if such information is maintained by the contractor;
  - b. The electronic address of any individual who has specified a preference of contact by electronic mail;
  - c. A brief description of what happened, including the date(s) of the incident and the date(s) of the discovery of the incident;
  - d. A description of the types of Protected Health Information involved in the incident (such as full name, Social Security Number, date of birth, home address, account number, or disability code) and whether the incident involved Unsecured Protected Health Information; and
  - e. The recommended steps individuals should take to protect themselves from potential harm resulting from the incident.
- 7.13 Notwithstanding any provisions of the Terms and Conditions attached hereto, in order to meet the requirements under HIPAA and the regulations promulgated thereunder, the contractor shall keep and retain adequate, accurate, and complete records of the documentation required under these provisions for a minimum of six (6) years as specified in 45 CFR Part 164.
- 7.14 The contractor shall not directly or indirectly receive remuneration in exchange for any Protected Health Information without a valid authorization.
- 7.15 If the contractor becomes aware of a pattern of activity or practice of the Department that constitutes a material breach of contract regarding the Department's obligations under the Business Associate Provisions of the contract, the contractor shall notify the Department's Security Officer of the activity or practice and work with the Department to correct the breach of contract.
- 7.16 The contractor shall indemnify the Department from any liability resulting from any violation of the Privacy Rule or Security Rule or Breach arising from the conduct or omission of the contractor or its employee(s), agent(s) or subcontractor(s). The contractor shall reimburse the Department for any and all actual and direct costs and/or losses, including those incurred under the civil penalties implemented by legal requirements, including but not limited to HIPAA as amended by the Health Information Technology for Economic and Clinical Health Act, and including reasonable attorney's fees, which may be imposed upon the Department under legal requirements, including but not limited to HIPAA's Administrative Simplification Rules, arising from or in connection with the contractor's negligent or wrongful actions or inactions or violations of this .

## **8. Obligations of the Department**

- 8.1 The Department shall notify the contractor of limitation(s) that may affect the contractor's use or disclosure of Protected Health Information, by providing the contractor with the Department's notice of privacy practices in accordance with 45 CFR 164.520.
- 8.2 The Department shall notify the contractor of any changes in, or revocation of, authorization by an Individual to use or disclose Protected Health Information.
- 8.3 The Department shall notify the contractor of any restriction to the use or disclosure of Protected Health Information that the Department has agreed to in accordance with 45 CFR 164.522.
- 8.4 The Department shall not request the contractor to use or disclose Protected Health Information in any manner that would not be permissible under HIPAA and the regulations promulgated thereunder.

9. **Expiration/Termination/Cancellation:** Except as provided in the subparagraph below, upon the expiration, termination, or cancellation of the contract for any reason, the contractor shall, at the discretion of the Department, either return to the Department or destroy all Protected Health Information received by the contractor from the Department, or created or received by the contractor on behalf of the Department, and shall not retain any copies of

such Protected Health Information. This provision shall also apply to Protected Health Information that is in the possession of subcontractor or agents of the contractor.

- a. In the event the Department determines that returning or destroying the Protected Health Information is not feasible, the contractor shall extend the protections of the contract to the Protected Health Information for as long as the contractor maintains the Protected Health Information and shall limit the use and disclosure of the Protected Health Information to those purposes that made return or destruction of the information infeasible. If at any time it becomes feasible to return or destroy any such Protected Health Information maintained pursuant to this paragraph, the contractor must notify the Department and obtain instructions from the Department for either the return or destruction of the Protected Health Information.

10. **Breach of Contract:** In the event the contractor is in breach of contract with regard to the business associate provisions included herein, the contractor agrees that in addition to the requirements of the contract related to cancellation of contract, if the Department determines that cancellation of the contract is not feasible, the State of Missouri may elect not to cancel the contract, but the Department shall report the breach of contract to the Secretary of the Department of Health and Human Services.

Appendix A

**APPLICATION FOR FUNDS FROM  
THE DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION (MHD)  
TITLE XIX TRANSPORTATION OPERATING ASSISTANCE PROGRAM  
AND CERTIFICATION OF GENERAL REVENUE**

**Fiscal Year July 1, 2018 through June 30, 2019**

**SECTION I. General Information**

Name of the Government Entity \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact Person \_\_\_\_\_  
Phone Number \_\_\_\_\_

**SECTION II. Program Description**

A. Area of Service \_\_\_\_\_

B. Days and Hours of Operation \_\_\_\_\_

C. Estimated total trips, miles for fiscal year, cost per mile and MO HealthNet cost

1. Estimated total one-way trips to be provided \_\_\_\_\_
2. Estimated MO HealthNet medical one-way trips \_\_\_\_\_
3. Estimated total vehicle miles to be operated  
(for entire transportation program) \_\_\_\_\_
4. Total Administrative and Operating expense  
(for entire transportation program)(Appendix B, C.) \_\_\_\_\_
5. Estimated Cost per Mile (#4 / #3) or  
Estimated Cost per Trip (#4 / #1) \_\_\_\_\_
6. Estimated MO HealthNet Miles \_\_\_\_\_
7. Estimated Operating Cost (MO HealthNet)(#5 \* #6) \_\_\_\_\_

D. Transportation Sources

| Year/Make/Type | Handicapped<br>Equipped |       | Passenger<br>Capacity | Owned | Leased |
|----------------|-------------------------|-------|-----------------------|-------|--------|
|                | Yes                     | No    |                       |       |        |
| _____          | _____                   | _____ | _____                 | _____ | _____  |
| _____          | _____                   | _____ | _____                 | _____ | _____  |
| _____          | _____                   | _____ | _____                 | _____ | _____  |

Total Vehicles Leased and Owned \_\_\_\_\_

*If additional space is needed, attach additional sheets.*

Appendix A

Fiscal Year July 1, 2018 through June 30, 2019

**SECTION III. Description of Transportation Program**

Describe how you will assure transportation provided is the least expensive for the level of service required for the patient's condition (i.e. special circumstances, coordination of efforts and other factors which affect your program).

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**SECTION IV. Transportation Operating Expenses, Funding Sources**

Funding Sources

| Name of Funding Sources<br>for Transportation | 1.<br>Local<br>Funding | 2.<br>State General<br>Revenue | 3.<br>Total |
|-----------------------------------------------|------------------------|--------------------------------|-------------|
|                                               |                        |                                | \$ -        |
|                                               |                        |                                | \$ -        |
|                                               |                        |                                | \$ -        |
|                                               |                        |                                | \$ -        |
| <b>Total</b>                                  | \$ -                   | \$ -                           | \$ -        |

- A. Total revenue used for all transportation (Total #3.) \$ -
- B. Estimated operating cost of MO HealthNet transportation (Section II. C. 7.)
- C. Total revenue certified to be used for medical transportation for MO HealthNet eligible individuals (Cannot exceed A.)

The agency also certifies that costs for which reimbursement will be requested are not being claimed, or used to support requests from any other grant program.

AUTHORIZED SIGNATURE

DATE

Title

AGENCY



Appendix B

Fiscal Year July 1, 2018 through June 30, 2019

**ESTIMATED ADMINISTRATIVE OPERATING BUDGET**

**A. Administrative Expenses:**

|                                                |             |
|------------------------------------------------|-------------|
| Project Manager's Salary                       |             |
| Fringe Benefits                                |             |
| Secretary/Bookkeeper                           |             |
| Fringe Benefits                                |             |
| Office Supplies                                |             |
| Building Utilities (lights, heat, water, etc.) |             |
| Telephone                                      |             |
| Insurance                                      |             |
| Bonding                                        |             |
| Promotion                                      |             |
| Travel (Mileage)                               |             |
| Miscellaneous Expenses                         |             |
| Advertising (notices in newspapers)            |             |
| <b>Total Administrative Expenses</b>           | <b>\$ -</b> |

**B. Operating Expenses**

|                                      |             |
|--------------------------------------|-------------|
| Driver Salaries                      |             |
| Fringe Benefits                      |             |
| Dispatcher                           |             |
| Maintenance (Labor and Parts)        |             |
| Fuel and Oil                         |             |
| Tires and Tubes                      |             |
| Miscellaneous Materials and Supplies |             |
| <b>Total Operating Expenses</b>      | <b>\$ -</b> |

**C. Total Administrative and Operating Expenses**

**\$ -**

**D. Estimated Operating Cost (MO HealthNet)\***

Prepared By \_\_\_\_\_  
Title \_\_\_\_\_

Date \_\_\_\_\_

\* Estimated Operating Cost (MO HealthNet) is that part of the Total Administrative and Operating expense to be used for MO HealthNet transportation for MO HealthNet eligible individuals (Appendix A, Section II. C. 7.).

*This budget page may be modified for your specific needs. Please note any modification with a check mark to the left of your line item.*

# Invoice For Medicaid Administration Of Transportation

Invoice # \_\_\_\_\_ Provider # \_\_\_\_\_

Name of Governmental Entity \_\_\_\_\_

Invoice For Period \_\_\_\_\_ Through \_\_\_\_\_ FY \_\_\_\_\_

Contact Person \_\_\_\_\_ Telephone Number \_\_\_\_\_

Remit Medicaid Reimbursement To: \_\_\_\_\_

> Address of entity

- A. How Many Medicaid eligible Individuals were transported to Medicaid covered services during this period? \_\_\_\_\_
- B. What was the total Number of trips provided for the Medicaid eligible individuals reported in letter A?  
\_\_\_\_\_
- C. What was the cost of providing transportation for the Medicaid eligible individuals reported in letter A?  
\_\_\_\_\_

## Reimbursement Of Medically Necessary Transportation Services

|                   |   |     |   |                                |
|-------------------|---|-----|---|--------------------------------|
| _____             | X | 50% | = | _____                          |
| (Cost [letter C]) | X | 50% | = | (Total Medicaid Reimbursement) |

## Certification Of Revenue And Costs

The \_\_\_\_\_ (Government Entity) certifies that it has expended state and local general funds in an amount sufficient to provide the nonfederal share of the expenditures being claimed for federal financial participation. The government entity certifies that the costs for which reimbursement is being requested are not being claimed, or used to support requests from any other grant program. The government entity also certifies that the costs for which reimbursement is being requested are a record of actual cost and were incurred in the performance of the contract.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

**Reimbursement Will Not Be Made Without Receipt Of Completed Form.**

Send Invoice To:

Program Operations Unit  
Division of Medical Services  
P.O Box 6500  
Jefferson City, Mo 65102-6500

TN # \_\_\_\_\_  
Supersedes TN \_\_\_\_\_

Approval Date \_\_\_\_\_  
Effective Date \_\_\_\_\_

**Open Session Item**

**10**

**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Jessica Mefford-Miller, Executive Director Metro Transit  
**Subject:** **Contract Award: Central States – Purchase of Paratransit Vans**  
**Disposition:** Approval  
**Presentation:** Jessica Mefford-Miller, Executive Director Metro Transit; Larry Jackson, Executive Vice President of Administration; Darren Curry, Chief Mechanical Officer

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners a request for approval, a request to award a 5 year, Indefinite Delivery/Indefinite Quantity Contract to Central States for the purchase of paratransit vans (minimum quantity 35, maximum quantity 150).

**Background:**

The Board approved a five year contract at the November 16, 2018, meeting, Board Resolution #929. The purchase order was created, and on January 15, 2019, Metro was informed the 2019 Chevrolet chassis no longer met domestic standards, and our contract could not be exercised using FTA funding. On January 30, 2019, Bi-State Development requested a waiver of the Buy America requirement, as described in the statutory waivers based on non-availability, therefore allowing the purchase of 35 paratransit vans from Midwest Transit. Bi-State has not received an official response from the FTA on this request so it was decided that a new solicitation be drafted.

The Agency operates Call-A-Ride paratransit service to customers throughout our service area in the City of St. Louis and St. Louis County. The current Call-A-Ride fleet operates approximately 6 million miles annually, has an average fleet age of 6.84 years and 353,193 miles. The initial 69 vehicles that are in critical need of replacement are 10 years old and average over 475,000 miles. This by far exceeds the FTA required 5 years or 150,000 miles.

This contract allows for a measured approach that quickly repopulates the paratransit fleet, replacing 42 vans on the first year production. The anticipated production will depend on chassis availability, and at this time, July 2020 is reasonable target date for beginning full production. The second production of 27 vans will be scheduled for January 2021, and will replace the remainder of the Chevrolet fleet that has far exceed its useful life. The new vans would be put on a three (3) year replacement cycle, due to the relatively high mileage requirements at Call-A-Ride.

Following the replacement of 69 vans described here, the balance of the paratransit fleet would consist of thirty-seven (37) 2015 and seventeen (17) 2016 Freightliners. These vehicles would be the last of the paratransit fleet equipped with three wheelchair positions. In 2020-2021, Product Development, along with Call-A-Ride Operations, will evaluate the performance of this type of vehicle in our operating profile. We will determine if the current contracted van can suffice for full fleet deployment. The alternative to continuing to purchase vehicles under this proposed contract would be to pursue a larger vehicle, with three wheelchair positions.

The proposed contract award is based upon anticipated minimum and maximum requirements over the next five years. Bi-State Development (**BSD**) / Metro issued solicitation 19-RFP-105987-DH on March 18, 2019, which closed on May 17, 2019. Sixteen (16) potential manufacturers and their dealers, listed on the FTA Transit Vehicle Manufacturers (**TVM**), approved listing were invited to participate. Three (3) bidders responded, offering choices of four (4) different brands/configurations of vans. Two of the four (4) brands submitted did not meet the technical specifications of the proposal and were not evaluated. The Agency utilized a “Competitive Negotiation/Best Value” procurement method for this solicitation for the required new vans. This method was selected to ensure that the vehicle procured offered maximum customer comfort, as well as operational utility and efficiency for the cost.

**Analysis:**

All proposals were scored considering both technical and cost data, submitted by five (5) members of the Quality Assurance and Maintenance departments. Both bidders had similar technical scores, but the Arboc came in significantly less expensive than the other offeror. Midwest Transit offering of the Starcraft was not scored, because the gross vehicle weight exceeded the specification. Central States offered another vehicle from Eldorado and was not scored due to its inability to meet the seating requirements specified in the contract. Both offerors that met Metro’s specifications were built on a low floor chassis. This type of chassis configuration gives customers easier access to the vehicle by eliminating entrance steps, and the lighter chassis improves the ride for a smoother more comfortable trip for the customer. The price increase of approximately 30% over the last contract is due to the low floor chassis and the increasing FTA buy America requirement.

Pricing remains firm for 180 days after contract award; thereafter, pricing will be adjusted up or down based on the PPI Index change for category 1413 Truck/Bus bodies unadjusted. Chassis price changes are subject to review. The change in the index will be used to adjust base order prices.

**Committee Action Requested:**

Management recommends that the Operations Committee discuss and forward to the Board of Commissioners for approval this request to award a 5 year Indefinite Delivery/Indefinite Quantity contract to Central States Bus for the Arboc low floor van built on the Ford Transit chassis

**Attachments:**

The original bids are listed below:

| <b>Bidder</b>             | <b>Proposal #</b> | <b>Price Score</b> | <b>Technical Score</b> | <b>Overall Score</b> | <b>Base Cost</b> |
|---------------------------|-------------------|--------------------|------------------------|----------------------|------------------|
| Central States Bus- Arboc | 1                 | 375                | 487                    | 862                  | \$121,880        |
| Tesco- Frontrunner        | 1                 | 329                | 483                    | 812                  | \$138,917        |
| Midwest -Starcraft        | 1                 | N/A                | N/A                    | N/A                  | Not scored       |
| Central States -Eldorado  | 2                 | N/A                | N/A                    | N/A                  | Not scored       |

**Funding Source:**

Funding will be established for each subsequent purchase against this contract, prior to issuance of firm commitment for production, based on funds available and as established in the annual capital budgets. Funding for purchase of paratransit vans is typically 80% federal funds, including Section 5307 formula funds and Surface Transportation Program (**STP**), funds and 20% local match, typically Prop M (Missouri sales tax). Individual task orders will be issued against this contract as requirements materialize and funding becomes available.





**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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|                      |                                                                                                                                                                                         |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>From:</b>         | Jessica Mefford-Miller, Executive Director - Metro Transit                                                                                                                              |
| <b>Subject:</b>      | <b>Bus Stop Signage Replacement Project</b>                                                                                                                                             |
| <b>Disposition:</b>  | Approval                                                                                                                                                                                |
| <b>Presentation:</b> | Jessica Mefford-Miller, Executive Director- Metro Transit; Larry Jackson, Executive Vice President - Administration; Gregory Smith, Vice President - Procurement & Inventory Management |

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**Objective:**

To present to the Operations Committee for discussion and referral to the Board of Commissioners for approval, a request to enter into a contract with The Harlan Company to replace the current Bus Stop Signage in the City of St. Louis and in St. Louis County, in conjunction with Metro Reimagined.

**Background:**

Metro's current bus stop signage was originally designed and installed in 2002. Much of this original signage requires replacement due to age and wear. Over decades of growing our transit service in the St. Louis region, signage has been added and updated throughout the system, creating inconsistencies in sign placement and bus stop zone configurations. This project is seeking a contractor to replace bus stop signs, which includes fabrication and installation at approximately 3,800 MetroBus stop location in the City of St. Louis and in St. Louis County.

This project is part of a larger overhaul of Metro's wayfinding and communication tools, and it is a critical component of other current Metro initiatives, such as: the redesign of the region's bus service and network under Metro Reimagined; the implementation of security improvements; and the overall rebranding of the agency. All these corresponding efforts will enhance Metro customer's experience by making the region's transit system more welcoming, straightforward, and user-friendly.

The scope of this project is large, both geographically and in volume of stops. The contractor will be tasked with not only replacing thousands of bus stop signs and poles in existing locations, but also adding "No Parking" signs to solidify bus stop zones (for safer utilization of the curb and roadway by MetroBus operators and customers).

On June 17, 2019, Bi-State Development (**BSD**) issued solicitation 20-SB-106232-DGR – Bus Stop Signage Replacement to obtain bids from qualified firms to provide and install bus stop signage. The solicitation materials included Design Intent Drawings prepared by Found Design LLC (d.b.a. MERJE), a graphics and environmental design firm contracted by Metro for an overhaul of system signage and wayfinding tools. The solicitation followed normal BSD procurement procedure. The solicitation was listed in BSD's on-line sourcing system and distributed to 67 contractors of which 25 actively opened and viewed the document; however, on July 9, 2019, only one bid was received from The Harlan Company.

**Analysis:**

An independent cost estimate was prepared, with assistance from MERJE, in the amount of \$1,709,683.00. The bid provided by The Harlan Company was \$4,080,000.00. Due to a single, non-competitive bid being received, and following Federal Transit Administration (FTA) and BSD procurement guidelines, the sealed bid was converted to an RFP and negotiations subsequently entered into with The Harlan Company. Early negotiations and discussions with The Harlan Company provided several necessary clarifications to the scope of work and resulted in an immediate reduction of almost \$500,000.00. Further follow-up discussions with The Harlan Company are occurring currently, with Metro anticipating a further reduction in their costs by approximately another \$1,000,000.00.

In addition to negotiating with The Harlan Company, outreach was performed to a number of general contractors who submit bids on BSD projects to understand why they did not bid. The consensus from those who responded was that they were either involved in too many projects to bid at this time, or they felt they did not have the personnel resources needed to complete this project in a cost effective manner.

**Committee Action Requested:**

Management recommends that the Operations Committee accept and forward to the Board of Commissioners for approval, this request to authorize the President and CEO to enter into an agreement with The Harlan Company to replace bus stop signage throughout the Metropolitan area.

**Funding Source:**

This project is supported by a number of FTA grants (with matching Prop M funds): Project Number 2023, Award Number MO-57-X006; Project Number 2043, Award Number MO-16-X048; Project Number 2045, Award Number MO-90-X296; Project Number 2155, Award Number MO-2017-008; and Project Number 2188, Award Number MO-2017-034.



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Jessica Mefford-Miller, Executive Director – Metro Transit  
**Subject:** **MetroLink – Union Station Tunnel Design Contract Modification No. 3, Modjeski and Masters**  
**Disposition:** Approval  
**Presentation:** Christopher C. Poehler, Assistant Executive Director – Engineering, Greg Smith, Vice President Purchasing, Materials Management and Supplier Diversity, Timothy F. Nittler, Director of Capital Projects

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request to authorize the President and CEO to execute a contract modification with Modjeski and Masters, Inc. for the continuation of design services of the MetroLink tunnel at Union Station.

**Background:**

On June 24th, 2016, Metro issued a Request for Proposals (17-RFP-103314-DGR) for design services for the reconstruction of the Union Station Tunnel. The consulting firm, Modjeski and Masters, was awarded the design contract and issued Notice to Proceed on November 3, 2016. The original contract award was \$4,432,067.20. Modjeski and Masters commenced with design, and prepared bid packages for the Overhead Conductor Rail and the relocation of the Communication Room, which are currently under construction.

Modjeski and Masters was instructed to develop the design of the main tunnel package in a manner which accelerated the construction as much as possible. This would have allowed for construction to take place during the summer and fall of 2019, thereby minimizing potential impacts to the new Aquarium at Union Station, which is slated to open in late 2019. The design and construction schedules necessitated that a construction easement be obtained from the property owner of the Union Station parking lot, beginning in April 2019. Bi-State Development (**BSD**) staff were unable to negotiate and acquire said easement.

In order to continue the project, BSD staff instructed Modjeski and Masters to change the design and construction methodology of the tunnel so that construction could take place within the tunnel with minimal or no impact to the parking lot during the initial construction phase. The second construction phase at parking lot level is scheduled to take place after an easement has been obtained from the property owner.

Modjeski and Masters is requesting a contract modification that will provide them with additional hours to develop the new design and bid packages, with additional compensation of \$664,089.27 to complete the re-design. The original contract and the contract modification are cost reimbursable with a ceiling.

### **Analysis**

The Contract Modification Cost Proposal provided by Modjeski and Masters was reviewed and compared to an independent cost estimate. The proposed cost was within 5% of the independent cost estimate and deemed satisfactory.

A Disadvantage Business Enterprises (DBE) goal of 8% was set for the design and construction phase services. Modjeski and Masters' contract modification cost proposal provides for 9.1% DBE participation.

### **Committee Action Requested:**

Management recommends that the Operations Committee accept and forward to the Board of Commissioners for approval, this request to allow President and CEO to execute this Contract Modification to Modjeski and Masters based on the negotiated cost proposal submitted on July 23, 2019, in the amount of \$664,089.27. The Contract Modification also extends the period of performance from November 3, 2020, to June 30, 2022.

### **Funding Source:**

The project budget is supported by the current and pending federal grants as shown in the table below.

| <b>Grant No.</b>          | <b>Federal</b>      | <b>Local</b>        | <b>Total</b>        | <b>Source</b>                     |
|---------------------------|---------------------|---------------------|---------------------|-----------------------------------|
| MO-05-0028                | \$2,658,508         | \$664,627           | \$3,323,135         | 5309 Fixed Guideway               |
| MO-54-0001                | \$10,214,082        | \$2,553,521         | \$12,767,603        | 5337 SGR Formula                  |
| MO-90-X296                | \$2,535,593         | \$633,898           | \$3,169,491         | 5307 Formula                      |
| MO-95-X257                | \$8,000,000         | \$2,000,000         | \$10,000,000        | 5307 Formula                      |
| MO-2016-026               | \$5,192,844         | \$1,298,211         | \$6,491,055         | 5307 Formula                      |
| MO-90-X281                | \$9,497,704         | \$2,374,426         | \$11,872,130        | Transfer from Eads Bridge Project |
| FY 17 Fed. Formula<br>TBD | \$4,745,065         | \$1,186,266         | \$5,931,331         | Future Application                |
| FY 18 Fed. Formula<br>TBD | \$2,400,000         | \$600,000           | \$3,000,000         | Future Application                |
| <b>Total</b>              | <b>\$45,243,796</b> | <b>\$11,310,949</b> | <b>\$56,554,745</b> |                                   |



**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Jessica Mefford-Miller, Executive Director – Metro Transit  
**Subject:** **Contract Modification: Contract Extension with Blue Sky Apparel for Supply of Metro Transit Management Uniforms and Accessories**  
**Disposition:** Approval  
**Presentation:** Gregory A. Smith, Vice President - Procurement, Materials Management and Supplier Diversity and Larry Jackson, Executive Vice President – Administration

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**Objective:**

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request for a contract extension with Blue Sky Apparel for the supply of uniforms and accessories to Metro Transit personnel.

**Background:**

Currently, Bi-State Development contracts with two apparel supply companies for uniform services. On April 1, 2014, Bi-State Development (**BSD**) awarded a contract to Blue Sky Apparel & Promotions, LLC to supply uniforms and accessories to Metro Transit staff.

The period of performance includes three (3) base years and two (2) option years (June 2014–June 2019). Bi-state Development is in the final year of option year two (2) in the existing contract, and the contract was scheduled to expire June 8, 2019; however, a contract modification has been executed to extend the contract year 90 calendar days (September 9, 2019). The contract extension continues the uniform service until a new solicitation is issued and a new contract is awarded.

Metro Transit currently maintains a second contract with Leon Uniform Company to supply uniforms and accessories for its operators and security personnel. This contract will expire April 30, 2020.

**Analysis:**

Procurement is currently gathering the necessary information regarding uniform changes to be included in the new solicitation, with the intent to award an all-inclusive contract to one firm to provide uniform garments/accessories for all the groups (Metro Transit Staff, Operators and Public Safety). The contract extension provides a necessary bridge for the continued supply of uniforms and accessories, until a new contract is finalized.

**Committee Action Requested:**

Management recommends that the Operations Committee approve and forward to the Board of Commissioners for approval, the request for the President and CEO to issue a modification to extend the current contract with Blue Sky Apparel & Promotions, LLC through April 30, 2020, to ensure continuity of services.

Open Session Agenda Item  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Contract Modification with Blue Sky Apparel & Promotions  
August 20, 2019  
Page 2

**Funding Source:**

The Transit Operating Budget provides funding for the uniform allowances. The TSM/ OCC, Training Instructors and the Metro Group of Rail Dispatchers and MetroLink trainers all receive an annual uniform maintenance allowance of \$400.00.

*Board Policy Chapter 50.010 G., Purchasing, requires Board of Commissioners to approve contract extensions in excess of 180 days.*





**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Taulby Roach, President and Chief Executive Officer  
**Subject:** **Potential Refunding of Series 2009 and Callable Series 2013A Bonds**  
**Disposition:** Approval  
**Presentation:** Taulby Roach, President and CEO, Mark Vago, Senior Vice President and Chief Financial Officer, Tammy Fulbright, Senior Director, Financial Planning & Treasury, Jeff White, Managing Member, Columbia Capital Management, LLC

**Objective:**

To present to the Combined Operations and Audit, Finance and Administration Committee for recommendation of approval of a refunding of all of Bi State Development's ("BSD") outstanding Series 2009 Bonds, BSD's Series 2013A Bonds maturing in 2019, 2028, 2046 and 2048 and interest due on the Series 2013A Bonds on October 1, 2019 (collectively, the "**Refunding Targets**") in order to lower BSD's borrowing costs and to fund a capital projects account to be used for security improvements.

**Background:**

In 2016, the Board of Commissioners authorized BSD staff to pursue an "advance refunding" of the 2009 Bonds and a "current refunding" of portions of the 2013A Bonds. An advance refunding is a refinancing executed more than 90 days prior to the call date on bonds. A current refunding is a refinancing executed no more than 90 days prior to (or anytime after) the call date on bonds.

Executing the refunding required approval by BSD, The City of St. Louis, Missouri (the "**City**") and St. Louis County, Missouri (the "**County**") of the Fifth Amendment ("**Fifth Amendment**") to the Memorandum of Agreement (the "**MOA**") by and between BSD, the City and the County. BSD and the Board of Aldermen of the City approved the Fifth Amendment in 2016 and the City's Board of Estimate and Apportionment is expected to take-up the Fifth Amendment to the MOA at its August 21, 2019, regular meeting. The County has not approved the Fifth Amendment yet. During December 2017, Congress authorized and the President signed into law the Tax Cuts and Jobs Act of 2017, which among other things, eliminated tax-exempt advance refundings on and after January 1, 2018. Without the County's approval of the Fifth Amendment, BSD lost the ability to advance refund the 2009 Bonds until 90 days before their call date of October 1, 2019.

As of July 3, 2019, all of the Refunding Targets became currently callable. Current markets present BSD with the ability to replace \$196.8 million of bonds carrying interest rates of 4.5% to 5.0% with bonds having an effective cost of funds of approximately 3.0%. This proposed Board action brings current and reaffirms the Board's prior 2016 authorization of the refinancing.

**Analysis:**

BSD's Cross-County Extension bonds are revenue bonds secured by Prop M and Prop A moneys that the County appropriates each year as part of its budget and sends the funds directly to BSD's bond trustee. Similarly the City appropriates Prop M and Prop M2 moneys each year as part of its

budget that it sends directly to BSD's bond trustee. The bondholders are permitted to rely only on those moneys (Prop M, M2 and A held by the trustee) for repayment of the bonds.

Much like a home loan refinancing, this transaction seeks to replace higher cost debt (4.5%-5.0%) with lower cost debt (3.0%). BSD's annual debt service payments will be less after the refinancing. The amount of savings in each year varies depending upon the amount of debt service due on the existing bonds. Although the amount of savings differs each year, the average across all years through the end of the financing (10/1/2048) is expected to be about \$2.3 million annually (please note these are *nominal* or *future value* or *budgetary basis* savings). When discounted to 2019 dollars, this produces a net present value benefit of approximately \$45 million. The term of the existing bonds will not be extended by the refinancing.

Federal law permits issuers to refinance bonds on a tax-exempt basis on and after their call date, with a closing to occur not more than 90 days prior to such call date. BSD can accelerate savings to 10/1/19 by refunding principal and interest due on that payment date (as well as refunding the future bonds). By refunding principal and interest due on 10/1/19, the moneys set aside by the trustee to make such 10/1/19 payment become available for other uses. BSD has agreed, through the County ordinance authorizing the Fifth Amendment to the MOA (currently pending before the St. Louis County Council) and the bond documents, to set aside approximately \$20 million of such accelerated savings in a project account held by the bond trustee. This project account will be used exclusively to fund security improvements on the BSD Metro Transit system, and the release of these funds requires the concurrence of the County.

BSD's opportunity to accelerate savings in order to fund security improvements is time-limited: if BSD closes on the refunding bonds after 10/1/19, it will lose the ability to accelerate material savings. The savings do not go away—they are just diffused across the remaining payments on the bonds through maturity in 2048.

If one presumes that long-term interest rates will not decline materially from current levels, there is no benefit to delaying the refinancing transaction beyond the October 1, 2019 call date (because the bonds have a finite maturity date and every day of delay reduces the number of days for which the bonds could have borne lower interest rates). Over the last 10 years, the low point for the 'AAA' rated benchmark 30-year tax-exempt maturity was 1.93% (July 6, 2016). On July 31, 2019, it was at 2.24%. History would indicate much more room for rates to rise than to fall from current levels.

As a result, staff recommends that BSD move immediately to execute the refunding transaction and to price the bonds. The Executive Committee of the Board would retain authority to approve the final transaction based upon the results of the pricing.

**Committee Action Requested:**

Management recommends that the Combined Operations and Audit, Finance & Administration Committees recommend and forward to the Board of Commissioners for approval, permission for BSD to proceed with a refunding of the Refunding Targets in order to realize economic savings and to use a portion of those savings to fund a capital projects account for the purpose of security improvements, the releases from which would require approval by the County.

**Attachments:**

A. Fifth Amendment to the Memorandum of Agreement by and between Bi-State Development, The City of St. Louis, Missouri, and St. Louis County, Missouri permitting BSD to proceed with a refinancing of all of BSD's outstanding Series 2009 Bonds and the callable Series 2013A Bonds.

B. Resolution of the Board of Commissioners of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District Approving and Providing for the Refunding of Certain of the Agency's Obligations.

**Funding Source:**

Pursuant to Section 30.080, *Debt Issuance and Administration*, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District is a body corporate and politic created and existing by reason of a joint compact (**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. The Powers to Issue Debt, *RSMo Section 70.373; 45 ILCS 110/1* was ratified by Congress as follows: Joint Resolutions of the United States Congress of August 31, 1950, 64 Stat. 568, Pub. L. No. 81-743; September 21, 1959, 73 Stat. 582, Pub. L. No. 86-303; September 30, 1985, 99 Stat. 477, Pub. L. No. 99-106; April 1, 1996, 110 Stat. 883, Pub. L. No. 104-125; December 19, 2011, 125 Stat. 775, Pub. L. No. 112-71. Bi-State Development is authorized to borrow money for any of the authorized purposes of BSD and to issue the negotiable notes, bonds or other instruments in writing of BSD in evidence of the sum or sums to be borrowed. The power to issue debt is vested in the Board of Commissioners.

The Series 2009 Bonds, Series 2013A Bonds and proposed Series 2019 Bonds are repaid solely from the receipts of Prop M, Prop M2 and Prop A sales taxes levied and collected by the City and County and remitted to BSD pursuant to the MOA.

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-  
ILLINOIS METROPOLITAN DISTRICT APPROVING AND  
PROVIDING FOR THE REFUNDING OF CERTAIN OF THE  
AGENCY’S OBLIGATIONS**

**PREAMBLES:**

- *Whereas*, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”) is a body corporate and politic, created by an interstate compact (the “Compact”) between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the “Board”); and
- *Whereas*, the Agency is authorized by its Compact and by Mo. Rev. Stat. §§ 70.370 *et seq.* and 45 Ill. Comp. Stat. 100/1 *et seq.* to plan, construct, maintain, own and operate passenger transportation facilities, and perform all other necessary and incidental functions, and to disburse funds for its lawful activities, and to contract and be contracted with; and
- *Whereas*, the Agency has previously issued the following obligations, among others:

| <b><u>Name of Obligation</u></b>                                                                                                       | <b><u>Issue Date</u></b> | <b><u>Original<br/>Principal Amount</u></b> |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------|
| Mass Transit Sales Tax Appropriation Refunding Bonds (MetroLink Cross County Extension Project), Series 2009 (the “Series 2009 Bonds”) | November 9, 2009         | \$97,220,000                                |
| Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds, Series 2013A (the “Series 2013A Bonds”)                            | August 1, 2013           | \$381,225,000                               |

- *Whereas*, pursuant to Resolution 771 adopted on June 24, 2016, the Agency approved the Fifth Amendment to Memorandum of Agreement (the “Fifth Amendment”) which amended the Memorandum of Agreement dated as of November 1, 2002 (as amended, the “Memorandum of Agreement”), among the Agency, The City of St. Louis, Missouri (the “City”), and St. Louis County, Missouri (the “County”), to authorize the refunding of the Series 2009 Bonds and the callable Series 2013A Bonds; and
- *Whereas*, on November 18, 2016, the Agency approved Resolution 787 authorizing the refunding of all of the outstanding Series 2009 Bonds and the Series 2013A Bonds maturing on October 1, 2028, October 1, 2046 and October 1, 2048; and
- *Whereas*, the Agency desires to repeal Resolution 787 approved on November 18, 2016 and adopt this Resolution in lieu thereof in order to modify the terms of the refunding; and

- *Whereas*, the Agency now desires to issue its Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds, Series 2019 (the “Refunding Bonds”) pursuant to the Compact and pursuant to a Master Trust Indenture dated as of August 1, 2013 (the “Master Indenture”) and a Supplemental Trust Indenture No. 3 dated as of September 1, 2019 (the “Supplemental Indenture No. 3” and together with the Master Indenture and all other supplemental indentures, the “Indenture”) to be entered into by and between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”) in order to provide funds to defease and refund all or a portion of (a) the Series 2009 Bonds, (b) the Series 2013A Bonds maturing on October 1, 2019, October 1, 2028, October 1, 2046 and October 1, 2048 (together with the Series 2009 Bonds, the “Refunded Bonds”) and (c) interest due on the Series 2013A Bonds on October 1, 2019 (collectively, the “Refunding”); and
- *Whereas*, the terms of sale of the Refunding Bonds shall be specified in a bond purchase agreement to be executed and delivered by the Agency and the representative of the purchasers thereof; and
- *Whereas*, it is feasible, necessary and in the public interest for the Agency to issue the Refunding Bonds in order to provide funds for the Refunding.

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

Section 1.      Findings. The Board hereby finds and determines those matters set forth in the preambles hereof as fully and completely as if set out in full in this Section 1.

Section 2.      Repeal of Resolution 787. The Board hereby repeals Resolution 787 approved on November 18, 2016 under and pursuant to this Resolution and the Compact for authorized Agency purposes set forth in the preambles.

Section 3.      Authorization of Refunding Bonds.

(a) The Board hereby approves the issuance, execution and delivery of the Refunding Bonds, subject to the terms and conditions set forth herein, for the purpose of (i) paying the costs of the Refunding, and (ii) paying the costs of issuance with respect to the Refunding Bonds.

(b) The Refunding Bonds, together with interest thereon, shall constitute special, limited obligations of the Agency and are payable solely out of the Agency Revenues (as defined in the Indenture) received by the Agency from the City and the County pursuant to the Memorandum of Agreement and other funds to be pledged under the Indenture. The Refunding Bonds shall not be a debt of the State of Missouri, the State of Illinois, the County or the City and none of the State of Missouri, the State of Illinois, the County, the City or any political subdivision of any of the aforesaid shall be liable thereon nor in any event shall the Refunding Bonds be payable out of any funds or properties other than those acquired or pledged under the Indenture, and the Refunding Bonds shall not constitute an indebtedness within the meanings of any constitutional or statutory debt limitation or restriction. In addition, notwithstanding anything contained in the Indenture or the Memorandum of Agreement to the contrary, the Agency shall not have a general obligation for the payment of other amounts required to be paid by the Agency under the Indenture, such amounts to be payable only from the sources pledged pursuant to the Indenture for the

payment of the Refunding Bonds, and neither the Trustee nor any holder of any Refunding Bonds shall bring or maintain any suit, action or other proceeding for judgment against the Agency for any payment required to be made under the Indenture, it being understood that the Trustee and the owners of the Refunding Bonds will look, insofar as the Agency is concerned, solely to the sources pledged pursuant to the Indenture for the payment of the Refunding Bonds for payment of all of the Agency's obligations under the Indenture, and no other property or assets of the Agency shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Agency's obligations under the Indenture.

Section 4. Authorization of Executive Committee. The Board hereby authorizes its Executive Committee to act for and on behalf of the Board and the Agency to:

- (a) Determine and approve (i) which of the outstanding Series 2009 Bonds and/or the Series 2013A Bonds maturing on October 1, 2019, October 1, 2028, October 1, 2046 and October 1, 2048 and the amount of interest due on the Series 2013A Bonds on October 1, 2019 will be refunded with proceeds of the Refunding Bonds, and (ii) the final terms of the Refunding Bonds, including the interest rate or rates, the maturity amounts, the redemption provisions and redemption dates and other terms of the Refunding Bonds, subject to the following provisions: the Refunding Bonds will be issued in an aggregate principal amount not to exceed \$200,000,000, representing the outstanding par amount of the Refunded Bonds, accrued interest to the date of maturity or redemption thereof and interest on the Series 2013A Bonds not being refunded due on October 1, 2019, plus, (a) the costs of issuance of the Refunding Bonds, (b) any amounts required to fund a debt service reserve account and (c) any original issue discount and the underwriting fee thereon; will have an aggregate initial issue price which shall not be less than 98% nor greater than 120% of the par amount thereof; will mature not later than 40 years from the date of issuance thereof; and will produce present value savings of not less than 4.0% of the par amount of the Refunded Bonds being refunded, as calculated by the Agency's Chief Financial Officer.
- (b) Approve and execute the Supplemental Indenture No. 3 with the Trustee.
- (c) Approve and execute a Bond Purchase Agreement relating to the Refunding Bonds (the "Bond Purchase Agreement"), among the Agency and RBC Capital Markets, LLC and Wells Fargo Securities, as joint senior managing underwriter and as representative of the underwriting syndicate purchasing the Series 2019 Bonds (collectively, the "Underwriter"). The Refunding Bonds shall be sold to the Underwriter at a purchase price to be approved by the Executive Committee on the terms and conditions set forth in the Bond Purchase Agreement. The underwriting fee for the Refunding Bonds shall not exceed a weighted average of 0.25% of the par amount of the Refunding Bonds, plus reasonable expenses.
- (d) Approve and execute a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking").
- (e) Approve and execute a Tax Compliance Agreement (the "Tax Agreement"), between the Agency and the Trustee.
- (f) Authorize and approve the distribution of a preliminary official statement, final official statement or other disclosure document relating to the Refunding Bonds.

For purposes of this Resolution, a quorum of the Executive Committee shall consist of not less than two of the four members of the Executive Committee.

The approval of the Executive Committee shall be conclusively evidenced by a resolution, adopted by a unanimous vote of the members of the Executive Committee participating at a meeting for such purpose, setting forth the final terms of the Refunding Bonds and approving the final form of the above-listed documents. Such resolution is to be signed by the Chairman or Vice Chairman of the Executive Committee and attested by the Chief Financial Officer or Deputy Secretary of the Agency.

Section 5. Preliminary and Final Official Statement. The Board hereby authorizes and approves the distribution of a preliminary official statement, final official statement or other disclosure document relating to the Refunding Bonds (collectively, the "Official Statement"). The Chairman or Vice Chairman of the Board and the President or Chief Financial Officer of the Agency are hereby authorized and directed to execute the Official Statement and any amendments or supplements thereto on behalf of the Agency, and to cause the Official Statement and any such amendments or supplements to be delivered to the Underwriter. The Agency agrees to provide to the Underwriter within seven business days of the date of the sale of Refunding Bonds sufficient copies of the final Official Statement to enable the Underwriter to comply with the requirements of Securities and Exchange Commission Rule 15c2-12 and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. Actions of Officers Authorized. The officers of the Agency, including the Chairman, Vice Chairman, Treasurer, Secretary and Deputy Secretary of the Board and the President and Chief Financial Officer of the Agency shall be, and they each hereby are, authorized and directed to execute and deliver all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution, including requesting one or more bond ratings for the Refunding Bonds and giving direction to the Trustee to give notices of redemption of the Refunded Bonds, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Partial Invalidity. If any term or provision of this Resolution, the Refunding Bonds or other document approved hereby or the application thereof for any reason or circumstance shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such term or provision to persons in situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted.

Section 8. Execution of Documents. The officers of the Agency, including the Chairman, Vice Chairman, Treasurer, Secretary and Deputy Secretary of the Board and the President and Chief Financial Officer of the Agency, are authorized and directed to execute and deliver all documents, including without limitation, the Supplemental Indenture No. 3, the Bond Purchase Agreement, the Continuing Disclosure Undertaking, the Official Statement and the Tax Agreement and to take such actions as they may deem necessary or advisable in order to carry out the purposes of this Resolution.

Section 9. Payment of Costs. The Chief Financial Officer of the Agency is hereby authorized and directed to pay or cause to be paid all costs, expenses and fees incurred in connection with or incidental to the Refunding and the issuance of the Refunding Bonds, including payment to the Underwriter of an underwriting fee, subject to the limits set forth herein.

Section 10. No Personal Liability. No member of the Board, officer or employee of the Agency shall have any personal liability for acts taken in accordance with this Resolution.



Section 11.      Effective Date. This Resolution shall become effective immediately upon its adoption.

**ADOPTED, SIGNED AND APPROVED** this 20<sup>th</sup> day of August, 2019.

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

[SEAL]

Attest:

By: \_\_\_\_\_  
Name: Michael Buehlhorn  
Title: Chairman of the Board Commissioners

By: \_\_\_\_\_  
Name: Vernal Brown  
Title: Secretary of the Board of the Commissioners

**Open Session Item 14**  
**Attachment A**

**FIFTH AMENDMENT TO MEMORANDUM OF AGREEMENT**

THIS **FIFTH AMENDMENT TO MEMORANDUM OF AGREEMENT** (the “Fifth Amendment”) dated as of \_\_\_\_\_, 2019 is by and among **THE CITY OF ST. LOUIS, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri (the “City”), **ST. LOUIS COUNTY, MISSOURI**, a constitutional charter county and political subdivision of the State of Missouri (the “County”) and **THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT**, a legally constituted body corporate and politic created and existing by reason of a joint compact between the States of Missouri and Illinois which is codified at Section 70.370 et seq. of the Missouri Revised Statutes, as amended, and 45 ILCS 100/1 et seq. of the Illinois Compiled Statutes, as amended (the “Agency”) and amends the Memorandum of Agreement dated as of November 1, 2002 by and among the parties hereto (the “Original Agreement”), as amended by the First Amendment to Memorandum of Agreement dated November 1, 2005 by and among the parties hereto (the “First Amendment”), as amended by the Second Amendment to Memorandum of Agreement dated as of December 1, 2007 by and among the parties hereto (the “Second Amendment”), as amended by the Third Amendment to Memorandum of Agreement dated as of November 1, 2009 by and among the parties hereto (the “Third Amendment”), and further amended by the Fourth Amendment to Memorandum of Agreement dated as of June 1, 2013 by and among the parties hereto (the “Fourth Amendment”). The Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment and this Fifth Amendment, is hereinafter referred to as the “Agreement.”

WHEREAS, the City, the County and the Agency entered into a Memorandum of Understanding, dated December 1, 2000 (the “MOU”), relating to an expansion of the Agency’s light rail transit system known as MetroLink, including a light rail transit line known as Segment I of the Cross-County Corridor and improvements associated with the related upgrade and expansion in transit service (the “Project,” as further described in the Original Agreement); and

WHEREAS, the parties agreed that financing was necessary to provide funds to acquire, plan, construct, equip and improve the Project, to fund reasonable reserves for such financing and for the Project and to fund the costs of issuance relating to such financing; and

WHEREAS, the City, the County and the Agency entered into the Original Agreement to provide for the issuance of bonds by the Agency to provide funds to finance the Project, to provide for the application of the proceeds of such bonds to pay the costs of the Project and to provide a source of repayment for such bonds; and

WHEREAS, in accordance with the Original Agreement, on November 21, 2002, the Agency issued (a) \$100,000,000 original principal amount Mass Transit Sales Tax Appropriation Bonds (MetroLink Cross County Extension Project) Series 2002A (the “Series 2002A Bonds”), (b) \$313,305,000 original principal amount Mass Transit Sales Tax Appropriation Bonds (MetroLink Cross County Extension Project) Series 2002B (the “Series 2002B Bonds”), and (c) \$816,760.73 original principal amount Mass Transit Sales Tax Appropriation Bonds (MetroLink Cross County Extension Project) Series 2002C (the “Series 2002C Bonds” and together with the

Series 2002A Bonds and the Series 2002B Bonds, the “Series 2002 Bonds”) pursuant to the Trust Indenture dated as of November 1, 2002 (the “2002 Original Indenture”) between the Agency and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Trust Company of Missouri), as trustee (the “Trustee”); and

WHEREAS, in accordance with the Original Agreement as amended by the First Amendment, on November 2, 2005, the Agency issued \$150,000,000 original principal amount Subordinate Mass Transit Sales Tax Appropriation Bonds (MetroLink Cross County Extension Project) Series 2005A (the “Series 2005A Bonds”) pursuant to the Trust Indenture dated as of November 1, 2005 between the Agency and the Trustee; and

WHEREAS, in accordance with the Original Agreement as amended by the First Amendment and the Second Amendment, on December 19, 2007, the Agency issued \$20,820,000 original principal amount Mass Transit Sales Tax Appropriation Refunding Bonds (MetroLink Cross County Extension Project) Series 2007 (the “Series 2007 Bonds”) pursuant to the 2002 Original Indenture, as supplemented by the First Supplemental Trust Indenture dated as of May 1, 2006 (the “First Supplemental Trust Indenture”) and the Second Supplemental Trust Indenture dated as of December 1, 2007 (the “Second Supplemental Trust Indenture”); and

WHEREAS, in accordance with the Original Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, with the consent of the Trustee, in accordance with Section 8.4 of the Original Agreement and Article X of the 2002 Original Indenture, the Agency was authorized to provide for the issuance of Refunding Bonds until December 31, 2010; and

WHEREAS, in accordance with the Original Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, on November 9, 2009, the Agency issued \$97,220,000 original principal amount Mass Transit Sales Tax Appropriation Refunding Bonds (MetroLink Cross County Extension Project) Series 2009 (the “Series 2009 Bonds”) pursuant to the 2002 Original Indenture, as supplemented by the First Supplemental Trust Indenture, the Second Supplemental Trust Indenture and the Third Supplemental Trust Indenture dated as of November 1, 2009 (the “Third Supplemental Trust Indenture”) (the 2002 Original Indenture, as supplemented and amended by the First Supplemental Trust Indenture, the Second Supplemental Trust Indenture and the Third Supplemental Trust Indenture is hereinafter referred to as the “2002 Indenture”); and

WHEREAS, in accordance with the Original Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, on October 14, 2010, the Agency issued (a) \$75,000,000 original principal amount Subordinate Mass Transit Sales Tax Appropriation Refunding Bonds (MetroLink Cross County Extension Project) Series 2010A (the “Series 2010A Bonds”), and (b) \$70,290,000 original principal amount Subordinate Mass Transit Sales Tax Appropriation Refunding Bonds (MetroLink Cross County Extension Project) Series 2010B (the “Series 2010B Bonds” and together with the Series 2010A Bonds, the “Series 2010 Bonds”) pursuant to the Trust Indenture dated as of October 1, 2010 (the “2010 Indenture”) between the Agency and the Trustee for the purpose of refunding the Series 2005A Bonds; and

WHEREAS, in accordance with the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, on August 1, 2013, the Agency issued (a) \$381,225,000 aggregate principal amount of Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds, Series 2013A (the "Series 2013A Bonds") pursuant to a Master Trust Indenture dated as of August 1, 2013, between the Agency and Trustee (the "2013 Master Indenture"), as supplemented by the Supplemental Trust Indenture No. 1 dated as of August 1, 2013 (the "First Supplemental 2013 Indenture") and (b) not to exceed \$400,000,000 aggregate principal amount of Super Subordinate Combined Lien Mass Transit Sales Tax Appropriation Indebtedness, Series 2013B (the "Series 2013B Bonds" and together with the Series 2013A Bonds, the "Series 2013 Bonds") pursuant to the 2013 Master Indenture as supplemented by the Supplemental Trust Indenture No. 2 dated as of August 1, 2013 (the "Second Supplemental 2013 Indenture" and together with the 2013 Master Indenture and the First Supplemental 2013 Indenture, the "2013 Indenture") between the Agency and the Trustee; and

WHEREAS, only the Series 2009 Bonds and the Series 2013 Bonds remain outstanding; and

WHEREAS, the parties desire to amend the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment pursuant to this Fifth Amendment in order to provide for the refunding of all or a portion of the Series 2009 Bonds and the callable Series 2013A Bonds (collectively, the "Refunded Bonds") upon the conditions more particularly described in this Fifth Amendment;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and contained in the Original Agreement, as amended, the City, the County and the Agency agree as follows:

1. **Consent to Issuance of Refunding Bonds to Refund Series 2009 Bonds.** The City and the County hereby consent to the issuance by the Agency from time to time of one or more series of Refunding Bonds for a term or terms permitted by applicable state and federal law, subject, however, to the terms and conditions set forth in the 2002 Indenture and 2013 Indenture, as applicable; provided that the Agency's Board of Commissioners determines that such refunding would provide economic savings in such a manner that (a) the savings on a present value basis would equal at least four (4) percent of the par amount of the Refunded Bonds being refunded, (b) the final maturity of such Refunding Bonds would occur no later than December 31, 2048, and (c) such Refunding Bonds would be issued on a parity with either the Series 2009 Bonds or on a parity with the Series 2013A Bonds. Notwithstanding anything contained to the contrary in the Agreement, the Agency may apply to rating agencies including Standard & Poor's Rating Services and Moody's Investors Service for all ratings related to the Agency Bonds.

2. **Consent to Authority to Pledge Transit Sales Tax.** The City and the County hereby consent to the Agency's pledge and assignment from time to time of the revenues and receipts receivable by the Agency from Transit Sales Tax pursuant to the Agreement as security for refunding of the Refunded Bonds upon the conditions stated herein.

3. **Capitalized Terms.** All capitalized terms used herein, which are not otherwise defined in this Fifth Amendment, shall have the meanings ascribed for them in the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, as applicable.

4. **Prior Provisions in Effect.** Except as amended hereby, all provisions of the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment shall remain in full force and effect.

5. **Severability.** If any provision of this Fifth Amendment is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

6. **Applicable Law.** This Fifth Amendment shall be governed by and construed in accordance with the laws of the State of Missouri. In interpreting this Fifth Amendment, the provisions of the Compact shall prevail over any conflicting provisions of other Missouri laws.

7. **Counterparts.** This Fifth Amendment may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

[Remainder of page left intentionally blank]

**IN WITNESS WHEREOF**, the parties hereto have caused this Fifth Amendment to Memorandum of Agreement to be executed by their respective officers or officials.

Executed by the City on \_\_\_\_\_, 2019.

**THE CITY OF ST. LOUIS, MISSOURI**

\_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Comptroller

\_\_\_\_\_  
Register

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor

[Remainder of page left intentionally blank]

Executed by the County on \_\_\_\_\_, 2019.

**ST. LOUIS COUNTY, MISSOURI**

[SEAL]

ATTEST:

By: \_\_\_\_\_

Name:

Title: County Executive

\_\_\_\_\_  
Name: Genevieve M. Frank  
Title: Administrative Director

Approved as to legal form:

By \_\_\_\_\_  
County Counselor

Approved:

By \_\_\_\_\_  
Accounting Officer

[Remainder of page left intentionally blank]



Executed by the Agency on \_\_\_\_\_, 2019.

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

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Name:  
Title: Chair of the Board of Commissioners

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[Remainder of page left intentionally blank]

The undersigned, as Trustee, hereby consents to the execution and delivery of the foregoing Fifth Amendment to Memorandum of Agreement.

Executed by the Trustee on \_\_\_\_\_, 2019.

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Remainder of page left intentionally blank]

The undersigned hereby consents to the execution and delivery of the foregoing Fifth Amendment to Memorandum of Agreement. By granting this consent, Assured Guaranty Corp. expresses no opinion as to whether the consent to the Fifth Amendment to Memorandum of Agreement by any other person is required.

Executed by the Bond Insurer on \_\_\_\_\_, 2019.

**ASSURED GUARANTY CORP.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Barbara Enneking, General Counsel  
**Subject:** Revisions to *Board Policy, Chapter 100 - Compliance Program*  
**Disposition:** Approval  
**Presentation:** Kent W. Swagler, Director of Corporate Compliance and Ethics

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**Objective:**

To present to the Combined Operations and Audit, Finance & Administration Committee a request for a recommendation of approval to the Board of Commissioners of an amendment to revise *Board Policy, Chapter 100 - Compliance Program*.

**Background:**

*Board Policy, Chapter 100 - Compliance Program*, was last revised in February 2006. Since then, the Corporate Compliance and Ethics Department was created, and its current Director was hired in July 2011. In January 2012, the initial version of the BSD Employee Code of Conduct and Ethics was published to all employees. In September 2012, the Helpline was implemented for employee use and then expanded to contractor use in September 2016. The proposed revisions to *Chapter 100* are needed to reflect the current operations of the Corporate Compliance and Ethics Department and the Helpline business processes and industry-standard practices.

In addition, the Internal Audit Department's July 2019 *Compliance and Fraud Helpline Audit* found that *Board Policy, Chapter 100* was outdated and recommended that it be revised.

**Analysis:**

The revisions to *Board Policy, Chapter 100 – Compliance Program* will include the following:

- **Modify:** Change name of *Chapter 100* from “Compliance Program” to “Compliance and Reporting Policy Program”
- **Modify:** Incorporate Director of Corporate Compliance and Ethics position and its overall Helpline responsibilities throughout the Chapter
- **Modify:** Section 100.010 Compliance and Reporting Policy Overview
  - Incorporate terms “illegal misconduct”, “unethical conduct”, and “waste” to list of possible types of illegal or unethical allegations
  - Identify the Helpline as a primary method for reporting improper actions
- **Modify:** Section 100.020 Reporting
  - Change the process for employees to report improper actions by expanding it to allow Agency contactor reporting of said actions
  - Incorporate reporting improper actions by employees and contractors on the Helpline as well as in hardcopy form
  - Require employee and contractor reporting, protections and protected conduct, and periodic restatement to be in compliance with the BSD Employee Code of Conduct and Ethics

- Modify: Section 100.030 Investigations
  - Incorporate information to file reports on the Helpline through its toll-free number or website
- Modify: Section 100.040 Reporting Helpline
  - Incorporate information on how to file reports on the Helpline through its toll-free number or website
- Modify: Section 100.050 Definitions
  - Add definition for “Contractor”
- Modify: Section 100.060 Reporting and Adjudicating Retaliation
  - Incorporate information on how to file and process retaliation reports on the Helpline

**Committee Action Requested:**

Management recommends that the Combined Operations and Audit, Finance & Administration Committee recommend to the Board of Commissioners approval of an amendment to revise *Board Policy Chapter 100 - Compliance Program*, as provided in Attachment 3. In addition, Management recommends that the Chair of the Board of Commissioners designate that the proposed revision to *Board Policy, Chapter 100 - Compliance Program*, not be tabled pursuant to *Article VI (D)* of the Board Policies, as it is in the best interest of the Agency that this revised Board Policy be approved at the Board Meeting on September 27, 2019.

**Attachments:**

1. Current *Board Policy, Chapter 100 - Compliance Reporting*.
2. Proposed (Redlined) *Board Policy, Chapter 100 - Compliance and Reporting Policy Program*.
3. Final Proposed *Board Policy, Chapter 100, Compliance and Reporting Policy Program*.



**COLLECTED BOARD POLICIES**

**OF THE**

**BI-STATE DEVELOPMENT AGENCY**

**OF THE**

**MISSOURI-ILLINOIS METROPOLITAN DISTRICT**

**Chapter 100. Compliance Program**

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**Section 100.010      Program Overview and Fraud Hotline**

A.     Policy. It is the policy of the Agency to safeguard public funds and to ensure integrity in the delivery of public services. The Agency is committed to conducting its business with integrity and in compliance with all applicable laws. All Agency employees and consultants are expected and required to conduct their duties in compliance with all applicable laws, policies, rules and regulations.

B.     Purpose. The purpose of this compliance policy (the “Policy”) is to detect and prevent fraud, misconduct, inefficiency and waste in the programs and operations of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”). The General Counsel has the duty to investigate allegations of misconduct, waste and inefficiency on the part of Agency employees, contractors, and programs. Suspected fraud and misconduct can be reported by calling the Reporting Hotline or submitting a written report as outlined in this Chapter.

**Section 100.020 Reporting**

A.     Policy. It is the policy of the Agency that every Agency employee shall have the right to report, in good faith and in accordance with this Chapter, to the Agency’s General Counsel, information concerning an improper agency action.



To assist such reporting this Chapter provides Agency employees a process for reporting improper action and protection from retaliatory action for reporting and cooperating in the investigation and/or prosecution of improper action in good faith in accordance with this Chapter. While employees are encouraged to report improper action directly to their immediate supervisors, the Agency recognizes that there are instances where this may not be an option. To this end, this Chapter provides for a reporting mechanism, including a Reporting Hotline, directly to the Agency's General Counsel.

B. Appropriate Reporting Officials. Reports may be made to the employee's supervisor, the Agency's President & CEO, or the Agency's General Counsel and may be made anonymously utilizing the Agency's Reporting Hotline or by submitting a written report. In the case of reports made directly to an Agency supervisor or the President & CEO, such officials shall promptly communicate the report to the Agency's General Counsel. If the allegation of improper agency action relates to the sufficiency or accuracy of the Agency's financial or accounting records or reports, the General Counsel shall furnish a copy of the report or summary of the allegation to the Audit Committee of the Board of Commissioners.

C. Confidentiality. If an employee chooses to remain anonymous when submitting a written report or when calling the Reporting Hotline, no attempt will be made to discover the employee's identity. To the extent allowed by law, the identity of an employee reporting information about an improper action shall be kept confidential unless the employee waives confidentiality in writing.

D. Protection for Reporting. Employees, who act in good faith and in compliance with the Policy, are protected from interference in or retaliation for reporting improper actions or cooperating in an investigation or resulting proceedings. To the extent allowed by law, the identity of employees providing information about improper actions shall remain confidential, unless the employees waive the right, in writing.

E. Employee Protections and Protected Conduct.

1. The following conduct by employees is protected if carried out in good faith under this Chapter:

- a. Reporting alleged improper action pursuant to the provisions of the Policy and this Chapter and reporting violations of criminal laws to the appropriate law enforcement officials;
- b. Cooperating in an investigation by an auditing official related to improper action; and/or
- c. Testifying in a proceeding or prosecution arising out of an improper action.

2. No Agency officer or employee shall retaliate against any employee because such employee proceeded or is proceeding in good faith in accordance with this Chapter.

F. Penalty. Any Agency officer or employee who engages in prohibited retaliatory action is subject to discipline by suspension without pay, demotion or termination.

G. Periodic Restatement. Upon entering Agency service and at least once each year thereafter, every Agency officer and employee shall receive a written summary of this chapter, the procedures for reporting improper actions to auditing officials, the procedures for obtaining the protections extended, and the prohibition against retaliation in this section. The President & CEO shall ensure that such summaries are distributed and that copies are posted where all employees will have reasonable access to them.

### **Section 100.030 Investigations**

A. Investigation. Within 30 days after receiving information about an improper action from an Agency employee, the General Counsel shall conduct a preliminary investigation, and provide the complainant with a written report of the general status of the investigation, which may include matters for further research or inquiry. The General Counsel shall have no obligation to provide a status report under this Section if the complainant chooses to remain anonymous. In the case of an allegation relating to the sufficiency or accuracy of the Agency's financial or accounting records or reports, the investigation shall be conducted or overseen by the Audit Committee or the Board of Commissioners. The General Counsel will provide a report to the Board of Commissioners or a Committee established by the Board of Commissioners to review ethics concerns if further action is warranted or if the investigation pertains to conduct of a member of the Board of Commissioners.

B. Completion and Reports. Upon completion of the investigation, the General Counsel shall notify the complainant in writing of any determinations made. If the General Counsel determines that an improper agency action has occurred, he or she shall report the nature and details of the activity to the complainant; to the President & CEO; to the head of the department with responsibility for the action unless such department head is implicated; and to such other governmental officials or agencies as the General Counsel deems appropriate.

C. Closure. The General Counsel may close an investigation at any time the General Counsel determines that no further action is warranted and shall so notify the complainant unless the complainant made the complaint anonymously.

## **Section 100.040 Reporting Hotline**

A. Hotline. The Agency has established a dedicated Reporting Hotline as an internal reporting mechanism for reporting suspected improper action on the part of Agency employees, officers, vendors, or independent contractors. To report fraud, waste, or abuse anonymously, call (314) 335-3442. An investigator will answer the telephone between the hours of 8 A.M. and 5 P.M. From 5 P.M. until 8 A.M., an answering machine will take the call. Phone numbers of the callers will not be recorded; however, callers can leave an anonymous message.

B. Scope. The Reporting Hotline authority extends only to Agency resources and activities. Any type of fraudulent or illegal activity involving private businesses with no contractual relationship with the Agency or governmental agencies other than the Agency should be reported to the appropriate law enforcement authorities.

C. False Acquisitions. The Agency will consider it a serious violation of Agency policy for employees to intentionally make false accusations. Such false accusations may result in disciplinary action, up to and including termination, against the accuser. All reports to the Agency Compliance Program and Reporting Hotline should be made in good faith and with the best of intentions.

## **Section 100.050 Definitions**

As used in Chapter 100, the following terms shall have these meanings:

A. "Auditing official" means the Agency's General Counsel, or a member of the staff or designee of the General Counsel.

B. "Employee" means a member of the Board of Commissioners, any person employed by the Agency, whether in a permanent or temporary position, including full-time, part-time, and intermittent workers.

C. 1. "Improper action" means any action by a member of the Board of Commissioners, an Agency officer, employee, vendor or contractor that is undertaken, in the case of an officer or employee, in the performance of such person's official duties, whether or not the action is within the scope of employment, and, in the case of a vendor or contractor, in connection with activities in connection with such person's contract with the Agency, which:

- a. Violates any local, state or federal law, or Agency policy, or
- b. Constitutes an abuse of authority, or
- c. Creates a substantial or specific danger to the public health or safety, or
- d. Results in a waste of public funds.

2. "Improper action" does not mean personnel actions, including but not limited to: employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, reprimands, violations of collective bargaining or civil service laws, or alleged violations of agreements with labor organizations under collective bargaining.

3. A properly authorized Agency program or activity does not become an improper action because an employee or auditing official dissents from the Agency policy or considers the expenditures unwise.

D. "Retaliate," (and its kindred nouns, "retaliation" and "retaliatory action") means to make, because of an activity protected under this Chapter, any unwarranted adverse change in a person's status or the terms and conditions of such status including, but not limited to, denial of adequate staff to perform duties; frequent staff changes; frequent and undesirable office changes; refusal to assign meaningful work; unsubstantiated letters of reprimand or unsatisfactory performance evaluations; demotion, reduction in pay; denial of promotion; transfer or reassignment; suspension or dismissal; or other unwarranted disciplinary action.

E. "President & CEO" means the President & CEO of the Agency.

#### **Section 100.060 Reporting and Adjudicating Retaliation**

A. Complaint. In order to seek relief, a person who believes such person has been retaliated against in violation of this Chapter must file a signed written complaint within 30 days of the occurrence alleged to constitute retaliation. The complaint shall be filed with the President & CEO and must specify the alleged retaliatory action and the relief requested.

B. Investigation and Response. The President & CEO shall forward the complaint to the head of the department in which the retaliation is alleged to have occurred. The head of the department to which the complaint was referred shall ensure that the complainant is sent a response within 30 days after the filing of the complaint. If the head of a department is alleged to have retaliated in violation of this Chapter, the President & CEO shall ensure that the complainant is sent a response within 30 days after the filing of the complaint.

**Open Session Item 15**  
**Attachment 2**

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

**Chapter 100. Compliance and Reporting Policy Program**

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**Section 100.010      Compliance and Reporting Policy Program Overview and Fraud Hotline**

A.     Policy. It is the policy of the Agency to safeguard public funds and to ensure integrity in the delivery of public services. The Agency is committed to conducting its business with integrity and in compliance with all applicable laws. All Agency employees and ~~consultants~~ contractors are expected and required to conduct their duties in compliance with all applicable laws, policies, rules, and regulations.

B.     Purpose. The purpose of this ~~e~~Compliance ~~p~~Policy (the “Policy”) is to detect and prevent fraud, illegal misconduct, unethical conduct, inefficiency, and waste in the programs and operations of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”). The General Counsel and the Director of Corporate Compliance and Ethics (the “Director”) ~~have~~ has the duty to investigate allegations of fraud, illegal misconduct, unethical conduct, waste, and inefficiency on the part of Agency employees, contractors, and programs. Suspected fraud, waste, and illegal misconduct, unethical conduct, and inefficiency can be reported on-line or by calling the BSD Compliance and Fraud Helpline (the “Helpline”) ~~Reporting Hotline~~, or submitting a written report as outlined in this Chapter.

## Section 100.020 Reporting

A. Policy. It is the policy of the Agency that every Agency employee shall have the right to report, in good faith, and in accordance with this Chapter and BSD's Employee Code of Conduct and Ethics (the "Code"), to the Agency's General Counsel and/or the Director, information concerning an improper agency action.

To assist such reporting, this Chapter provides Agency employees and contractors a process for reporting improper action, and protection from retaliatory action for reporting and cooperating in the investigation, and/or prosecution of improper action in good faith in accordance with this Chapter and the Code. While employees and contractors are encouraged to report improper action directly to their immediate supervisors, the Agency recognizes that there are instances where this may not be an option. To this end, this Chapter provides for a reporting mechanism, including the Helpline-Reporting Hotline, directly to the Director and/or the General Counsel.

B. Appropriate Reporting Officials. Reports may be made to the contractor's or employee's supervisor, the Agency's President and CEO, ~~or~~ the Agency's General Counsel, or the Director. Reports may also be made anonymously utilizing the Agency's Helpline Reporting Hotline or by submitting a written report. In the case of reports made directly to an Agency supervisor or the President & and CEO, such officials they shall promptly communicate the report to the Director or the Agency's General Counsel. The report will be transcribed verbatim into an on-line report on the Helpline. If the allegation of improper ~~a~~Agency action relates to the sufficiency or accuracy of the Agency's financial or accounting records or reports, the Director or the General Counsel shall furnish a copy of the report or summary of the allegation to the Audit, Finance, and Administration Committee of the Board of Commissioners.

C. Confidentiality. If an employee or contractor chooses to remain anonymous when submitting a written report on-line or when calling the Helpline Reporting Hotline, no attempt will be made to discover the employee's or contractor's identity. To the extent allowed by law, the identity of an employee or contractor reporting information about an improper action shall be kept confidential unless the employee or contractor waives confidentiality in writing.

D. Protection for Reporting. Employees or contractors, who act in good faith and in compliance with ~~the this~~ Policy, are protected from interference in or retaliation for reporting improper actions or cooperating in an investigation or resulting proceedings. To the extent allowed by law, the identity of employees or contractors providing information about improper actions shall remain confidential, unless the employees or contractors waive the right, in writing.

### E. Employee and Contractor Protections and Protected Conduct.

1. The following conduct by employees and contractors is protected if carried out in good faith under the Code and this Chapter:

- a. Reporting alleged improper action pursuant to the provisions of ~~the~~this Policy ~~and this Chapter, or the Code,~~ and reporting violations of criminal laws to the appropriate law enforcement officials;
  - b. Cooperating in an investigation by the General Counsel, the Director, or their Designee, or an ~~a~~Auditing/Investigating ~~o~~Official related to the improper action; and/or
  - c. Testifying in a proceeding or prosecution arising out of an improper action.
2. No Agency officer or employee shall retaliate against any employee or contractor because such employee or contractor proceeded or is proceeding in good faith in accordance with this Chapter.

F. Penalty. Any Agency officer or employee who engages in prohibited retaliatory action is subject to discipline by suspension without pay, demotion, or termination.

G. Periodic Restatement. Upon entering Agency service and at least once each year thereafter, every Agency officer and employee shall receive a written summary of this ~~e~~Chapter, the procedures for reporting improper actions ~~to auditing officials,~~ the procedures for obtaining the protections extended, and the prohibition against retaliation in this ~~s~~Section. This requirement will be met by annually publishing the Code to all Agency officers and employees for required reading and attestation. The ~~Director President & CEO~~ shall ensure that such summaries are distributed and that copies are posted where all employees will have reasonable access to them.

### **Section 100.030 Investigations**

A. Investigation. Within 30 days after receiving information about an improper action from and ~~A~~Agency employee or contractor, the General Counsel, the Director, or their Designee shall conduct a preliminary investigation, and prepare a written summary provide the complainant with a written report of the general status of the investigation, which may include matters for further research, investigation, or inquiry. ~~The General Counsel shall have no obligation to provide a status report under this Section if the complainant chooses to remain anonymous.~~ In the case of an allegation relating to the sufficiency or accuracy of the Agency's financial or accounting records or reports, the investigation shall be conducted or overseen by the Audit, Finance, & Administration Committee or the Board of Commissioners. The General Counsel will provide a report to the Board of Commissioners or a Committee established by the Board of Commissioners to review ethics concerns if further action is warranted or if the investigation pertains to conduct of a member of the Board of Commissioners.

B. Completion of Investigation and Reports. Upon completion of the investigation, the General Counsel or the Director shall notify the complainant in writing through their Helpline report of any determinations made. The General Counsel or the



Director shall have no obligation to provide an investigation determination under this Section if the complainant, who has filed a written report, chooses to remain anonymous  
If the General Counsel or the Director determines that an improper ~~a~~Agency action has occurred, he or she shall report the nature and details of the ~~activity~~ action to the ~~complainant; to the~~ President ~~&and~~ CEO; or to the head of the department with responsibility for the action unless such department head is implicated; and to such other governmental officials or agencies as the General Counsel deems appropriate.

C. Closure. The General Counsel or the Director may close an investigation at any time if he or she~~the General Counsel~~ determines that no further action is warranted and shall so notify the complainant ~~unless the complainant made the complaint anonymously.~~

#### **Section 100.040 Reporting ~~Hotline~~ Helpline**

A. ~~Hotline~~ Helpline. The Agency has established a dedicated Compliance and Fraud Helpline Reporting Hotline service as an ~~internal~~ external and independent reporting mechanism for reporting suspected improper action on the part of Agency employees, officers, vendors, or independent contractors. To report illegal or unethical conduct, fraud, inefficiency, or waste, ~~or abuse either by-name or~~ anonymously, call ~~(314) 335-3442~~ toll free 855-465-2457 (85-LINK2HLP), 24 hours a day, seven days a week. An investigator Helpline Agent will answer and document the report, including verifying the report's content with the complainant. Reports can be submitted on-line through the Helpline's secure website <http://www.EthicsPoint.com>. ~~the telephone between the hours of 8 A.M. and 5 P.M. From 5 P.M. until 8 A.M., an answering machine will take the call. Phone numbers of the callers will not be recorded; however, callers can leave an anonymous message.~~

B. Scope. The ~~Reporting Hotline~~ Helpline authority extends only to Agency resources and activities. Any type of fraudulent or illegal activity involving private businesses with no contractual relationship with the Agency or governmental agencies other than the Agency should be reported to the appropriate law enforcement authorities.

C. False ~~Acquisitions~~ Accusations. The Agency will consider it a serious violation of Agency policy for employees to intentionally make false accusations. Such false accusations may result in disciplinary action, up to and including termination, against the accuser. All reports to the Agency Compliance Program and ~~Reporting Hotline~~ the Helpline should be made in good faith and with the best of intentions.

#### **Section 100.050 Definitions**

As used in Chapter 100, the following terms shall have these meanings:

A. "~~Auditing Investigating O~~fficial" means the Agency's General Counsel, or a member of the staff or designee of the General Counsel.

B. "Employee" means a member of the Board of Commissioners, any person employed by the Agency, whether in a permanent or temporary position, including full-time, part-time, and intermittent workers.

C. "Contractor" means any vendor, contractor, or sub-contractor and all associated employees directly and/or indirectly conducting business with the Agency.

~~DE.~~ 1. "Improper action" means any action by a member of the Board of Commissioners, an Agency officer, employee, vendor, or contractor that is undertaken, in the case of an officer or employee, in the performance of such person's official duties, whether or not the action is within the scope of employment, and, in the case of a vendor or contractor, in connection with activities in connection with such person's contract with the Agency, which:

- a. Violates any local, state or federal law, or Agency policy, or
- b. Constitutes an abuse of authority, or
- c. Creates a substantial or specific danger to the public health or safety, or
- d. Results in a waste of public funds.

2. "Improper action" does not mean personnel actions, including but not limited to: employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, reprimands, violations of collective bargaining or civil service laws, or alleged violations of agreements with labor organizations under collective bargaining.

3. A properly authorized Agency program or activity does not become an improper action because an employee or ~~a~~Auditing Investigating ~~o~~Official dissents from the Agency policy or considers the program, activity, or expenditures unwise.

~~ED.~~ "Retaliate," (and its kindred nouns, "retaliation" and "retaliatory action") means to make, because of an activity protected under this Chapter, any unwarranted adverse change in a person's status or the terms and conditions of such status including, but not limited to, denial of adequate staff to perform duties; frequent staff changes; frequent and undesirable office changes; refusal to assign meaningful work; unsubstantiated letters of reprimand or unsatisfactory performance evaluations; demotion, reduction in pay; denial of promotion; transfer or reassignment; suspension or dismissal; or other unwarranted disciplinary action.

~~FE.~~ "President ~~&-and~~ CEO" means the President ~~&-and~~ CEO of the Agency.

## Section 100.060 Reporting and Adjudicating Retaliation

A. Complaint. In order to seek relief, a person who believes such person has been retaliated against in violation of this Chapter must file a Retaliation incident report on the Helpline signed written complaint within 30 days of the occurrence alleged to constitute retaliation. The complaint shall must be filed ~~with the President & CEO~~ on the Helpline and must specify the alleged retaliatory action and the relief requested.

B. Investigation and Response. The General Counsel, the Director, or their designee ~~President & CEO~~ shall conduct an independent investigation of the complaint and will notify forward the complaint to the head of the department in which the retaliation is alleged to have occurred. If the department head is alleged to have retaliated in violation of this Chapter, the President and CEO shall be notified. The General Counsel or the Director ~~head of the department to which the complaint was referred~~ shall ensure that the complainant is sent provided a response within 30 days after the filing of the retaliation complaint. ~~If the head of a department is alleged to have retaliated in violation of this Chapter, the President & CEO shall ensure that the complainant is sent a response within 30 days after the filing of the complaint.~~

**Open Session Item 15**  
**Attachment 3**

**COLLECTED BOARD POLICIES**

**OF THE**

**BI-STATE DEVELOPMENT AGENCY**

**OF THE**

**MISSOURI-ILLINOIS METROPOLITAN DISTRICT**

**Chapter 100. Compliance and Reporting Policy**

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**Section 100.010 Compliance and Reporting Policy Overview**

A. Policy. It is the policy of the Agency to safeguard public funds and to ensure integrity in the delivery of public services. The Agency is committed to conducting its business with integrity and in compliance with all applicable laws. All Agency employees and contractors are expected and required to conduct their duties in compliance with all applicable laws, policies, rules, and regulations.

B. Purpose. The purpose of this Compliance Policy (the “Policy”) is to detect and prevent fraud, illegal misconduct, unethical conduct, inefficiency, and waste in the programs and operations of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”). The General Counsel and the Director of Corporate Compliance and Ethics (the “Director”) have the duty to investigate allegations of fraud, illegal misconduct, unethical conduct, waste, and inefficiency on the part of Agency employees, contractors, and programs. Suspected fraud, waste, illegal misconduct, unethical conduct, and inefficiency can be reported on-line or by calling the BSD Compliance and Fraud Helpline (the “Helpline”), or submitting a written report as outlined in this Chapter.

**Section 100.020 Reporting**

A. Policy. It is the policy of the Agency that every Agency employee shall have the right to report, in good faith, and in accordance with this Chapter and BSD’s

Employee Code of Conduct and Ethics (the “Code”), to the Agency’s General Counsel or the Director, information concerning an improper agency action.

To assist such reporting, this Chapter provides Agency employees and contractors a process for reporting improper action, protection from retaliatory action for reporting and cooperating in the investigation, and/or prosecution of improper action in good faith in accordance with this Chapter and the Code. While employees and contractors are encouraged to report improper action directly to their immediate supervisors, the Agency recognizes that there are instances where this may not be an option. To this end, this Chapter provides for a reporting mechanism, including the Helpline, directly to the Director or the General Counsel.

B. Appropriate Reporting Officials. Reports may be made to the contractor’s or employee’s supervisor, the Agency’s President and CEO, the Agency’s General Counsel, or the Director. Reports may also be made anonymously utilizing the Agency’s Helpline or by submitting a written report. In the case of reports made directly to an Agency supervisor or the President and CEO, they shall promptly communicate the report to the Director or the General Counsel. The report will be transcribed verbatim into an on-line report on the Helpline. If the allegation of improper Agency action relates to the sufficiency or accuracy of the Agency’s financial or accounting records or reports, the Director or the General Counsel shall furnish a copy of the report or summary of the allegation to the Audit, Finance, and Administration Committee of the Board of Commissioners.

C. Confidentiality. If an employee or contractor chooses to remain anonymous when submitting a written report on-line or when calling the Helpline, no attempt will be made to discover the employee’s or contractor’s identity. To the extent allowed by law, the identity of an employee or contractor reporting information about an improper action shall be kept confidential unless the employee or contractor waives confidentiality in writing.

D. Protection for Reporting. Employees or contractors, who act in good faith and in compliance with this Policy, are protected from interference in or retaliation for reporting improper actions or cooperating in an investigation or resulting proceedings. To the extent allowed by law, the identity of employees or contractors providing information about improper actions shall remain confidential, unless the employees or contractors waive the right, in writing.

E. Employee and Contractor Protections and Protected Conduct.

1. The following conduct by employees and contractors is protected if carried out in good faith under the Code and this Chapter:

- a. Reporting alleged improper action pursuant to the provisions of this Policy this Chapter, or the Code, and reporting violations of criminal laws to the appropriate law enforcement officials;

- b. Cooperating in an investigation by the General Counsel, the Director, or their Designee, or an Investigating Official related to the improper action; and/or
  - c. Testifying in a proceeding or prosecution arising out of an improper action.
2. No Agency officer or employee shall retaliate against any employee or contractor because such employee or contractor proceeded or is proceeding in good faith in accordance with this Chapter.
- F. Penalty. Any Agency officer or employee who engages in prohibited retaliatory action is subject to discipline by suspension without pay, demotion, or termination.
- G. Periodic Restatement. Upon entering Agency service and at least once each year thereafter, every Agency officer and employee shall receive a written summary of this Chapter, the procedures for reporting improper actions, the procedures for obtaining the protections extended, and the prohibition against retaliation in this Section. This requirement will be met by annually publishing the Code to all Agency officers and employees for required reading and attestation. The Director shall ensure that such summaries are distributed and that copies are posted where all employees will have reasonable access to them.

### **Section 100.030 Investigations**

- A. Investigation. Within 30 days after receiving information about an improper action from an Agency employee or contractor, the General Counsel, the Director, or their Designee shall conduct a preliminary investigation, and prepare a written summary of the investigation, which may include matters for further research, investigation, or inquiry. In the case of an allegation relating to the sufficiency or accuracy of the Agency's financial or accounting records or reports, the investigation shall be conducted or overseen by the Audit, Finance, & Administration Committee or the Board of Commissioners. The General Counsel will provide a report to the Board of Commissioners or a Committee established by the Board of Commissioners to review ethics concerns if further action is warranted or if the investigation pertains to conduct of a member of the Board of Commissioners.
- B. Completion of Investigation and Reports. Upon completion of the investigation, the General Counsel or the Director shall notify the complainant in writing through their Helpline report of any determinations made. The General Counsel or the Director shall have no obligation to provide an investigation determination under this Section if the complainant, who has filed a written report, chooses to remain anonymous. If the General Counsel or the Director determine that an improper Agency action has occurred, he or she shall report the nature and details of the action to the President and CEO or to the head of the department with responsibility for the action unless such

department head is implicated; and to such other governmental officials or agencies as the General Counsel deems appropriate.

C. Closure. The General Counsel or the Director may close an investigation at any time if he or she determines that no further action is warranted and shall so notify the complainant.

#### **Section 100.040 Reporting Helpline**

A. Helpline. The Agency has established a dedicated Compliance and Fraud Helpline service as an external and independent reporting mechanism for reporting suspected improper action on the part of Agency employees, officers, vendors, or independent contractors. To report illegal or unethical conduct, fraud, inefficiency, or waste, either by-name or anonymously, call toll free 855-465-2457 (85-LINK2HLP), 24 hours a day, seven days a week. A Helpline Agent will answer and document the report, including verifying the report's content with the complainant. Reports can be submitted on-line through the Helpline's secure website <http://www.EthicsPoint.com>.

B. Scope. The Helpline authority extends only to Agency resources and activities. Any type of fraudulent or illegal activity involving private businesses with no contractual relationship with the Agency or governmental agencies other than the Agency should be reported to the appropriate law enforcement authorities.

C. False Accusations. The Agency will consider it a serious violation of Agency policy for employees to intentionally make false accusations. Such false accusations may result in disciplinary action, up to and including termination, against the accuser. All reports to the Agency Compliance Program and the Helpline should be made in good faith and with the best of intentions.

#### **Section 100.050 Definitions**

As used in Chapter 100, the following terms shall have these meanings:

A. "Investigating Official" means the Agency's General Counsel, or a member of the staff or designee of the General Counsel.

B. "Employee" means a member of the Board of Commissioners, any person employed by the Agency, whether in a permanent or temporary position, including full-time, part-time, and intermittent workers.

C. "Contractor" means any vendor, contractor, or sub-contractor and all associated employees directly and/or indirectly conducting business with the Agency.

D. 1. "Improper action" means any action by a member of the Board of Commissioners, an Agency officer, employee, vendor, or contractor that is undertaken, in the case of an officer or employee, in the performance of such person's official duties,



whether or not the action is within the scope of employment, and, in the case of a vendor or contractor, in connection with activities in connection with such person's contract with the Agency, which:

- a. Violates any local, state or federal law, or Agency policy, or
- b. Constitutes an abuse of authority, or
- c. Creates a substantial or specific danger to the public health or safety, or
- d. Results in a waste of public funds.

2. "Improper action" does not mean personnel actions, including but not limited to: employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, reprimands, violations of collective bargaining or civil service laws, or alleged violations of agreements with labor organizations under collective bargaining.

3. A properly authorized Agency program or activity does not become an improper action because an employee or Investigating Official dissents from the Agency policy or considers the program, activity, or expenditures unwise.

E. "Retaliate," (and its kindred nouns, "retaliation" and "retaliatory action") means to make, because of an activity protected under this Chapter, any unwarranted adverse change in a person's status or the terms and conditions of such status including, but not limited to, denial of adequate staff to perform duties; frequent staff changes; frequent and undesirable office changes; refusal to assign meaningful work; unsubstantiated letters of reprimand or unsatisfactory performance evaluations; demotion, reduction in pay; denial of promotion; transfer or reassignment; suspension or dismissal; or other unwarranted disciplinary action.

F. "President and CEO" means the President and CEO of the Agency.

### **Section 100.060 Reporting and Adjudicating Retaliation**

A. Complaint. In order to seek relief, a person who believes such person has been retaliated against in violation of this Chapter must file a Retaliation incident report on the Helpline within 30 days of the occurrence alleged to constitute retaliation. The complaint must be filed on the Helpline and must specify the alleged retaliatory action and the relief requested.

B. Investigation and Response. The General Counsel, the Director, or their designee shall conduct an independent investigation of the complaint and will notify the

head of the department in which the retaliation is alleged to have occurred. If the department head is alleged to have retaliated in violation of this Chapter, the President and CEO shall be notified. The General Counsel or the Director shall ensure that the complainant is provided a response within 30 days after the filing of the retaliation complaint.

**Open Session Item**

**16**

**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Larry B. Jackson, Executive Vice President – Administration  
**Subject:** **Sole Source Contract Award – Indra Sistemas S.A. (Indra USA) for PCI Compliant Software/Hardware Upgrade to Ticket Vending Machines**  
**Disposition:** Approval  
**Presentation:** Kerry D. Kinkade; Vice President & Chief Information Officer; James E. Schifferdecker; Director of Passenger Revenue; and Gregory A. Smith, Vice President – Procurement and Materials Management

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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 execute a sole source contract with Indra USA, to provide an upgrade of the electronic payment application on the MetroLink Ticket Vending Machines (TVM) to comply with the Payment Card Industry Payment Application Data Security standard (PCI PA-DSS) Version 3.2.. This will involve the upgrade of the Operating System, modification of the TVM Payment application and replacement of numerous hardware components within each machine including: new compliant pin-pads, bankcard readers and new industrial computers. The computer hardware will be competitively procured separately by Metro, but configured and installed by Indra USA.

**Background:**

In August of 2006, Metro Transit procured from Indra, 97 cash only self-service TVM's for installation on the Phase I and Cross County MetroLink alignments. In January of 2010, Indra implemented modifications to the software and hardware, which facilitated the acceptance of electronic payment forms (credit/debit transactions). In August of 2012, Metro Transit procured from Indra an additional 28 full service TVM's, and those were installed on the Phase II alignment, which includes the stations between East Riverfront and Shiloh-Scott in Illinois. Utilization of electronic payment forms has steadily increased since initial implementation in 2010 and currently accounts for an average of 47% of the transactions conducted at the TVM's each month. The software which controls all aspects of the TVM operation is developed by Indra and is proprietary in nature. The Payment Card Industry routinely implements enhancements to the security standards required for the processing of bankcard transactions, and these updated requirements often require modifications to the TVM software, operating systems and hardware. The only major software modification implemented since 2006 was associated with the Automated Fare Collection (AFC) system and did not address the PCI requirements of the TVM's. Our goal is to maintain the current vending equipment for approximately 5 additional years, with potential system wide replacement occurring in 2024, at which time our existing TVM fleet will range between 12 and 18 years old.

**Analysis:**

The TVM's are an integral part of the self-service ticket sales system employed for the distribution of fare media and collection of revenues for the Metro Transit system. The TVM fleet is aging, with each unit currently being in daily service for a period of between 7 and 13

years. Electronic payment methods continue to grow in popularity, as evidenced by the continued increase in credit/debit transactions over the nine year period of acceptance availability at the TVM level. The systems have continued to gain in complexity, and data security requirements are consistently scrutinized by the industry to ensure that card holder data is not jeopardized. In order to ensure the continued functionality of the fare collection system, it is necessary to replace various key components of the machines and implement an upgraded, fully supportable operating system and software application to ensure the integrity of the machine performance and security of card holder data transmitted through our system.

PCI standards currently in place mandate support of the following principals:

- Protect stored cardholder data
- Encrypt transmission of cardholder data across networks
- Identify and authenticate access to system components
- Track and monitor access to network resources and cardholder data

Indra has submitted a proposal which identifies recommended component replacements and provides an audited and certified PCI 3.2 compliant payment application designed to meet or exceed the requirements of the Payment Card Industry standards. This will include:

- TVM Payment Application Upgrade
- Audit and certification of the system for PCI 3.2 compliance
- Installation in 125 machines of a new pin-pad & reader kit compliant with PCI 3.2
- Installation in 125 machines of new industrial PC (provided by Metro)
- Production and installation of 125 new updated TVM PC cable sets.
- Production and installation of 125 metal pin-pad adapters for TVM doors.
- 10 sets of spare parts
- Deployment of new application to each device.
- One year warranty of software application.

The formal proposal provided by Indra Sistemas S.A. is for the following services / costs:

| Scope of Work:             | Unit Price   | Total Price  |
|----------------------------|--------------|--------------|
| Project Management         | \$117,907.33 | \$117,907.33 |
| Hardware Design & Supply   | \$ 1,274.77  | \$172,093.36 |
| Software PCI Certification | \$265,382.84 | \$265,382.84 |
| Installation & Testing     | \$183,781.45 | \$183,781.45 |
| Total:                     |              | \$739,164.98 |

The Indra Fare Collection System software is proprietary in nature, and there are no other suppliers that can design nor implement the modifications required to attain the compliance level necessary to continue the acceptance of bankcard transactions through our existing equipment. We have reviewed the contract and discussed cost saving alternatives with Indra, which are being implemented. The continued functionality of the TVM's and secure processing of electronic transactions is critical to the Metro System and revenue collection. It is our determination that exercising this contract is critical to ensuring the continued functionality of the TVM's currently being utilized.

**Committee Action Requested:**

Management recommends that the Audit, Finance & Administration Committee accept and forward to the Board of Commissioners for approval, this sole source procurement request with Indra Sistemas S.A. not to exceed \$739,164.99 for the PCI compliant software and update of 125 units in service, in addition to 10 spare sets of parts.

**Attachments:**

None

**Funding Source:**

Federal Transit Administration Federal Formula Funds – Grant MO-90-X296 and local match.



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Larry B. Jackson, Executive Vice President – Administration  
**Subject:** **Contract Award: Cellular Phone Services**  
**Disposition:** Approval  
**Presentation:** Kerry Kinkade, Vice Present-Chief Info Officer – Information Technology and  
Gregory Smith, Vice President – Procurement, Materials Management and Supplier  
Diversity

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**Objective:**

To present to the Audit, Finance and Administration Committee, for acceptance and referral to the Board of Commissioners for approval, a request for authorization to award Contract 19-RFP-106022-MD – Cellular Phone Services for a five-year period.

**Background:**

On May 2, 2019, Bi-State Development (BSD) issued solicitation 19-RFP-106022-MD Cellular Phone Services. The solicitation was issued to obtain proposals from qualified firms who could support various cellular service to include smart and non-smart phones for use by employees, hotspots and enhance remote work, and equipment to support various mobile and fixed Wi-Fi initiatives.

Cellular phone services are essential for BSD to interact effectively in a highly matrixed partnership to ensure qualified partners can support a variety of needs within our enterprise. The contract consists of three (3) base years and two (2) option years.

**Analysis:**

In response to the solicitation, four (4) proposals were received, reviewed, and forwarded to the evaluation team, which consisted of individuals within BSD Information Technology Division.

The proposals were evaluated and scored in accordance with the following evaluation requirements specified in the solicitation package.

- Service Plans
- Public WiFi Considerations
- Current 4G Network/LTE
- Account Management and Conversion Plan
- Hardware
- 5G Implementation

On June 4, 2019, all four firms were invited to present key points regarding their technical proposals, as well as elaborate on items the firm felt were very proprietary, such as 5G Implementation Plans. Sprint declined to present. Upon completion of the oral presentations conducted on June 14 and June 19, 2019, a consensus meeting was held with the evaluation team.



The table below includes the consensus technical and cost scores with 5-year projected cost, based on our current use of smart and non-smart mobile phones, hotspots, and connected tablets and laptops.

| Mobile Devices Only |                     |               |                           |               |
|---------------------|---------------------|---------------|---------------------------|---------------|
| Firm:               | Five Year Cost      | Cost Score    | Consensus Technical Score | Overall Total |
| <b>T- MOBILE</b>    | <b>\$606,984.00</b> | <b>125.00</b> | <b>272.50</b>             | <b>397.50</b> |
| AT&T                | \$1,134,709.20      | 66.87         | 242.50                    | 309.37        |
| SPRINT              | \$ 913,156.80       | 83.09         | 215.00                    | 298.09        |
| VERIZON             | \$1,153,267.20      | 65.79         | 216.25                    | 282.04        |

In similar fashion, the next table shows the overall scoring tabulation with 5-year projected cost for all current mobile devices plus costs for providing WiFi capability for our bus and rail fleet, facilities locations, and key transit centers. BSD is looking to provide these WiFi capabilities in the future.

| Mobile Devices and WiFi |                         |               |                           |               |
|-------------------------|-------------------------|---------------|---------------------------|---------------|
| Firm:                   | Five Year Cost          | Cost Score    | Consensus Technical Score | Overall Total |
| <b>T- MOBILE</b>        | <b>\$1,813,826.00 *</b> | <b>118.73</b> | <b>272.50</b>             | <b>391.23</b> |
| SPRINT                  | \$1,722,886.80          | 125.00        | 215.00                    | 340.00        |
| VERIZON                 | \$1,777,111.20          | 121.19        | 216.25                    | 337.44        |
| AT&T                    | \$2,730,709.20          | 78.87         | 242.50                    | 321.37        |

\*T-Mobile's five year cost of \$1,847,076 included a credit of \$33,250.00 = \$1,813,826.00

On July 31, 2019, BSD requested a Best & Final Offer from T-Mobile; which resulted in a decrease in their total five-year cost of \$1,813,826.00 to \$1,572,651.00.

Under our current contract rates with Sprint, our annual spend for mobile devices can be as much as \$200,240. With the rates proposed by T-Mobile, our annual spend for the same devices would be approximately \$135,260. With the new contract, BSD will save approximately \$65,000 per year on these devices. Over five years, those savings amount to approximately \$325,000.

### **Committee Action Requested:**

Management recommends that the Audit, Finance and Administration Committee accept and forward to the Board of Commissioners for approval, the request that the President & CEO enter into a contract with the highest ranking firm, T-Mobile, whose proposal is most advantageous to BSD, with price and other factors considered, in a not to exceed amount of **\$1,572,651.00**, to include devices and WiFi services.

### **Funding Source:**

This contract is funded 100% through operational funds.



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Charles A. Stewart, Jr., Executive Vice President – Organizational Effectiveness  
**Subject:** **Contract Award – Life and Disability Insurance**  
**Disposition:** Approval  
**Presentation:** Gregory A. Smith, Vice President - Procurement & Materials Management,  
Anita Dunn, Health and Welfare Plan Manager

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**Objective:**

To present to the Audit, Finance & Administration Committee, for discussion and referral to the Board of Commissioners for approval, a request for authorization to award Contract 19-RFP-105914-FP – Life and Disability Insurance.

**Background:**

On May 8, 2019, Gallagher Benefit Services, on behalf of and in conjunction with Bi-State Development (**BSD**), issued Solicitation 19-RFP-105914-FP to retain a qualified firm(s) to provide life, accidental death and dismemberment (**AD&D**), short-term disability (**STD**) and long-term disability (**LTD**) insurance for our employees and retirees, effective January 1, 2020. A Disadvantaged Business Enterprise (**DBE**) Goal was not recommended for this project. The contract period of performance includes three (3) base years and two (2) option years.

BSD offers non-contributory basic life insurance to eligible active salaried and union employees and eligible retirees. Non-contributory basic AD&D is offered to eligible salaried employees and International Brotherhood of Electrical Workers (**IBEW**) union employees. Voluntary supplemental life insurance is offered to salaried employees and Call-a-Ride union employees, at their own expense. Voluntary dependent life insurance is offered to salaried employees, Call-a-Ride and IBEW union employees, at their own expense. Non-contributory STD and LTD coverage is only offered to salaried employees.

The solicitation was advertised on BSD's website, and the firms were asked to verify their pre-qualifications based on the following:

- Financial strength rating of A- or better (AM Best and/or Standard & Poor's)
- Bidder must be a direct representative of an insurance company (not a third party broker)
- Guarantee Issue Underwriting
- Waived Participation Requirement
- Waived Pre-existing Conditions
- Three (3) Base Year Rate Guarantee
- No Benefit Waiting Period
- Include Portability and Conversion Options
- Match the existing coverage except where indicated by BSD

On May 31, 2019, Gallagher received a total of six (6) proposals that met the minimum requirements. They were submitted by:

- |                 |                      |
|-----------------|----------------------|
| 1. Anthem       | 4. MetLife           |
| 2. Cigna        | 5. Reliance Standard |
| 3. The Hartford | 6. The Standard      |

BSD currently offers basic and supplemental Life and AD&D through The Standard, and STD and LTD, as well as Retiree Life insurance, is provided through Reliance Standard.

**Analysis:**

On June 27, 2019 Gallagher met with the BSD evaluation team and provided their technical and financial (cost) marketing results comparison of all six (6) companies. Based on the information provided, the evaluation team agreed to recommend to the Committee that BSD offer the Basic Life, Supplemental Life, Retiree Life, Short Term Disability and Long Term Disability coverages through The Standard.

The Standard already provides the Life coverages, and was able to competitively price the Life as well as the Disability coverages. In addition, Retiree Life is currently offered through Reliance Standard, under a cost-plus contract. This means that BSD pays a lower fixed amount but has additional risk associated with higher claims volume in a given year. The Standard has offered a fully insured contract at the approximate same cost of the current policy, which means BSD has no additional risk over the premium paid. The Standard agreed to guarantee all coverage rates for three (3) years and included a guarantee for Option Years 1 and 2, based on a loss ratio target of 85% or better on the Life and Disability coverages.

As a coverage enhancement, The Standard is providing a waiver of premium provision on the life insurance for anyone going out on disability at no extra cost. This means that when someone becomes disabled and meets the criteria as defined in the policy, BSD can cease the payment of life insurance premiums for the disabled plan member. The disabled plan member is still covered by the life insurance in event of death.

After reviewing the information for all proposals received, the BSD team agreed with Gallagher's recommendation to renew active employee life, AD&D, and voluntary supplemental life with The Standard and to also move the retiree life, salaried employee STD and LTD coverages to The Standard. This will allow for both ease of administration, cost efficiency and an enhanced experience for our employees, retirees and their beneficiaries.

The charts below illustrate The Standard's estimated cost, which does include potential enrollment/insurance volume growth over the course of the contract period. **The guaranteed rates will be extended for Option Years 1 and 2, if our loss ratio is 85% or below for all Life and Disability Benefits.**

Renewal of our active employee basic life and AD&D insurance is estimated to cost the following:

| <b>The Standard Insurance Company</b> |                           |                         |                               |
|---------------------------------------|---------------------------|-------------------------|-------------------------------|
| <b>Contract Years</b>                 | <b>Basic Life Premium</b> | <b>AD&amp;D Premium</b> | <b>Est. Total Annual Cost</b> |
| Base Year 1                           | \$125,691                 | \$13,328                | \$139,019                     |
| Base Year 2                           | \$129,462 (3% growth)     | \$13,728 (3% growth)    | \$143,190                     |
| Base Year 3                           | \$133,346 (3% growth)     | \$14,140 (3% growth)    | \$147,486                     |
| Option Year 1                         | \$137,346 (3% growth)     | \$14,564 (3% growth)    | \$151,910                     |
| Option Year 2                         | \$141,466 (3% growth)     | \$15,001 (3% growth)    | \$156,467                     |
| Total                                 | \$667,311                 | \$70,761                |                               |
| <b>Estimated Five-Year Total</b>      |                           |                         | <b>\$738,072</b>              |

**Voluntary supplemental employee and dependent life insurance premiums are 100% contributory on the part of the employee through payroll deduction;** however, BSD remits premiums to the insurance carrier on the employee's behalf. While we have seen 9% growth in employee supplemental life volume and 3.5% in dependent volume, trend increase is expected to slow down with projected growth rates noted in the following chart. Renewal of our active voluntary employee supplemental and dependent life is estimated to cost employees the following:

| <b>The Standard Insurance Company</b> |                                                     |                                         |                               |
|---------------------------------------|-----------------------------------------------------|-----------------------------------------|-------------------------------|
| <b>Contract Years</b>                 | <b>Voluntary Employee Supplemental Life Premium</b> | <b>Voluntary Dependent Life Premium</b> | <b>Est. Total Annual Cost</b> |
| Base Year 1                           | \$118,704                                           | \$15,036                                | \$133,740                     |
| Base Year 2                           | \$122,265 (3% growth)                               | \$15,487 (3% growth)                    | \$137,752                     |
| Base Year 3                           | \$125,933 (3% growth)                               | \$15,952 (3% growth)                    | \$141,885                     |
| Option Year 1                         | \$129,711 (3% growth)                               | \$16,430 (3% growth)                    | \$146,141                     |
| Option Year 2                         | \$133,602 (3% growth)                               | \$16,923 (3% growth)                    | \$150,525                     |
| Total                                 | \$630,215                                           | \$79,828                                |                               |
| <b>Estimated Five-Year Total</b>      |                                                     |                                         | <b>\$710,043</b>              |

*Board Policy Chapter 50.010 E., Purchasing, requires the Board of Commissioners to approve competitive negotiated procurements which exceed \$500,000.*

Awarding the retiree life insurance coverage and active employee disability insurance to The Standard is estimated to cost the following:

| <b>The Standard Insurance Company</b> |                             |                                      |                                     |                               |
|---------------------------------------|-----------------------------|--------------------------------------|-------------------------------------|-------------------------------|
| <b>Contract Years</b>                 | <b>Retiree Life Premium</b> | <b>Short Term Disability Premium</b> | <b>Long Term Disability Premium</b> | <b>Est. Total Annual Cost</b> |
| Base Year 1                           | \$246,172                   | \$162,021                            | \$74,308                            | \$482,501                     |
| Base Year 2                           | \$253,557 (3% growth)       | \$166,882 (3% growth)                | \$76,537 (3% growth)                | \$496,976                     |
| Base Year 3                           | \$261,164 (3% growth)       | \$171,888 (3% growth)                | \$78,833 (3% growth)                | \$511,885                     |
| Option Year 1                         | \$268,999 (3% growth)       | \$177,045 (3% growth)                | \$81,198 (3% growth)                | \$527,242                     |
| Option Year 2                         | \$277,069 (3% growth)       | \$182,356 (3% growth)                | \$83,634 (3% growth)                | \$543,059                     |
| Total                                 | \$1,306,961                 | \$860,192                            | \$394,510                           |                               |
| <b>Estimated Five-Year Total</b>      |                             |                                      |                                     | <b>\$2,561,663</b>            |

**Committee Action Requested:**

Management recommends that the Audit, Finance and Administration Committee accept and forward to the Board of Commissioners for approval, the request that the President and CEO enter into a contract with the highest ranking firm, The Standard Company, whose price is most advantageous to BSD, with price and other factors considered, in a not to exceed amount of **\$4,009,778**. Actual payments under the contract during its term will be dependent upon the level of employee enrollment and covered insurance volume.

**Attachments:**

Life and Disability Scorecard

**Funding Source:**

The voluntary supplemental employee and dependent life insurance premium, at an estimated five year cost of \$710,043, is funded 100% by the enrolled employees through payroll deduction. BSD will fund the employer paid life and disability benefits at an estimated five year cost of \$3,299,735 from its operating budget.

**Open Session Item 18**  
**Attachment 1**



Insurance | Risk Management | Consulting

Basic Life and AD&D  
Supplemental Life  
Retiree Life  
Short Term Disability Insurance  
Long Term Disability

**PROVIDER PROPOSALS**

Prepared By:  
Gallagher Benefit Services, Inc.

**EXCLUSIVELY FOR:**

*Bi-State Development Agency*



### Carrier Information

Anthem

Cigna

The Hartford

| Technical Evaluation                                             |    |    |    |
|------------------------------------------------------------------|----|----|----|
| Vendor Financial Strength                                        | 3  | 3  | 3  |
| Overall completion of requested information                      | 5  | 5  | 4  |
| Ability to offer all requested coverages                         | 4  | 4  | 4  |
| Experience in the market                                         | 4  | 5  | 5  |
| Experience of the Account team                                   | 4  | 5  | 5  |
| Length of rate guarantee (5 = 3 years for all coverages offered) | 5  | 3  | 5  |
| Total Score                                                      | 25 | 25 | 26 |
| Ranking                                                          | 5  | 4  | 2  |

### Carrier Information

Anthem

Cigna

The Hartford

| Pricing-Ranking on each coverage and then overall package |   |   |   |
|-----------------------------------------------------------|---|---|---|
| Basic Life & AD&D                                         | 5 | 4 | 3 |
| Supplemental Life-All same pricing                        |   |   |   |
| Retiree Life                                              | 2 | 6 | 5 |
| Short Term Disability                                     | 1 | 3 | 4 |
| Long Term Disability                                      | 3 | 4 | 6 |
| Overall Pricing Package                                   | 4 | 6 | 5 |
| Final Ranking                                             | 4 | 6 | 5 |

## AM Best Guide

### BEST'S FINANCIAL STRENGTH RATING GUIDE – (FSR)

A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.

#### Best's Financial Strength Rating (FSR) Scale

| Rating Categories | Rating Symbols | Rating Notches* | Category Definitions                                                                                                                                                                                                          |
|-------------------|----------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Superior          | A+             | A++             | Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.                                                                                                    |
| Excellent         | A              | A-              | Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.                                                                                                  |
| Good              | B+             | B++             | Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.                                                                                                        |
| Fair              | B              | B-              | Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.           |
| Marginal          | C+             | C++             | Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.       |
| Weak              | C              | C-              | Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.      |
| Poor              | D              | -               | Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions. |

\* Each Best's Financial Strength Rating Category from "A+" to "D" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus "-".

#### Financial Strength Non-Rating Designations

| Designation Symbols | Designation Definitions                                                                                                                                                                                                                                                                                                                                               |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| E                   | Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.                                                                                             |
| F                   | Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.                                                                                                                                                                                                                 |
| S                   | Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements. |
| NR                  | Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by A.M. Best.                                                                                                                                                                                           |

#### Rating Disclosure – Use and Limitations

A Best's Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance, business profile and enterprise risk management or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligations assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligations, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligations. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (A.M. Best) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such, it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an "as is" basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of A.M. Best.

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Version 010219



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA  
Chief Audit Executive  
**Subject:** **Revised - Internal Audit Charter**  
Briefing Paper No. 19-37  
**Disposition:** Approval  
**Presentation:** James J. Cali, Chief Audit Executive

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**Objective:**

To present to the Committee, the request for the Internal Audit Department's (**IAD's**) Revised Internal Audit Charter in the Bi-State Development (**BSD**) Board Policies and Procedures for review and approval.

**Background:**

The Internal Audit Charter is a formal document that defines the Internal Audit activity's purpose, authority, and responsibility. The Internal Audit Charter does the following:

- Establishes the Internal Audit activity's position within the organization, including the nature of the chief audit executive's functional reporting relationship with the Board;
- Authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and
- Defines the scope of internal audit activities.

**Committee Action Requested:**

It is recommended that the Committee approve the Revised Internal Audit Charter.

**Funding Source:**

Funding is provided through the Internal Audit Department Operating Budget.

**Attachment:**

1. Revised Internal Audit Charter

**Open Session Item 19**  
**Attachment 1**

# **INTERNAL AUDIT CHARTER**

## **MISSION STATEMENT**

To perform audits in accordance with the appropriate professional standards, ensure proper accountability of public funds, and to add value by promoting a control environment through open communication, professionalism, expertise and trust.

To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

## **DEFINITION OF INTERNAL AUDIT**

A department, division, team of consultants, or other practitioner(s) that provides independent, objective assurance and consulting services designed to add value and improve an organization's operations. The internal audit activity helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

## **SCOPE OF WORK**

The scope of work of the Internal Audit Department is to determine whether the organization's network of risk management, control, and governance processes, as designed and represented by Management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as needed;
- Significant financial, managerial, and operating information is accurate, reliable, and timely;
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Programs, plans, and objectives are achieved;
- Quality and continuous improvement are fostered in the organization's control process; and
- Significant legislative or regulatory issues impacting the organization are recognized and addressed appropriately.

Opportunities for improving Management control, profitability, and the organization's image may be identified during audits. They will be communicated to the Audit, Finance & Administration Committee and the appropriate level of Management.

## **ACCOUNTABILITY**

The Internal Audit Department shall be accountable to the Audit, Finance & Administration Committee and the Board of Commissioners to:

- Provide an assessment of the adequacy and effectiveness of the organization's process for controlling its activities and managing its risks in the areas set forth under the mission and scope of work;
- Report significant issues related to the processes for controlling the activities of the organization and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution;
- Periodically provide information on the status and results of the Annual Audit Plan and the sufficiency of department resources; and
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).

### **INDEPENDENCE**

To provide for the independence of the Internal Audit Department, its personnel report to the Chief Audit Executive, who reports functionally to the Audit, Finance & Administration Committee and administratively to the Board of Commissioners, as well as coordinates with Management in an appropriate manner.

### **RESPONSIBILITY**

The Chief Audit Executive and staff of the Internal Audit Department have responsibility to:

- Develop a flexible Annual Audit Plan using an appropriate risk-based methodology, including any risks or control concerns identified by Management, and submit that plan to the Audit, Finance & Administration Committee for review and approval, as well as periodic updates;
- Implement the Annual Audit Plan as approved, including, as appropriate, any special tasks or projects requested by Management and the Audit, Finance & Administration Committee;
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter;
- Evaluate and assess significant functions and new or changing services, processes, operations, and control processes during development, implementation, and/or expansion phase;
- Issue periodic reports to the Audit, Finance & Administration Committee and Management summarizing results of audit activities;
- Keep the Audit, Finance & Administration Committee informed of emerging trends and successful practices in internal auditing;
- Provide a list of significant measurement goals and results to the Audit, Finance & Administration Committee;
- Assist in the investigation of significant suspected fraudulent activities within the organization and notify Management and the Audit, Finance & Administration Committee of the results;



- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization at a reasonable overall cost; and
- Include any assignments given by the Audit, Finance & Administration Committee or the Board as a whole.

### **AUTHORITY**

The Chief Audit Executive, and staff of the Internal Audit Department, are authorized to:

- Have unrestricted access to all functions, records, contracts, leases, property, and personnel, which are reasonably necessary to accomplish its responsibilities;
- Have full and free access to the Audit, Finance & Administration Committee;
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives; and
- Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the organization.

The Chief Audit Executive, and staff of the Internal Audit Department, are not authorized to:

- Initiate or approve accounting transactions external to the Internal Audit Department; and/or
- Direct the activities of any organization employee not employed by the Internal Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

### **QUALITY ASSURANCE AND IMPROVEMENT PROGRAM**

The Internal Audit Department is responsible for establishing and reporting to Senior Management and the Audit, Finance & Administration Committee and Board of Commissioners on a Quality Assurance and Improvement Program which contains the following major elements:

- Internal Assessments, including ongoing monitoring of performance and periodic self-assessments, and
- External Assessments.

### **STANDARDS OF AUDIT PRACTICE**

The Internal Audit Department will be governed by the *Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors (IIA)*. The Internal Audit Department is committed to the implementation of the IIA's Quality Assurance and Improvement Program. The Quality Assurance and Improvement Program is designed to enable an evaluation of the internal audit activity's conformance with the definition of Internal Auditing and the Standards, and an

evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal activity and identifies opportunities for improvement.

The Internal Audit Charter approved by the Board of Commissioners requires the Internal Audit Department to maintain auditing standards consistent with those established by the IIA. An external assessment is required to be performed at least once every five (5) years by a qualified, independent reviewer or review team from outside the organization. This report represents the results of a self-assessment with independent external validation.

The Quality Assurance Review (**QAR**) rating system, to express an opinion of conformance, includes three (3) levels which contain the following:

**Generally Conforms (GC)**

GC - means the evaluator has concluded that the Internal Audit Department's charter, structure, policies, and procedures, as well as the processes by which they are applied, are judged to be in accordance with the Standards, with some opportunities for improvement being possible.

**Partially Conforms (PC)**

PC - means the evaluator has concluded that a deviation from the Standards exist and action is needed to improve conformity. These deviations are not, however, significant enough to preclude the Internal Audit Department from carrying out its responsibilities in an acceptable manner.

**Does Not Conform (DNC)**

DNC - means the evaluator has concluded the Internal Audit Department is not aware of, is not making a good-faith effort to comply with, or is failing to achieve conformity with many/all of the Standards, thus impacting its ability to carry out its mission.

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Chief Audit Executive

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President and CEO

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Chair, Board of Commissioners

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Audit, Finance & Administration Committee Chair

Dated: \_\_\_\_/\_\_\_\_/\_\_\_\_



# VISION

The Metro Transit team is committed to meeting the ever-changing needs of our customers and the communities we serve. We will continue to deliver service that our customers trust and depend on, while we work to create a more secure, more attractive and productive transit system. This new Metro Transit is centered around the experiences of our customers, and will be intended to deliver safe, reliable personal mobility solutions that connect our customers to the opportunities the St. Louis region offers.



Jessica Mefford-Miller  
Executive Director, Metro Transit

## METRO TRANSIT OPERATIONS REPORT

August 20, 2019  
Operations  
Committee Meeting



## PERFORMANCE

### Metro Transit Operations At-A-Glance

| 4 <sup>th</sup> Quarter<br>Performance Measure           | MetroBus<br>Fixed Route +<br>Special<br>Services | FY19<br>vs.<br>FY18 | MetroLink                                                      | FY19<br>vs.<br>FY18 | Call-A-<br>Ride | FY19 vs.<br>FY18 |
|----------------------------------------------------------|--------------------------------------------------|---------------------|----------------------------------------------------------------|---------------------|-----------------|------------------|
| System Ridership                                         | 5,786,800                                        | (-1.9%)             | 3,528,100                                                      | (-0.3%)             | 123,200         | (-12%)           |
| Missouri                                                 | 5,058,000                                        | (-1.9%)             | 2,866,000                                                      | 0.1%                | 123,200         | (-12%)           |
| Illinois                                                 | 597,900                                          | 0.4%                | 662,100                                                        | (-2.0%)             | --              | --               |
| Revenue Miles                                            | 4,689,635                                        | 0.3%                | 775,498                                                        | 1.2%                | 1,287,411       | 0.4%             |
| Revenue Hours                                            | 356,047                                          | 0.4%                | 33,114                                                         | 1.1%                | 69,727          | (-3.9%)          |
| On-Time Performance                                      | 91.2%                                            | (-1.5%)             | 97.6%                                                          | (-0.5%)             | 91.4%           | (-3.2%)          |
| Total Annual<br>MetroBus + MetroLink<br>Farebox Recovery | 14.5%                                            | (-8.5%)             | Total Annual<br>Call-A-Ride<br>Farebox + Contracts<br>Recovery |                     | 13.5%           | (-30%)           |
| Total Annual<br>MetroBus + MetroLink<br>Average Fare     | \$1.07                                           | 1.4%                | Total Annual<br>Call-A-Ride<br>Average Fare                    |                     | \$2.94          | 15%              |

**Metro Transit – Reimagining Mobility**

# BUDGET ADHERENCE

## Budget & Expenses

**4<sup>th</sup> Quarter**  
**APR – JUN**  
**FY 2019**



| Performance Measure                     | Actual        | Budget        | Budget Variance Over/(Under) | Budget Variance % |
|-----------------------------------------|---------------|---------------|------------------------------|-------------------|
| Total Annual Transit Operating Expenses | \$234,721,300 | \$257,269,700 | (\$22,458,400)               | (-8.8%)           |
| Total Annual Passenger Revenues         | \$40,864,400  | \$40,724,400  | 140,000                      | 0.3%              |
| Quarterly Operating Miles (MetroBus)    | 4,689,635     | 5,334,286     | (-644,651)                   | (-12.1%)          |
| Quarterly Operating Hours (MetroBus)    | 383,477       | 388,636       | (-5,159)                     | (-1.3%)           |
| Quarterly Operating Miles (MetroLink)   | 775,498       | 786,161       | (-10,663)                    | (-1.4%)           |
| Quarterly Operating Hours (MetroLink)   | 33,711        | 33,948        | (-237)                       | (-0.7%)           |

➔ *Wages & benefits remain favorable to budget primarily due to vacancies*

➔ *In the final quarter of the fiscal year, passenger revenues, likely bolstered by St. Louis Blues regional events, surpassed budget projections*

# PRODUCTIVITY

## Ridership & Service Levels

**4<sup>th</sup> Quarter**  
**APR – JUN**  
**FY 2019**



| Performance Measure         | MetroBus Fixed Route | FY19 vs. FY18 | MetroLink | FY19 vs. FY18 | Call-A-Ride | FY19 vs. FY18 |
|-----------------------------|----------------------|---------------|-----------|---------------|-------------|---------------|
| Average Weekday Ridership   | 72,000               | (-1.8%)       | 42,900    | (-2.5%)       | 1,600       | (-15.8%)      |
| Average Weekend Ridership   | 39,000               | (-1.3%)       | 29,000    | 9.1%          | 650         | 2.3%          |
| Passengers per Revenue Mile | 1.2                  | (-2.1%)       | 4.5       | (-1.5%)       | 0.1         | (-12.2%)      |
| Passengers per Revenue Hour | 16.3                 | (-2.3%)       | 106.5     | (-1.3%)       | 1.8         | (-8.3%)       |

➔ *The success of the St. Louis Blues as Stanley Cup Champions and all related regional activities contributed to strong weekend MetroLink ridership this quarter. Fewer Cardinals weekday games may have driven weekday ridership down by a small percentage.*

➔ *Call-A-Ride (CAR) boardings dropped significantly due to an uptick of ADA denials related to a shortage of Van Operators; however, CAR reports positive rider experience feedback from customers who largely understand the rationale and that the rate of denials are temporary.*

# LOSS MANAGEMENT & RISK

## Vehicular Safety / Drug & Alcohol Assessments

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Safety & Loss Management Performance Measures              | COUNT | FY19 vs. FY18 |
|------------------------------------------------------------|-------|---------------|
| MetroBus Preventable Accidents                             | 70    | 13%           |
| MetroBus Non-Preventable Accidents                         | 101   | 17%           |
| MetroLink FTA Reportable Accidents & Rule Violations*      | 11    | 100%          |
| MetroLink FTA Non-Reportable Accidents & Rule Violations** | 2     | (-50%)        |
| Call-A-Ride Preventable Accidents                          | 17    | 55%           |
| Call-A-Ride Non-Preventable Accidents                      | 10    | (-9.1%)       |

\*Meets FTA definition of "light rail" accidents or rule violations

\*\*Does not meet FTA "light rail" accident definition or rule violations

| Risk Assessment Performance Measures | # NEG Test | # POS Test | % Positive FY19 vs. FY18 |
|--------------------------------------|------------|------------|--------------------------|
| Random Tests                         | 357        | 4          | (-0.4%)                  |
| Post-Accident Tests                  | 175        | 2          | (-0.4%)                  |
| Pre-Employment Tests                 | 337        | 27         | 4.4%                     |

➔ Preventable accidents and FTA reportable incidents jumped due to increased new hires and constraints related to operator shortages

➔ Safety & Operations continue enhanced training initiatives to reduce preventable accidents

➔ Pre-employment testing indicates prospective applicant pools are showing increasingly higher rates of risk

# AVAILABILITY & RELIABILITY

## Absences & Extra-Board

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Performance Measure                            | MetroBus | FY19 vs. FY18 | MetroLink | FY19 vs. FY18 | Call-A-Ride | FY19 vs. FY18 |
|------------------------------------------------|----------|---------------|-----------|---------------|-------------|---------------|
| % Unauthorized Absences                        | 2.7%     | (-0.7%)       | 1.2%      | (-2.0%)       | 3.0%        | (-0.1%)       |
| % Authorized Absences                          | 15.9%    | 0.6%          | 20.9%     | 5.0%          | 19.2%       | 5.2%          |
| % Calculated Extra-board Annual Moving Average | 24%      | 4.1%          | 24.9%     | 5.6%          | 24.3%       | (-8.7%)       |
| Missed / Annulled Trips                        | 724      | (-5.7%)       | 0         | 0%            | 217         | 82%           |

➔ Management & Labor continue to work evaluate trends in absenteeism, policy, contracts, and management strategies that reduce overall absenteeism, especially unauthorized absences.

➔ CAR Operations find that communicating the van operator shortage to customers is received positively. They expect the operator run-pick in July should help to alleviate the rate of missed trips and trip denials.

# VEHICLE MAINTENANCE

## Scheduled Maintenance

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Performance Measure                         | MetroBus | FY19 vs. FY18 | MetroLink | FY19 vs. FY18 | Call-A-Ride | FY19 vs. FY18 |
|---------------------------------------------|----------|---------------|-----------|---------------|-------------|---------------|
| 4 <sup>th</sup> Quarter Routine Inspections | 557      | (-1.2%)       | 335       | 2.1%          | 141         | (-7.2%)       |
| YTD Percentage On-Time Inspections          | 99.7%    | 0.6%          | 99.5%     | (-0.5%)       | 97.3%       | (-2.6%)       |

➔ The Vehicle Maintenance Division continues to consistently maintain its scheduled maintenance inspection program.

➔ The number of MetroLink inspections has diminished in FY19 due to a focus on maintaining and responding to failures across an aging fleet.

# VEHICLE MAINTENANCE

## Vehicle Reliability

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Performance Measure                  | MetroBus | FY19 vs. FY18 | MetroLink | FY19 vs. FY18 | Call-A-Ride | FY19 vs. FY18 |
|--------------------------------------|----------|---------------|-----------|---------------|-------------|---------------|
| Delays                               | 196      | (-14%)        | 63        | 15%           | 52          | 24%           |
| Mean Distance Between Delays (Miles) | 29,033   | 0.6%          | 26,615    | (-0.5%)       | 26,088      | (-37%)        |

➔ Metro Vehicle Maintenance continues to perform as an industry leader and MetroBus Vehicle Maintenance has reached an all-time high in vehicle reliability, resulting in more predictable service for our customers, and less maintenance emphasis on repairing equipment failures.

➔ The third quarter saw a drop in vehicle reliability for MetroLink, and a significant drop for Call-A-Ride. This increase in delays, and erosion in reliability, reflects a relative high average fleet age for both modes. These trends will only be reversed by vehicle replacement.

# CUSTOMER FEEDBACK

## Commendations & Complaints

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Operating Division   | Performance Measure                   | FY19 | FY18 | FY19 vs. FY18 |
|----------------------|---------------------------------------|------|------|---------------|
| <b>COMMENDATIONS</b> |                                       |      |      |               |
|                      | System Total                          | 479  | 419  | 14%           |
|                      | MetroBus Total                        | 201  | 295  | (-14%)        |
|                      | MetroLink Total                       | 24   | 12   | 100%          |
|                      | Call-A-Ride Total                     | 229  | 98   | 134%          |
|                      | Service Planning & Scheduling Total   | 2    | 3    | 33%           |
|                      | Public Safety & Security Total        | 11   | 11   | 0%            |
| <b>COMPLAINTS</b>    |                                       |      |      |               |
|                      | Valid Complaint Types                 |      |      |               |
| MetroBus             | MetroBus Total                        | 804  | 853  | (-5.7%)       |
|                      | Operator-Driving Performance          | 421  | 404  | 4.2%          |
|                      | Operator-Customer Interaction         | 244  | 264  | (-7.6%)       |
| MetroLink            | MetroLink Total                       | 78   | 74   | 5.4%          |
|                      | Operator-Driving Performance          | 31   | 25   | 24%           |
|                      | Operator-Customer Interaction         | 6    | 5    | 20%           |
| Call-A-Ride          | Call-A-Ride Total                     | 55   | 43   | 30%           |
|                      | Operator-Driving Performance          | 15   | 21   | (-29%)        |
|                      | Operator-Customer Interaction         | 19   | 17   | 12%           |
| Other                | Vehicle Maintenance & Equipment Total | 15   | 13   | 15%           |
|                      | Service Planning & Scheduling Total   | 77   | 80   | (-3.8%)       |
|                      | Public Safety & Security Total        | 125  | 124  | 0.8%          |

➡ Commendations for the system are up this quarter largely driven by improved customer experience within Call-A-Ride Operations.

➡ Complaints on the system are largely motivated by three different factors within MetroBus Operations. These include operator performance complaints related to customers that report operators “passed up these customers at the MetroBus stop” or were “driving recklessly” and, customer interaction complaints that report that an operator was “rude with customers.” MetroLink operators are less prone to these types of complaints due to the nature of MetroLink vehicle operations.



# PUBLIC SAFETY & SECURITY

## Enforcement & Protection

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



| Performance Measure                          | FY19   | FY18   | FY19 vs. FY18 |
|----------------------------------------------|--------|--------|---------------|
| Customer Contacts (Public Safety & Security) | 166    | 195    | (-15%)        |
| Citations                                    | 532    | 590    | (-10%)        |
| Foot Patrols                                 | 6,416  | 3,198  | 101%          |
| MetroBus Patrols                             | 166    | 1,431  | (-88%)        |
| MetroLink Patrols                            | 15,299 | 6,144  | 149%          |
| All Calls for Service (PS&S Dispatch Center) | 36,365 | 22,433 | (-1%)         |
| Calls Reporting Security Incidents           | 2,549  | 1,745  | 46%           |
| Arrest                                       | 92     | 36     | 156%          |
| Drug Violation                               | 34     | 20     | 70%           |
| Fare Violation                               | 744    | 398    | 87%           |
| Fighting                                     | 87     | 55     | 58%           |
| Passenger Removal                            | 145    | 117    | 24%           |
| Peace Disturbance                            | 574    | 328    | 75%           |
| Public Intoxication                          | 88     | 55     | 60%           |
| Robbery & Theft                              | 57     | 52     | 10%           |
| Sexual Assault & Misconduct                  | 14     | 11     | 27%           |
| Shots Fired                                  | 7      | 9      | (-22%)        |
| Weapon Violation                             | 40     | 33     | 21%           |

- ➔ *Public safety has restructured patrol assignments in Q4 FY19 to accommodate a decrease in patrol officers and increase security presence at transit centers and onboard MetroLink. The increased security presence at these locations account for the increase in calls for service reporting nuisance, non-violent crimes (e.g., peace disturbance, peddling, etc.).*
- ➔ *Roughly half of the arrest calls for service are for violations on the system, the rest are 'wanted person' or warrant arrests.*
- ➔ *Metro implemented an instant messaging application (Quiq) near the beginning of FY19. This application may be absorbing some of the customer contacts previously fielded and reported by Customer Service.*

# RIDERSHIP TRENDS

## Fiscal Year Outlook

FY17, FY18

& FY19

vs.

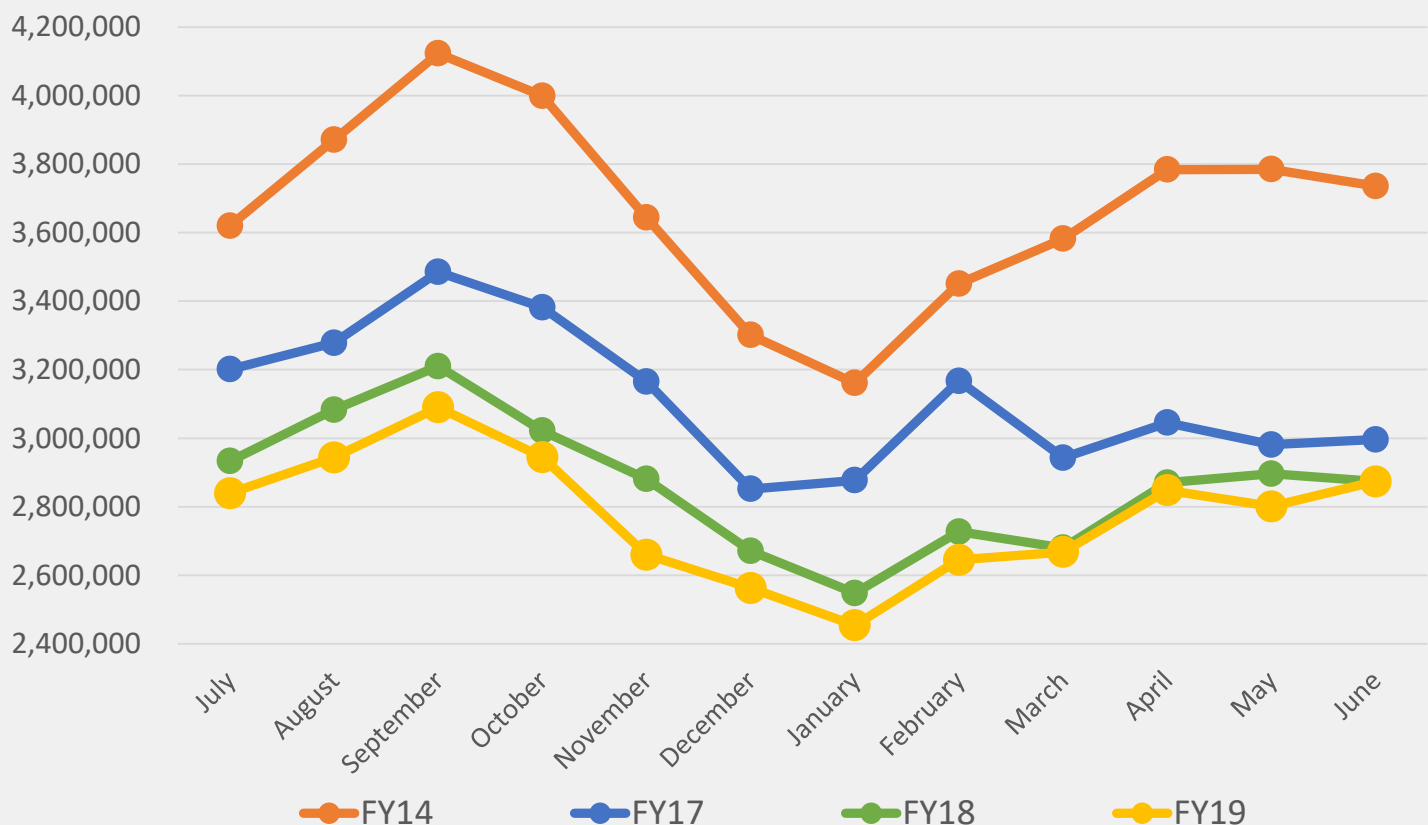
Peak FY14

Ridership Levels



- ➔ Sustained ridership declines since recent peak level ridership in FY14; generally follows national trends; however, this last fiscal year (FY19), ridership levels appear to be stabilizing.
- ➔ At (-3.0%) system ridership decline rates in FY19 vs. FY18 are decelerating compared to decline rates in previous fiscal years.
- ➔ At (-3.1%) fixed-route passenger revenue decline rates in FY19 vs. FY18 are also decelerating compared to decline rates in previous fiscal years.
- ➔ Typically, long-term Call-A-Ride ridership trends are stable; however, recently Call-A-Ride figures are falling due to recent contractual changes with the Missouri Department of Mental Health and a decrease in staffing levels at the Call-A-Ride facility.

### STANDARDIZED FIXED-ROUTE RIDERSHIP (TOTAL SYSTEM)



# SECURITY ACTIVITIES

## UPDATE

4<sup>th</sup> Quarter  
APR – JUN  
FY 2019



Metro and our partners are committed to bolstering public safety on and around the Metro transit system, and in order to do that we are developing and executing an actionable public safety and law enforcement program.

## Progress Timeline

- June – August 2019 Metro completes access control improvements at North Hanley, Delmar Loop, Forest Park – DeBaliviere, Central West End, and Fairview Heights MetroLink Stations
- July – August 2019 Metro presents Police Partners with revised contracts; negotiation ongoing
- August 2019 Metro Public Safety leadership team announced
- August 2019 Metro released request for proposals for contract security services
- August 2019 Metro presents prosecuting attorneys with revised citation; resumes issuing citations in St. Louis County
- August 2019 Metro Public Safety adds MetroBus-focused patrols
- August 2019 Metro CCTV system shared with City of St. Louis and St. Louis County Police Departments
- Spring – Fall 2019 redesign of 5 MetroLink Stations
- December 2019 Anticipated commencement of new security services contract
- Spring 2020 (WSP) Metro Security Assessment Concludes

## Teambuilding & Personnel Deployment

- Metro redefined the leadership roles of our security program. In August 2019, Metro announced the hiring of the new leadership team for our comprehensive security program. **Stephen Berry, General Manager of Public Safety** will provide strategic leadership to Metro Public Safety and will coordinate the work of law enforcement partners and contractors. **Kevin Scott, Director of Security** will provide critical leadership to Metro's Public Safety Team, and will coordinate our efforts with our law enforcement partners. **Vernon Summers, Manager of Contract Security** will provide leadership and oversight of Metro's contract security program.



**Bi-State Development  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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|                      |                                                          |
|----------------------|----------------------------------------------------------|
| <b>From:</b>         | Ted Zimmerman, Vice President Marketing & Communications |
| <b>Subject:</b>      | <b>Metro Brand Refresh Overview</b>                      |
| <b>Disposition:</b>  | Information                                              |
| <b>Presentation:</b> | Ted Zimmerman, Vice President Marketing & Communications |

---

**Objective:**

To present to the Operations Committee an overview of the *Metro Brand Refresh*. The brand refresh vision begins with new MetroBus service in Missouri, launching fall 2019.

**Background:**

Rapidly changing mobility options and a decline in ridership in recent years prompted Metro Transit (**Metro**) to launch a series of projects that began to examine how Metro would best respond to changing consumer mobility demands and improve transit system productivity, while effectively elevating our brand in the marketplace by communicating Metro's relevance in this changing mobility world. During this same period, Metro experienced a number of setbacks related to safety and security, as well as a growing sentiment concerning rider safety.

The series of projects included the Comprehensive Operational Analysis (Metro Reimagined), System Wayfinding Audit & Study, and a brand research project. The brand research project (sponsored by the Marketing Division of Bi-State Development) was tasked with gaining insight from the public (frequent / semifrequent riders and non-riders), Bi-State Development (**BSD**) employees, and leadership related to the Metro brand. Metro engaged transit marketing experts PAVLOV Advertising to conduct consumer insight research, to better understand these groups' impression of MetroBus and MetroLink. Research questions included: what issues affect ridership, why ridership is down, what changes they would make, and what are the biggest priorities for Metro.

The current Metro brand has existed since 2003, without any major or minor adjustments to the logo and brand colors.

**Analysis:**

The brand research, including online surveys and focus groups, supported the opportunity for change and a more positive, relatable brand. Of note:

- Riders and residents recognized Metro's security issues and other challenges, but viewed them as St. Louis/big city problems. They did not blame Metro, they were forgiving. They feel part of a community of riders. This indicated that it is safe to celebrate Metro's relationship with its riders.
- They regarded Metro as the resource that gives them mobility and opportunity to work outside their neighborhoods. This clarified that what is most important to them are their destinations, where they can go, thanks to Metro.

- Still, they recognized that Metro could change and improve, and noted everything from streamlined routes, to safe places to stand when waiting for the bus. They did want Metro to be better; demonstrating the power of "new" and the quantifiable improvements that Metro Reimagined offers. Metro can be proud, and should position changes as "wins" for riders.
- Residents have a reasonably (even surprisingly) strong level of pride and appreciation for the St. Louis area, on comparable levels with other cities that PAVLOV has surveyed in Texas and California. This shows the opportunity to embrace a St. Louis identity, and be part of what makes the region better.
- Metro management and employee responses were remarkably similar as compared to similar studies performed for other organizations.

Combined, these led to an overall Key Brand Strategy of Rider-Centric Revolution -- empowering and celebrating victories, big and small, that place a priority on making things better for the rider.

This strategy guided us to:

- A logo that is less rigid, blocky and authoritative than the old M-in-a-Box. The new logo looks like a sun rising on a new day, and the stylized "M" doubles as a "StL", for St. Louis pride.
- A color palette that is bold, vivid and evokes the hues of the St. Louis skyline and Gateway Arch, reflected in the riverfront. The colors will appear in marketing materials and in wayfinding/signage at Metro stations, stops and shelters.
- An advertising style that presents its messages in a fun, optimistic way, always focused on rider benefits.
- A marketing/media plan concentrated around the launch of Metro Reimagined changes to communicate a new, improved Metro.

**Committee Action Requested:**

No action required; for information only.

**Attachments:**

N/A

**Funding Source:**

Funding for market research, marketing and design is accommodated within the FY20 Operating Budget. Funding for capital improvements, including vehicle paint and wraps and signage, are included in grant-funded capital programs and will be rolled out as equipment is replaced.



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA  
Chief Audit Executive  
**Subject:** **Internal Audit Department Support For St. Louis County Council**  
Briefing Paper No. 19-38  
**Disposition:** Information  
**Presentation:** James J. Cali, Chief Audit Executive

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**Objective:**

To present to the Committee, the request from the Presiding Officer of the St. Louis County Council for the Internal Audit Department (**IAD**) to prepare certain reports pertaining to the Bi-State Development (**BSD**) annual budget.

**Background:**

In a letter dated June 17, 2019, Ernest G. Trakas, Presiding Officer of the St. Louis County Council, 6<sup>th</sup> District, requested the “Bi-State Internal Auditor” to provide a separate certification annually, and to be included as part of the BSD annual budget request. However, the FY2020 Annual Audit Work Plan that was approved at the May 31, 2019, Audit, Finance and Administration Committee did not include any staff time to prepare the documents requested by the Presiding Officer of the St. Louis County Council.

**Analysis:**

Based upon the nature of this request, it appears that a significant amount of staff time and resources will be required to produce these reports.

**Committee Action Requested:**

This item is provided for information only.

**Funding Source:**

Funding is provided through the Internal Audit Operating Budget.

**Attachment:**

1. Letter dated June 17, 2019, from Ernest G. Trakas, the Presiding Officer of the St. Louis County Council



**Open Session Item 22**  
**Attachment 1**

# St. Louis County Council

**Ernest G. Trakas**

Presiding Officer  
St. Louis County Council, 6th District



314 / 615-5442  
314 / 615-7890 Telefax  
E-mail: [etrakas@stlouisco.com](mailto:etrakas@stlouisco.com)

COUNTY GOVERNMENT CENTER  
LAWRENCE K. ROOS ADMINISTRATION BUILDING  
41 S. CENTRAL AVENUE  
CLAYTON, MISSOURI 63105

June 17, 2019

*Via 1st class U.S. and electronic mail ([troach@bistatedev.org](mailto:troach@bistatedev.org))*

Mr. Taulby Roach  
President & Chief Executive Officer  
Bi-State Development Agency  
211 North Broadway, Suite 700  
St. Louis, MO 63102

Dear Mr. Roach:

Thank you for taking the time to meet with me last week to discuss Bi-State's budget. The purpose of this letter is to express some of my concerns and expectations in connection with your forthcoming request for funding from St. Louis County for Metro Transit for your fiscal year beginning July 1, 2019. It is my hope sending this letter will put you in a better position to be responsive to the people of St. Louis County as we consider your request. While I have tried to be comprehensive, please do not assume that all of the concerns of the County Council are contained in this letter or that other concerns will not be expressed by me or other members of the Council. This letter sets forth my own thoughts and has not been reviewed or considered by the Council as a whole. I do believe, however, that I'm not alone in my concerns and the extent to which you can anticipate such concerns will greatly aid you in preparing for hearings on your subsidy request.

St. Louis County has endured tremendous public scrutiny over the last few years relating to connections between public contracts, political influence and campaign donations under the administration of former County Executive Steve Stenger. You are certainly aware that the Council's Ethics Committee called for state and federal investigations into such practices in 2018. As these matters have been discovered and exposed by the Council, the media, and others, the Council's appropriation and oversight functions have taken on the highest level of priority and significance and are consuming more time on the Council's part than at any time in the County's history. We are absolutely committed on a bi-partisan basis to ensure that the dollars of the County's taxpayers are appropriated for the most efficient, transparent, and effective uses pursuant to the highest levels of accountability. Political influence in connection with the expenditures of our taxpayers' dollars is not to be tolerated either by the County or, to the extent we can prevent it, by any entity providing services to the County.

Bi-State receives one of the largest appropriations of County dollars of any outside entity—aggregating to more than \$150,000,000 in recent years. It represents not only an MR. unprecedented commitment by County taxpayers to public transportation, but it is also by far



Mr. Taulby Roach  
June 17, 2019  
Page Two

the largest subsidy given to Bi-State by any public or private entity and without which Bi-State could not function. Given Bi-State's enormous total budget for operations and capital projects, it has a significant effect on our region and nearly an unprecedented opportunity to serve the public.

Given the revelations we have endured at the County in recent years, I am concerned about the nature and extent of the political influence on your appointment and the effect such influence has on your ability to effectively carry out the responsibilities of your office as well as what continuing political influence you may be subjected to. It was well publicized without contradiction that elected officials and their representatives were involved in the process which led to your selection, were present during the interviews of the candidates, and may have directly interfered in the decision which led to your selection. It is my understanding that there is no provision in the Bi-State Charter for such outside political interference or influence in the selection of the President and CEO, which entrusts that decision to the Board of Commissioners alone. These circumstances cause me great concern as to the pressures you may be under as you lead Bi-State. When this concern is combined with the circumstances of the County as mentioned above, I believe that you should anticipate that the oversight concerns of St. Louis County will be at the highest level to ensure the public's demand for accountability is met to the fullest extent.

I believe there are several actions you can take and practices you can implement which will do much to relieve the concerns of the Council and the public. I will be looking for your personal commitment on the matters set forth below to ensure public accountability during your time at Bi-State.

The following information will be expected to be disclosed at the time you submit your request:

- All contracts of every kind and nature entered into from and since January 1, 2019, in any and all amounts and without regard to whether approval of the Bi-State Board of Commissioners was required; with a general description as to all parties to the contract (and sub-contractors whether or not a party to the contract), the purposes for which the contract was entered into, the services to be performed, the amounts to be paid or other consideration, and the dates for performance of such contract(s).
- All contracts which have been cancelled, modified, or the performance of which by any party has been changed from and since since January 1, 2019;
- All employee positions which have been added, eliminated, become vacant, and/or filled from and since January 1, 2019, and the budget ramifications of the same.
- All persons, whether specifically subject to a written contract or whether providing services as an employee, contractor, volunteer, and/or any capacity of any kind who have been engaged by Bi-State and have started their service from and since January 1, 2019;
- All payments by Bi-State to, and/or memberships in, any and all organizations, associations, or groups of every kind and nature from and since January 1, 2019, which have not been disclosed as required elsewhere in this list.

Mr. Taulby Roach  
June 17, 2019  
Page Three

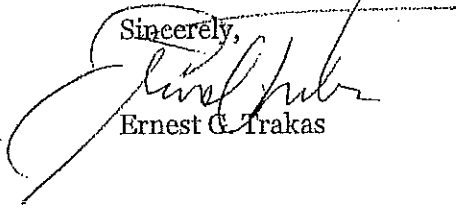
Please note that the word "contract" shall include every variation of an obligation normally included in such meaning such as "Memorandum of Understanding," etc. This should include consulting contracts of any kind.

Please consider this request as an ongoing obligation to see that this information be updated on a quarterly basis throughout the year for the period since the last such report.

I think that these certifications by Bi-State to the Council on the above points are to be made by you in writing over your duly notarized signature in a form that we can discuss. Bi-State's Internal Auditor shall provide a separate certification annually and to be included in your budget request as to whether this request has been complied with over the previous applicable year and up to and including the date of the annual budget request and, if it has not been complied with, a detailed explanation for the circumstances of such failure.

Please anticipate that there may be other requests for information from other members of the Council or me as we consider your appropriation, but I believe that the main concerns can be addressed by complying with the terms of this request.

Sincerely,



Ernest G. Trakas

cc: Jessica Medford-Miller  
Councilwoman Lisa Clancy  
Councilman Tim Fitch  
Councilman Mark Harder  
Councilwoman Rochelle Walton Gray  
Genevieve Frank



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Charles A. Stewart, Jr., EVP, Organizational Effectiveness  
**Subject:** **Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2019**  
**Disposition:** Information  
**Presentation:** Charles A. Stewart, Jr., EVP, Organizational Effectiveness

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**Objective:**

To present the Audit, Finance and Administration Committee the Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2019.

**Background:**

Year to Date June 30, 2019, Pension Plans, 401(k) Retirement Savings Program and OPEB Investment Performance Reports were presented to the respective trustees by Ellwood Associates at the August 2019 trustee meetings.

**Analysis:**

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

- Total 401(k) Program assets were \$61.0M as of the end of June 2019. This is up \$7.7M in combined contributions and investment earnings from calendar year end 2018 which stood at \$53.3M.
- For the second quarter of 2019, the Plan saw ~\$1.4M 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 with \$11.9M in participant money or 20% of total assets. The T. Rowe Price Stable Value Fund (9%) and Dodge & Cox Balanced (11%) both also have significant participation. New fixed income manager, MetWest Total Return, has seen positive inflows and current participant exposure of ~\$500k. The T. Rowe Price Lifecycle Funds continue to grow in popularity. Approximately 31% of participant money is now held in these funds.
- Long-Term Performance has been generally strong for all managers. Earlier this year the committee approved replacing performance laggard Vaughan Nelson within the plan with the EARNEST Partners Small Cap Value Fund. This change occurred in April 2019.

### **Salaried Pension Plan**

- As of June 30, total Plan assets were \$77.7M, up by \$10.0M since the beginning of the calendar year.
- Cash flows are positive for the year. A total of \$5.2M in new contributions was offset by outflows of \$2.2M.
- The Portfolio gained 2.6% during the second quarter of 2019, bringing the performance for the first six months to 10.9%. Since inception dating back to 1988, the Total Portfolio has gained +7.6% outpacing its benchmark by 50 basis points. The Portfolio also outperformed its current actuarial return target of 7.0%.
- The Portfolio was rebalanced at the beginning of the year and is in line with target allocations.

### **IBEW Pension Plan**

- As of June 30, total Plan assets were \$5.9M, an increase of \$0.7M since the beginning of the calendar year. With the exception of 2018, Total Portfolio Market values have steadily increased over the past 7 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 gained 3.9% during the second quarter of 2019 bringing year-to-date performance to 14.6%. The Portfolio has strong long-term performance gaining +9.5% and +6.4% over the trailing 3- and 5-year periods, respectively. Since inception the Plan has gained +6.4%. The Portfolio's current actuarial return target is 7.0%.
- The Portfolio was rebalanced at the beginning of the year and is in line with target allocations.

## **ATU 788 Pension Plan**

- As of June 30, total Plan assets are now \$143.9M – an increase of \$16.0M since the beginning of the calendar year. Fund flows over the past few years have been consistently negative and 2019 continued this trend. Calendar year cash inflows of \$7.1M were less than outflows of \$8.2M. The Portfolio experienced investment gains of \$17.1M for the calendar year.
- Through June 30, the Portfolio has gained 13.5%. Longer term performance remains favorable. Over the trailing 3- and 5-year periods, the Portfolio has gained 9.4% and 5.6% respectively. The Portfolio's current actuarial return target is 7.0%.
- At the last committee meeting the portfolio was slightly underweight to Non-U.S. equities and Fixed Income. Ellwood provided a rebalancing recommendation to move the portfolio more in line with targets. These transactions took place in May 2019.

## **OPEB Trust**

- The OPEB Retirement Trust ended the quarter with a total Portfolio market value of \$36.4M. The portfolio gained 2.8% during the second quarter of 2019. Through June 30, the total Portfolio gained 11.5%, equating to \$3.5M in investment earnings since the beginning of the year.
- Earlier this year, the committee approved that Blackstone Partners Fund serve as the replacement hedge fund strategy for the now closed Blackstone Hedged Equity Strategy. The Partners Fund has generated solid returns over all time periods and serves as a strong diversifier to the existing Blackstone Park hedge fund investment.
- At the last committee meeting the Portfolio was slightly underweight to Non-U.S. equities. Ellwood provided a rebalancing recommendation to move the portfolio more in line with targets along with investing the \$3 million contribution made to the Portfolio in May 2019.



**Committee Action Requested:**

None. Information only.

**Attachments (electronic only):**

1. [BSD 401\(k\) Retirement Savings Program 2nd Quarter 2019 Performance Report](#)
2. [BSD Salaried Pension Plan 2nd Quarter 2019 Performance Report](#)
3. [IBEW Pension Trust Local 2 and Local 309 2nd Quarter 2019 Performance Report](#)
4. [Div. 788 A.T.U. AFL-CIO Pension 2nd Quarter 2019 Performance Report](#)
5. [BSD OPED Retirement Trust 2nd Quarter 2019 Performance Report](#)

**Funding Source:**

No funding request is 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.



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** Charles A. Stewart, Jr., Executive Vice President Organizational Effectiveness  
**Subject:** **Update on Risk Management Insurance Program**  
**Disposition:** Information  
**Presentation:** Kathy Brittin, Director Risk & Absence Management

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**Objective:**

To inform and update the Audit, Finance & Administration Committee on the FY2020 Risk Management Insurance Program.

**Background:**

Since 1978, Bi-State Development (**BSD**) has self-insured a substantial portion of the risk of its transit operations, including: vehicle liability, rail liability, general liability and workers' compensation. Excess insurance coverage is purchased for all insured and self-insured risk exposures. Property insurance is purchased for its buildings, physical assets and rolling stock. Primary liability insurance is purchased for the Airport, the Arch Tram operations and the Riverboats.

The Risk Management Department is responsible for the design, implementation and monitoring of the self-insurance and insurance programs. BSD currently has a contract with an insurance consultant (Broker of Record), McGriff, Seibels & Williams of Missouri, Inc., to provide insurance marketing services, claims and loss control consulting and risk financing recommendations. This presentation provides an overview of the FY2020 Insurance Program.

**Analysis:**

Insurance Program - BSD annually reviews and renews coverage on July 1<sup>st</sup> of each fiscal year. In consultation with the broker, we selectively market some lines and renew others – depending on market conditions and changes in operating exposures. For FY2020, the following improvements were achieved:

- Property insurance was renewed with Lloyds of London as the primary insurance carrier. The terms and conditions of the coverage are the same as the expiring program. Premiums increased because of a global rate hike resulting from widespread natural disasters including hurricanes, earthquakes, and wild fires. Increasing bus and light rail vehicle values also contributed towards the higher premium. By meeting with the property underwriters, we were able to mitigate even higher premiums that other organizations faced, and we were able to obtain rate guarantees in one of the primary and excess layers of insurance. We were also able to save \$25,000 over three years, by prepaying one of the layers. Overall, property rates increased 14%.

- Workers' compensation (WC) insurance, which is excess over the \$1,000,000 self-insured limit, was renewed with the same carrier, Arch Insurance. Rates remained the same as a result of negotiating a two year rate guarantee last year; payroll and premium both increased by 7%.
- Excess Liability insurance was renewed with Argonaut Insurance as the lead carrier. Rates increased 1%.
- Overall the insurance program was renewed with comparable coverage terms and conditions. The overall premium increase of \$218,514 is primarily due to the increases in property rate and values and payroll exposure.

**Committee Action Requested:**

None - for informational purposes only.

**Attachments:**

PowerPoint Presentation

**Funding Source:**

Risk Management Insurance Program is funded through the operating budget.



# INSURANCE UPDATE

KATHY BRITTIN  
DIRECTOR, RISK AND ABSENCE MANAGEMENT  
AUGUST 20, 2019



| Line of Coverage                                                                  | Carrier                                    | FY19 Premium        | FY20 Premium        | % Change     |
|-----------------------------------------------------------------------------------|--------------------------------------------|---------------------|---------------------|--------------|
| <b>AIRPORT INSURANCE</b>                                                          |                                            |                     |                     |              |
| Aviation - Airport & Heliport Liability                                           | Starr Indemnity & Liability Company        | \$ 17,249           | \$ 18,576           | 8%           |
| Airport WC                                                                        | Starr Indemnity & Liability Company        | \$ 40,792           | \$ 27,130           | -33%         |
| <b>RIVERBOAT INSURANCE</b>                                                        |                                            |                     |                     |              |
| Riverboat - Hull, Primary P&I, MGL & TRIA                                         | Endurance American Insurance Company       | \$ 52,348           | \$ 54,314           | 4%           |
| Protection & Indemnity Excess                                                     | Various Insurance Companies                | \$ 57,063           | \$ 62,703           | 10%          |
| Liquor Liability                                                                  | Scottsdale Insurance Company               | \$ 4,011            | \$ 2,185            | -46%         |
| Vessel Pollution                                                                  | Water Ouality Insurance Syndicate          | \$ 3,341            | \$ 3,341            | 0%           |
| USLH                                                                              | American Longshore Mutual Association, Ltd | \$ 17,820           | \$ 19,077           | 7%           |
| <b>PACKAGE INSURANCE (ARCH COVERAGES AND VEHICLES FOR AIRPORT AND RIVERBOATS)</b> |                                            |                     |                     |              |
| Package - Scheduled GL & Auto                                                     | Hartford Fire Insurance Company            | \$ 42,143           | \$ 50,111           | 19%          |
| Package Umbrella \$4M over \$1M                                                   | Navigators Specialty Insurance Company     | \$ 21,600           | \$ 26,070           | 21%          |
| <b>EXCESS LIABILITY INSURANCE</b>                                                 |                                            |                     |                     |              |
| Excess Liability                                                                  | Various Insurance Companies                | \$ 881,050          | \$ 886,488          | 1%           |
| <b>EXCESS WORKERS' COMPENSATION INSURANCE</b>                                     |                                            |                     |                     |              |
| Workers Comp - Excess over SIR                                                    | Arch Insurance Company                     | \$ 216,030          | \$ 231,484          | 7%           |
| <b>PROPERTY INSURANCE</b>                                                         |                                            |                     |                     |              |
| Property                                                                          | Various Insurance Companies                | \$ 1,305,212        | \$ 1,492,922        | 14%          |
| Property - Equipment Breakdown                                                    | CNA Insurance Company                      | \$ 22,880           | \$ 33,529           | 47%          |
| Property - Terrorism                                                              | Lloyd's of London                          | \$ 55,000           | \$ 52,500           | -5%          |
| <b>OTHER CORPORATE INSURANCE</b>                                                  |                                            |                     |                     |              |
| AD&D/Felonious Assault                                                            | Federal Insurance Company                  | \$ 11,507           | \$ 9,296            | -19%         |
| Crime/Employee Dishonesty                                                         | Hartford Fire Insurance Company            | \$ 17,341           | \$ 19,950           | 15%          |
| Cyber Liability                                                                   | Indian Harbor Insurance Company            | \$ 70,865           | \$ 62,001           | -13%         |
| Law Enforcement Liability                                                         | Indian Harbor Insurance Company            | \$ 50,513           | \$ 55,244           | 9%           |
| Management Liability                                                              | Ace American Insurance Company             | \$ 48,188           | \$ 48,170           | 0%           |
| Environmental Liability                                                           | Allianz Underwriters Insurance Company     | \$ 21,116           | \$ 19,492           | -8%          |
|                                                                                   |                                            | <b>\$ 2,956,068</b> | <b>\$ 3,174,582</b> | <b>7.39%</b> |

# INSURANCE PREMIUMS TOTALS

|                                           |             |
|-------------------------------------------|-------------|
| FY2019 Insurance Premiums                 | \$2,956,068 |
| FY2020 Budget                             | \$3,096,361 |
| FY2020 Insurance Premiums                 | \$3,174,582 |
| FY2020 Premium to FY2019 Premium Variance | 7.39%       |
| FY2020 Premium to FY2020 Budget Variance  | 2.5%        |



# AIRPORT INSURANCE

| Line of Coverage      | Carrier | Limits       | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|-----------------------|---------|--------------|-----------------|-----------------|----------|----------------|
| Aviation Liability    | Starr   | \$50,000,000 | \$17,249        | \$18,576        | -8%      |                |
| Workers' Compensation | Starr   | Statutory    | \$40,792        | \$27,130        | -33%     |                |
|                       |         |              | \$58,041        | \$45,706        | -21%     | \$27,562       |

- Liability market rate increase
- Workers' Compensation improved experience modification factor

# RIVERBOAT INSURANCE

| Line of Coverage                 | Carrier                     | Limits                      | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|----------------------------------|-----------------------------|-----------------------------|-----------------|-----------------|----------|----------------|
| Riverboat - Hull and Primary P&I |                             |                             |                 |                 |          |                |
| Hull: \$13,597                   |                             | Hull: \$2,549,00            |                 |                 |          |                |
| Primary P&I: \$26,500            | Endurance                   | Primary P&I:<br>\$1,000,000 | \$52,348        | \$54,314        | 4%       |                |
| MGL: \$11,258                    |                             | MGL: \$2,000,000            |                 |                 |          |                |
| TRIA: \$2,586                    |                             |                             |                 |                 |          |                |
| P&I - 1st Layer Excess           | Atlantic/XL                 | \$4,000,000.00              | \$14,300        | \$17,800        |          |                |
| P&I - 2nd Layer Excess           | Endurance/Navigators        | \$10,000,000.00             | \$10,763        | \$12,128        |          |                |
| P&I - 3rd Layer Excess           | Endurance/Navigators        | \$10,000,000.00             | \$10,250        | \$11,025        | 10%      |                |
| P&I - 4th Layer Excess           | Atlantic/Great American /XL | \$25,000,000.00             | \$21,750        | \$21,750        |          |                |
| Liquor Liability                 | Scottsdale                  | \$1,000,000.00              | \$4,011         | \$2,185         | -46%     |                |
| Vessel Pollution                 | WQIS                        | \$5,000,000.00              | \$3,341         | \$3,341         | 0%       |                |
| USLH                             | ALMA                        | Statutory                   | \$17,820        | \$19,077        | 7%       |                |
|                                  |                             |                             | \$134,583       | \$141,620       | 5%       | \$ 133,621     |

- Increase in premiums due to increase in payroll
- Liquor decrease due to error in FY19 projection in sales.

# PACKAGE INSURANCE

| Line of Coverage                | Carrier    | Limits       | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|---------------------------------|------------|--------------|-----------------|-----------------|----------|----------------|
| Package - Scheduled GL & Auto   |            |              |                 |                 |          |                |
| General Liability: \$31,852     | Hartford   | \$ 1,000,000 | \$42,143        | \$50,111        | 19%      |                |
| Auto coverage: \$18,259         |            |              |                 |                 |          |                |
| Package Umbrella \$4M over \$1M | Navigators | \$ 4,000,000 | \$21,600        | \$26,070        | 21%      |                |
|                                 |            |              | \$63,743        | \$76,181        | 20%      | \$ 58,188      |

- GL covers Arch Tram operations, Arch Store and Headquarters.
- Autos covered are Airport, Riverboat, and Arch vehicles.
- Increase due to market rates

# EXCESS LIABILITY INSURANCE

| Line of Coverage             | Carrier              | Limits        | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|------------------------------|----------------------|---------------|-----------------|-----------------|----------|----------------|
| Excess Liability - Lead      | Argonaut             | \$ 10,000,000 | \$395,445       | \$399,058       |          |                |
| Excess Liability - 2nd Layer | Ironshore            | \$ 5,000,000  | \$115,210       | \$116,352       |          |                |
| Excess Liability - 3rd Layer | Hallmark             | \$ 5,000,000  | \$66,300        | \$66,963        |          |                |
| Excess Liability - 4th Layer | Great American       | \$ 25,000,000 | \$176,845       | \$176,845       |          |                |
| Excess Liability - 5th Layer | Allied World/Lloyd's | \$ 10,000,000 | \$102,000       | \$102,020       |          |                |
| Excess Liability - 6th Layer | Ironshore            | \$ 5,000,000  | \$25,250        | \$25,250        |          |                |
|                              |                      |               | \$881,050       | \$886,488       | 1%       | \$ 915,000     |

- Premium increase due to increase in exposure

# EXCESS LIABILITY INSURANCE

|       |                                                                                              |                                 |                                                                                  |                                                    |                                                       |
|-------|----------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------|
| \$75M | \$5M Limit<br>Ironshore Specialty<br>Renewal Premium \$25,500 (Expiring Premium: \$25,250)   |                                 |                                                                                  |                                                    |                                                       |
| \$70M | \$20M Limit<br>London(BRIT)/A/WAC<br>Renewal Premium: \$102,020 (Expiring premium \$102,000) |                                 |                                                                                  |                                                    |                                                       |
| \$50M | \$25M Limit<br>Great American<br>Renewal Premium: \$176,845 (Expiring premium \$176,845)     |                                 |                                                                                  |                                                    |                                                       |
| \$25M | \$5M Limit<br>Hallmark<br>Renewal Premium: \$66,963 (Expiring premium: \$66,300)             |                                 |                                                                                  |                                                    |                                                       |
| \$20M | \$5M Limit<br>Ironshore<br>Renewal Premium: \$116,352 (Expiring premium \$115,210)           |                                 |                                                                                  |                                                    |                                                       |
| \$15M | \$10M Limit<br>Trident<br>Renewal Premium: \$399,058 (Expiring premium \$395,445)            |                                 |                                                                                  |                                                    |                                                       |
| \$5M  | \$5M SIR                                                                                     | \$5M Management Liability Chubb | \$4M Limit<br>Navigators<br>Renewal Premium \$26,070 (Expiring premium \$21,600) |                                                    |                                                       |
|       |                                                                                              |                                 | Statutory \$2M Emp Liab ARCH                                                     |                                                    |                                                       |
|       |                                                                                              |                                 | \$1M Self Insd Retention                                                         | \$1M Limit<br>Hartford Pkg (Arch & scheduled auto) | \$1M Limit<br>Scottsdale Liquor<br>\$1M ALMA Emp Liab |

# EXCESS WORKER'S COMPENSATION

| Line of Coverage               | Carrier | Limits    | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|--------------------------------|---------|-----------|-----------------|-----------------|----------|----------------|
| Workers Comp - Excess over SIR | Arch    | Statutory | \$ 216,030      | \$ 231,484      | 7%       | \$ 226,000     |

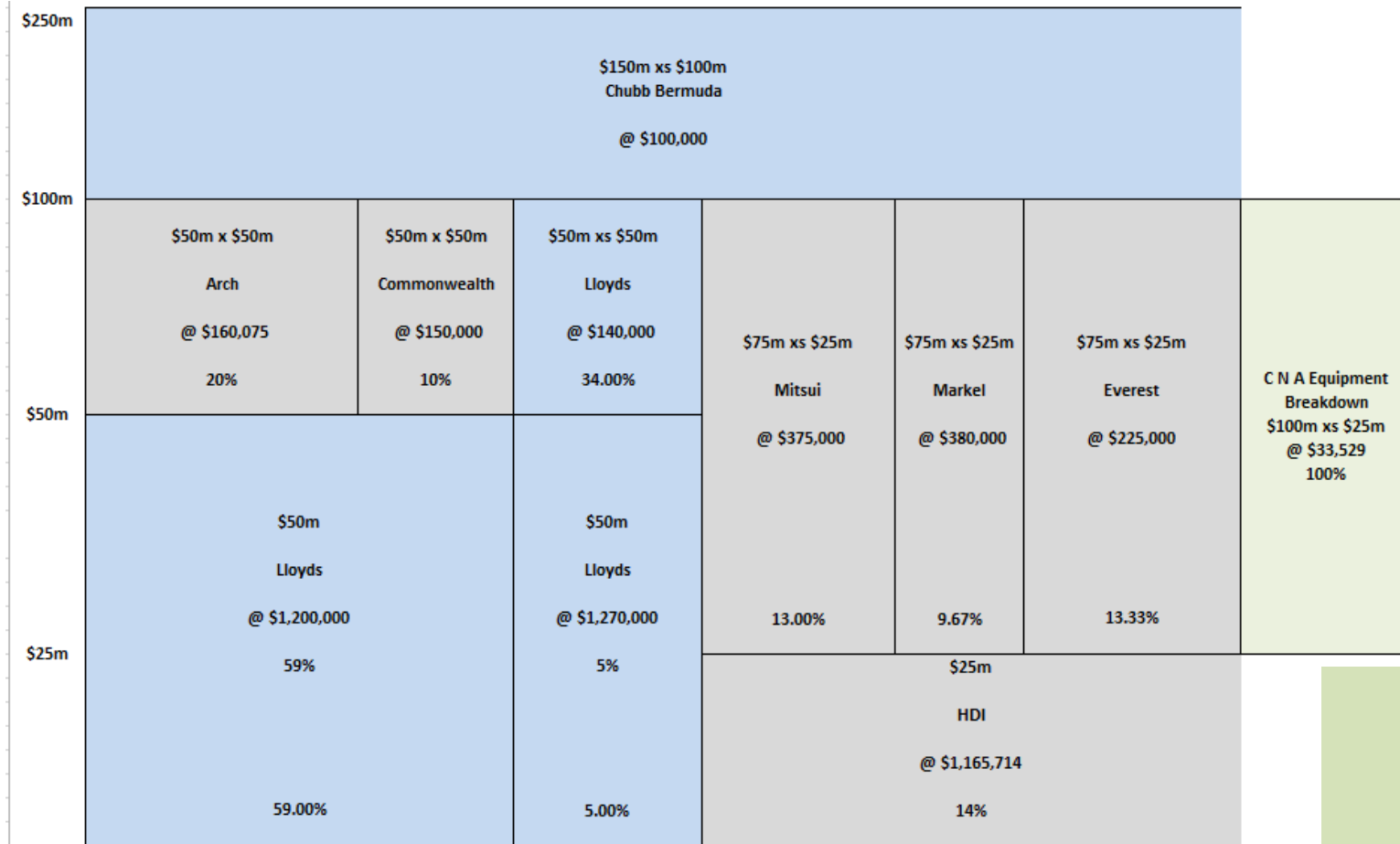
- Rate same as expiring from rate guarantee
- Premium increase due to payroll increase

# PROPERTY INSURANCE

| Line of Coverage       | Carrier           | Limits           | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|------------------------|-------------------|------------------|-----------------|-----------------|----------|----------------|
| Property               | Lloyd's (Primary) | \$50,000,000     | \$1,305,212     | \$1,492,922     | 14%      |                |
| Equipment<br>Breakdown | CNA               | \$100M x/s \$50M | \$22,880        | \$33,529        | 47%      |                |
| Terrorism              | Lloyd's           | \$250,000,000    | \$55,000        | \$52,500        | -5%      |                |
|                        |                   |                  | \$1,383,092     | \$1,578,951     | 14%      | \$1,466,151    |

- Premium increase due increase in total values; Certain LRVs insured to full replacement cost as required by lease terms

# PROPERTY INSURANCE





# OTHER INSURANCE

| Line of Coverage                 | Carrier       | Limits        | FY19<br>Premium | FY20<br>Premium | % Change | FY20<br>Budget |
|----------------------------------|---------------|---------------|-----------------|-----------------|----------|----------------|
| Accidental Death & Dismemberment | Federal       | \$ 10,000,000 | \$11,507        | \$9,296         | -19%     |                |
| Crime/Employee Dishonesty        | Hartford      | \$ 2,500,000  | \$17,341        | \$19,950        | 15%      |                |
| Cyber Liability                  | Indian Harbor | \$ 10,000,000 | \$70,865        | \$62,001        | -13%     |                |
| Law Enforcement Liability        | Indian Harbor | \$ 5,000,000  | \$50,513        | \$55,244        | 9%       |                |
| Management Liability             | Ace           | \$ 5,000,000  | \$48,188        | \$48,170        | 0%       |                |
| Environmental Liability          | Allianz       | \$ 3,000,000  | \$21,116        | \$19,492        | -8%      |                |
|                                  |               |               | \$219,530       | \$214,153       | -2%      | \$269,839      |





**BI·STATE  
DEVELOPMENT**

Gateway to growth. On both sides of the river.™

Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District

# 2019 Quarterly Financial Statements

Fourth Quarter Ending June 30, 2019





To: Taulby Roach  
President and Chief Executive Officer

From: Mark G. Vago  
Senior Vice President Finance and CFO

Date: July 30, 2019

Subject: Bi-State Development Financial Statements – June 2019

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Enclosed is the financial statement package for June 30, 2019. Results, including the analysis and financial position, are provided by operating unit. These interim financial statements are not in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) due to the classification of certain financial statement amounts and that there are no accompanying footnote disclosures 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 \$1.3 billion and a net loss before depreciation of \$3.8 million for the twelve months ending June 30, 2019. When analyzing BSD's financial position, the primary focus is on income before depreciation. The majority of the capital program is funded through Federal grants - not profits from operations; therefore, depreciation is not funded. Net loss after depreciation is \$82.5 million. The BSD combined financials are reflected on pages 3-5.

A combining schedule of all business divisions can be viewed on pages 6-8. 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 comprehensive understanding of the financial operation of each entity.

Table 1 below summarizes BSD Combined Income (Loss) before Depreciation by entity. For the twelve months ended June 30, 2019, BSD has a net loss before depreciation of \$3.8 million compared to a budgeted loss of \$6.9 million for a favorable variance of \$3.0 million.

Table 2 below takes into account the impact of depreciation on the financial position of all enterprises resulting in a cumulative \$82.5 million loss.

**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                | \$ 552,909            | \$ 523,590            | \$ 271,872            | \$ 29,319           | \$ 281,037             |
| Gateway Arch Tram                 | \$ 2,332,884          | \$ 1,979,926          | \$ 1,374,785          | \$ 352,958          | \$ 958,099             |
| Metro                             | \$ (7,016,752)        | \$ (7,276,442)        | \$ 18,827,572         | \$ 259,690          | \$ (25,844,324)        |
| St. Louis Downtown Airport        | \$ 196,465            | \$ 92,795             | \$ 90,523             | \$ 103,670          | \$ 105,942             |
| Riverfront Attractions            | \$ (39,087)           | \$ 341,816            | \$ 501,845            | \$ (380,903)        | \$ (540,932)           |
| St. Louis Regional Freightway     | \$ (656,684)          | \$ (781,733)          | \$ (779,286)          | \$ 125,049          | \$ 122,602             |
| BSD Research Institute            | \$ (59,074)           | \$ 29,898             | \$ 153,066            | \$ (88,972)         | \$ (212,140)           |
| Arts In Transit, Inc.             | \$ 16,940             | \$ 26,878             | \$ 16,579             | \$ (9,938)          | \$ 361                 |
| <b>Total Enterprise Funds</b>     | <b>\$ (4,672,399)</b> | <b>\$ (5,063,272)</b> | <b>\$ 20,456,956</b>  | <b>\$ 390,873</b>   | <b>\$ (25,129,355)</b> |
| <b>Self-Insurance Funds</b>       |                       |                       |                       |                     |                        |
| Health                            | \$ 1,428,642          | \$ -                  | \$ (1,412,527)        | \$ 1,428,642        | \$ 2,841,169           |
| Casualty                          | \$ (1,487,865)        | \$ (597,292)          | \$ (2,237,988)        | \$ (890,573)        | \$ 750,123             |
| Workers' Compensation             | \$ 909,562            | \$ (1,189,802)        | \$ (2,349,686)        | \$ 2,099,364        | \$ 3,259,248           |
| <b>Total Self-Insurance Funds</b> | <b>\$ 850,339</b>     | <b>\$ (1,787,094)</b> | <b>\$ (6,000,201)</b> | <b>\$ 2,637,433</b> | <b>\$ 6,850,540</b>    |
| <b>Total Government Wide</b>      | <b>\$ (3,822,060)</b> | <b>\$ (6,850,366)</b> | <b>\$ 14,456,755</b>  | <b>\$ 3,028,306</b> | <b>\$ (18,278,815)</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                | \$ 552,909             | \$ 521,649             | \$ 271,872             | \$ 31,260             | \$ 281,037             |
| Gateway Arch Tram                 | 1,560,327              | 1,601,210              | 630,196                | (40,883)              | 930,131                |
| Metro                             | (85,955,965)           | (84,190,604)           | (60,503,138)           | (1,765,361)           | (25,452,827)           |
| St. Louis Downtown Airport        | (1,036,082)            | (1,299,808)            | (1,267,918)            | 263,726               | 231,836                |
| Riverfront Attractions            | (276,132)              | 79,023                 | 244,176                | (355,155)             | (520,308)              |
| St. Louis Regional Freightway     | (656,684)              | (781,733)              | (779,286)              | 125,049               | 122,602                |
| BSD Research Institute            | (71,368)               | 19,098                 | 148,115                | (90,466)              | (219,483)              |
| Arts In Transit, Inc.             | 16,940                 | 26,878                 | 16,579                 | (9,938)               | 361                    |
| <b>Total Enterprise Funds</b>     | <b>\$ (85,866,055)</b> | <b>\$ (84,024,287)</b> | <b>\$ (61,239,404)</b> | <b>\$ (1,841,768)</b> | <b>\$ (24,626,651)</b> |
| <b>Self-Insurance Funds</b>       |                        |                        |                        |                       |                        |
| Health                            | 1,428,642              | -                      | (1,412,527)            | 1,428,642             | 2,841,169              |
| Casualty                          | 105,639                | -                      | (857,239)              | 105,639               | 962,878                |
| Workers' Compensation             | 1,851,056              | -                      | (1,361,584)            | 1,851,056             | 3,212,640              |
| <b>Total Self-Insurance Funds</b> | <b>\$ 3,385,337</b>    | <b>\$ -</b>            | <b>\$ (3,631,350)</b>  | <b>\$ 3,385,337</b>   | <b>\$ 7,016,687</b>    |
| <b>Total Government Wide</b>      | <b>\$ (82,480,718)</b> | <b>\$ (84,024,287)</b> | <b>\$ (64,870,754)</b> | <b>\$ 1,543,569</b>   | <b>\$ (17,609,964)</b> |

The Finance Division is available for any questions concerning the June 30, 2019 financial report.

COMBINED FINANCIALS

BSD Combined Statement of Activities . . . . . 3

BSD Combined Statement of Financial Position . . . . . 4



**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Statement of Activities  
For the Twelve Months Ended June 30, 2019  
(unaudited)**

|                                                | <b>Business<br/>Divisions<br/>Total</b> | <b>Self-Insurance<br/>Divisions<br/>Total</b> | <b>Total</b>           | <b>Eliminations</b> | <b>Bi-State Development<br/>Combined<br/>Total</b> |
|------------------------------------------------|-----------------------------------------|-----------------------------------------------|------------------------|---------------------|----------------------------------------------------|
| <b>Revenue</b>                                 |                                         |                                               |                        |                     |                                                    |
| Passenger and service revenues                 | \$ 52,844,951                           | \$ -                                          | \$ 52,844,951          | \$ -                | \$ 52,844,951                                      |
| City of St. Louis                              | 37,942,780                              | -                                             | 37,942,780             | -                   | 37,942,780                                         |
| St. Louis County                               | 145,125,286                             | -                                             | 145,125,286            | -                   | 145,125,286                                        |
| St. Clair County Transit District              | 55,676,006                              | -                                             | 55,676,006             | -                   | 55,676,006                                         |
| State of Missouri and Illinois                 | 733,025                                 | -                                             | 733,025                | -                   | 733,025                                            |
| Federal funding                                | 16,643,247                              | -                                             | 16,643,247             | -                   | 16,643,247                                         |
| Other local/regional funding                   | 304,692                                 | -                                             | 304,692                | -                   | 304,692                                            |
| Not-for-profit                                 | 62,548                                  | -                                             | 62,548                 | -                   | 62,548                                             |
| Advertising, maint services, rental income     | 5,943,054                               | -                                             | 5,943,054              | -                   | 5,943,054                                          |
| Interest income                                | 12,093,386                              | 452,540                                       | 12,545,926             | -                   | 12,545,926                                         |
| Other operating revenue                        | 904,917                                 | -                                             | 904,917                | -                   | 904,917                                            |
| Charges for services                           | -                                       | 51,937,039                                    | 51,937,039             | (44,132,975)        | 7,804,064                                          |
| <b>Total revenue</b>                           | <b>328,273,892</b>                      | <b>52,389,579</b>                             | <b>380,663,471</b>     | <b>(44,132,975)</b> | <b>336,530,496</b>                                 |
| <b>Expense</b>                                 |                                         |                                               |                        |                     |                                                    |
| Wages and benefits                             | 213,008,002                             | 1,821,191                                     | 214,829,193            | -                   | 214,829,193.00                                     |
| Services                                       | 34,948,008                              | 411,610                                       | 35,359,618             | -                   | 35,359,618.00                                      |
| Fuel and lube consumed                         | 11,338,005                              | -                                             | 11,338,005             | -                   | 11,338,005.00                                      |
| Materials and supplies                         | 22,986,276                              | 35,142                                        | 23,021,418             | -                   | 23,021,418.00                                      |
| Utilities                                      | 7,987,203                               | 7,530                                         | 7,994,733              | -                   | 7,994,733.00                                       |
| Casualty and liability costs                   | 8,746,083                               | 1,103,239                                     | 9,849,322              | -                   | 9,849,322.00                                       |
| Other expenses                                 | 4,940,934                               | 417,458                                       | 5,358,392              | -                   | 5,358,392                                          |
| Interest expense                               | 26,014,597                              | -                                             | 26,014,597             | -                   | 26,014,597.00                                      |
| Contribution to outside entities               | 2,552,896                               | -                                             | 2,552,896              | -                   | 2,552,896.00                                       |
| Other non-operating expense                    | 424,287                                 | -                                             | 424,287                | -                   | 424,287.00                                         |
| Claims paid and insurance administrative costs | -                                       | 47,743,070                                    | 47,743,070             | (44,132,975)        | 3,610,095.00                                       |
| <b>Total expense</b>                           | <b>332,946,291</b>                      | <b>51,539,240</b>                             | <b>384,485,531</b>     | <b>(44,132,975)</b> | <b>340,352,556</b>                                 |
| <b>Income (loss) before depreciation</b>       | <b>(4,672,399)</b>                      | <b>850,339</b>                                | <b>(3,822,060)</b>     | <b>-</b>            | <b>(3,822,060)</b>                                 |
| Depreciation and amortization expense          | 78,658,658                              | -                                             | 78,658,658             | -                   | 78,658,658                                         |
| <b>Net income (loss) before transfers</b>      | <b>(83,331,057)</b>                     | <b>850,339</b>                                | <b>(82,480,718)</b>    | <b>-</b>            | <b>(82,480,718)</b>                                |
| Net transfers in (out)                         | (2,534,998)                             | 2,534,998                                     | -                      | -                   | -                                                  |
| <b>Net income (loss)</b>                       | <b>\$ (85,866,055)</b>                  | <b>\$ 3,385,337</b>                           | <b>\$ (82,480,718)</b> | <b>\$ -</b>         | <b>\$ (82,480,718)</b>                             |

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                                   | <b>Business<br/>Divisions<br/>Total</b> | <b>Self-Insurance<br/>Divisions<br/>Total</b> | <b>Total</b>            | <b>Eliminations</b> | <b>Bi-State Development<br/>Combined<br/>Total</b> |
|---------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------|---------------------|----------------------------------------------------|
| <b>Assets</b>                                     |                                         |                                               |                         |                     |                                                    |
| Current assets                                    |                                         |                                               |                         |                     |                                                    |
| Cash                                              | \$ 141,895,325                          | \$ 21,449,939                                 | \$ 163,345,264          | \$ -                | \$ 163,345,264                                     |
| Investments                                       | 110,495,531                             | 2,348,988                                     | 112,844,519             | -                   | 112,844,519                                        |
| Accounts and notes receivable                     | 2,345,524                               | 616,797                                       | 2,962,321               | -                   | 2,962,321                                          |
| Interfund accounts receivable                     | -                                       | 498,001                                       | 498,001                 | (498,001)           | -                                                  |
| Restricted accounts receivable                    | 792,240                                 | 49,107                                        | 841,347                 | -                   | 841,347                                            |
| Federal, state and local<br>assistance receivable | 24,653,874                              | -                                             | 24,653,874              | -                   | 24,653,874                                         |
| Materials and supplies inventory                  | 10,173,280                              | -                                             | 10,173,280              | -                   | 10,173,280                                         |
| Other current assets                              | 2,329,348                               | 231,484                                       | 2,560,832               | -                   | 2,560,832                                          |
| Total current assets                              | <u>292,685,122</u>                      | <u>25,194,316</u>                             | <u>317,879,438</u>      | <u>(498,001)</u>    | <u>317,381,437</u>                                 |
| Capital assets                                    |                                         |                                               |                         |                     |                                                    |
| Capital assets - motorbus                         | 432,009,644                             | -                                             | 432,009,644             | -                   | 432,009,644                                        |
| Capital assets - paratransit                      | 19,375,724                              | -                                             | 19,375,724              | -                   | 19,375,724                                         |
| Capital assets - lightrail                        | 1,626,094,687                           | -                                             | 1,626,094,687           | -                   | 1,626,094,687                                      |
| Capital assets                                    | 72,899,567                              | -                                             | 72,899,567              | -                   | 72,899,567                                         |
| Total capital assets                              | <u>2,150,379,622</u>                    | <u>-</u>                                      | <u>2,150,379,622</u>    | <u>-</u>            | <u>2,150,379,622</u>                               |
| Accumulated depreciation                          | (1,363,086,255)                         | -                                             | (1,363,086,255)         | -                   | (1,363,086,255)                                    |
| Total capital assets, net                         | <u>787,293,367</u>                      | <u>-</u>                                      | <u>787,293,367</u>      | <u>-</u>            | <u>787,293,367</u>                                 |
| Land                                              | 100,318,913                             | -                                             | 100,318,913             | -                   | 100,318,913                                        |
| Construction-in-process                           | 23,925,198                              | -                                             | 23,925,198              | -                   | 23,925,198                                         |
| Total capital assets                              | <u>911,537,478</u>                      | <u>-</u>                                      | <u>911,537,478</u>      | <u>-</u>            | <u>911,537,478</u>                                 |
| Non-current assets                                |                                         |                                               |                         |                     |                                                    |
| Restricted investments                            | 118,080,699                             | -                                             | 118,080,699             | -                   | 118,080,699                                        |
| Deferred charges                                  | 81,297                                  | -                                             | 81,297                  | -                   | 81,297                                             |
| Other non-current assets, net amort               | 415,179                                 | -                                             | 415,179                 | -                   | 415,179                                            |
| Total non-current assets                          | <u>118,577,175</u>                      | <u>-</u>                                      | <u>118,577,175</u>      | <u>-</u>            | <u>118,577,175</u>                                 |
| Total assets                                      | <u>1,322,799,775</u>                    | <u>25,194,316</u>                             | <u>1,347,994,091</u>    | <u>(498,001)</u>    | <u>1,347,496,090</u>                               |
| <b>Deferred Outflow of Resources</b>              |                                         |                                               |                         |                     |                                                    |
| Deferred pension loss                             | 6,719,537                               | -                                             | 6,719,537               | -                   | 6,719,537                                          |
| Deferred pension expense                          | 2,705,100                               | -                                             | 2,705,100               | -                   | 2,705,100                                          |
| Deferred unfunded OPEB loss                       | 6,383,448                               | -                                             | 6,383,448               | -                   | 6,383,448                                          |
| Deferred loss on debt refunding                   | 2,000,320                               | -                                             | 2,000,320               | -                   | 2,000,320                                          |
| Total deferred outflow of resources               | <u>17,808,405</u>                       | <u>-</u>                                      | <u>17,808,405</u>       | <u>-</u>            | <u>17,808,405</u>                                  |
| <b>Total</b>                                      | <u>\$ 1,340,608,180</u>                 | <u>\$ 25,194,316</u>                          | <u>\$ 1,365,802,496</u> | <u>\$ (498,001)</u> | <u>\$ 1,365,304,495</u>                            |



**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Bi-State Development Combined  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                                             | <b>Business<br/>Divisions<br/>Total</b> | <b>Self-Insurance<br/>Divisions<br/>Total</b> | <b>Total</b>            | <b>Eliminations</b> | <b>Bi-State Development<br/>Combined<br/>Total</b> |
|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------|---------------------|----------------------------------------------------|
| <b>Liabilities</b>                                          |                                         |                                               |                         |                     |                                                    |
| Current liabilities                                         |                                         |                                               |                         |                     |                                                    |
| Accounts payable                                            | \$ 10,526,676                           | \$ 322,843                                    | \$ 10,849,519           | \$ -                | \$ 10,849,519                                      |
| Interfund accounts payable                                  | 207,026                                 | 290,975                                       | 498,001                 | (498,001)           | -                                                  |
| Accrued expenses                                            | 20,863,464                              | 92,200                                        | 20,955,664              | -                   | 20,955,664                                         |
| Other current liabilities                                   | 22,558,605                              | -                                             | 22,558,605              | -                   | 22,558,605                                         |
| Total current liabilities                                   | 54,155,771                              | 706,018                                       | 54,861,789              | (498,001)           | 54,363,788                                         |
| Current liab payable from restricted assets                 |                                         |                                               |                         |                     |                                                    |
| Accounts payable and retention                              | 1,436,722                               | -                                             | 1,436,722               | -                   | 1,436,722                                          |
| Accrued interest payable                                    | 5,048,089                               | -                                             | 5,048,089               | -                   | 5,048,089                                          |
| Short-term self-insurance                                   | 140,487                                 | 9,290,000                                     | 9,430,487               | -                   | 9,430,487                                          |
| Medical self-insurance liability                            | -                                       | 4,208,524                                     | 4,208,524               | -                   | 4,208,524                                          |
| Current portion of long-term debt                           | 9,796,171                               | -                                             | 9,796,171               | -                   | 9,796,171                                          |
| Total current liabilities payable<br>from restricted assets | 16,421,469                              | 13,498,524                                    | 29,919,993              | -                   | 29,919,993                                         |
| Total current liabilities                                   | 70,577,240                              | 14,204,542                                    | 84,781,782              | (498,001)           | 84,283,781                                         |
| Non-current liabilities                                     |                                         |                                               |                         |                     |                                                    |
| Other post-employment benefits                              | 65,482,551                              | 384,042                                       | 65,866,593              | -                   | 65,866,593                                         |
| Long-term self-insurance                                    | 396,428                                 | 10,914,000                                    | 11,310,428              | -                   | 11,310,428                                         |
| Long-term debt                                              | 519,510,092                             | -                                             | 519,510,092             | -                   | 519,510,092                                        |
| Capital lease obligations                                   | 118,080,701                             | -                                             | 118,080,701             | -                   | 118,080,701                                        |
| Unfunded pension liabilities                                | 83,086,826                              | 230,724                                       | 83,317,550              | -                   | 83,317,550                                         |
| Other non-current liabilities                               | 6,011,744                               | -                                             | 6,011,744               | -                   | 6,011,744                                          |
| Total non-current liabilities                               | 792,568,342                             | 11,528,766                                    | 804,097,108             | -                   | 804,097,108                                        |
| Total liabilities                                           | 863,145,582                             | 25,733,308                                    | 888,878,890             | (498,001)           | 888,380,889                                        |
| <b>Deferred Inflow of Resources</b>                         |                                         |                                               |                         |                     |                                                    |
| Deferred gain on hedging instruments                        | 677,922                                 | -                                             | 677,922                 | -                   | 677,922                                            |
| Deferred Unfunded OPEB Gain                                 | 303,064                                 | -                                             | 303,064                 | -                   | 303,064                                            |
| Deferred pension gain 788 ATU and cler                      | 5,363,364                               | -                                             | 5,363,364               | -                   | 5,363,364                                          |
| Deferred pension gain IBEW                                  | 130,872                                 | -                                             | 130,872                 | -                   | 130,872                                            |
| Deferred pension gain salaried                              | 1,743,105                               | -                                             | 1,743,105               | -                   | 1,743,105                                          |
| Total deferred inflow of resources                          | 8,218,327                               | -                                             | 8,218,327               | -                   | 8,218,327                                          |
| <b>Net Position</b>                                         |                                         |                                               |                         |                     |                                                    |
| Net position - capital investments                          | 451,205,335                             | -                                             | 451,205,335             | -                   | 451,205,335                                        |
| Net position                                                | 103,904,991                             | (3,924,329)                                   | 99,980,662              | -                   | 99,980,662                                         |
| Net income (loss)                                           | (85,866,055)                            | 3,385,337                                     | (82,480,718)            | -                   | (82,480,718)                                       |
| Total net position                                          | 469,244,271                             | (538,992)                                     | 468,705,279             | -                   | 468,705,279                                        |
| <b>Total</b>                                                | <b>\$ 1,340,608,180</b>                 | <b>\$ 25,194,316</b>                          | <b>\$ 1,365,802,496</b> | <b>\$ (498,001)</b> | <b>\$ 1,365,304,495</b>                            |

**BUSINESS DIVISIONS**



BSD Combined Statement of Activities . . . . . 6

BSD Combined Statement of Financial Position. . . . . 7

**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, 2019**  
(unaudited)

|                                            | Executive<br>Services | Gateway<br>Arch<br>Tram | Riverfront<br>Attractions | St. Louis<br>Downtown<br>Airport | Metro                  | St. Louis<br>Regional<br>Freightway | Bi-State<br>Development<br>Research Inst. | Arts<br>In<br>Transit, Inc. | Totals                 | Eliminations       | Totals<br>After<br>Eliminations |
|--------------------------------------------|-----------------------|-------------------------|---------------------------|----------------------------------|------------------------|-------------------------------------|-------------------------------------------|-----------------------------|------------------------|--------------------|---------------------------------|
| <b>Revenue</b>                             |                       |                         |                           |                                  |                        |                                     |                                           |                             |                        |                    |                                 |
| Passenger and service revenues             | \$ -                  | \$ 8,758,026            | \$ 2,106,433              | \$ 1,381,534                     | \$ 40,684,133          | \$ -                                | \$ -                                      | \$ -                        | \$ 52,930,126          | \$ (85,175)        | \$ 52,844,951                   |
| Interfund administrative fees              | 4,379,135             | -                       | -                         | -                                | -                      | -                                   | -                                         | -                           | 4,379,135              | (4,379,135)        | -                               |
| City of St. Louis                          | -                     | -                       | -                         | -                                | 37,942,780             | -                                   | -                                         | -                           | 37,942,780             | -                  | 37,942,780                      |
| St. Louis County                           | -                     | -                       | -                         | -                                | 145,125,286            | -                                   | -                                         | -                           | 145,125,286            | -                  | 145,125,286                     |
| St. Clair County Transit District          | -                     | -                       | -                         | -                                | 55,676,006             | -                                   | -                                         | -                           | 55,676,006             | -                  | 55,676,006                      |
| State of Missouri and Illinois             | -                     | -                       | -                         | -                                | 733,025                | -                                   | -                                         | -                           | 733,025                | -                  | 733,025                         |
| Federal funding                            | -                     | -                       | -                         | -                                | 16,643,247             | -                                   | -                                         | -                           | 16,643,247             | -                  | 16,643,247                      |
| Other local/regional funding               | -                     | -                       | -                         | -                                | 304,692                | -                                   | -                                         | -                           | 304,692                | -                  | 304,692                         |
| Not-for-profit                             | -                     | -                       | -                         | -                                | -                      | -                                   | 22,776                                    | 39,772                      | 62,548                 | -                  | 62,548                          |
| Contributions                              | -                     | -                       | -                         | -                                | -                      | -                                   | 87,774                                    | 251,249                     | 339,023                | (339,023)          | -                               |
| Advertising, maint services, rental income | 108,184               | 50,946                  | 112,038                   | 137,165                          | 5,515,325              | 19,405                              | -                                         | (9)                         | 5,943,054              | -                  | 5,943,054                       |
| Interest income                            | 87,784                | 258,564                 | -                         | 25,548                           | 11,721,373             | 117                                 | -                                         | -                           | 12,093,386             | -                  | 12,093,386                      |
| Other operating revenue                    | 437,924               | 352,147                 | -                         | 114,107                          | 239                    | 500                                 | -                                         | -                           | 904,917                | -                  | 904,917                         |
| <b>Total revenue</b>                       | <u>5,013,027</u>      | <u>9,419,683</u>        | <u>2,218,471</u>          | <u>1,658,354</u>                 | <u>314,346,106</u>     | <u>20,022</u>                       | <u>110,550</u>                            | <u>291,012</u>              | <u>333,077,225</u>     | <u>(4,803,333)</u> | <u>328,273,892</u>              |
| <b>Expense</b>                             |                       |                         |                           |                                  |                        |                                     |                                           |                             |                        |                    |                                 |
| Wages and benefits                         | 2,963,742             | 2,071,508               | 1,257,911                 | 808,712                          | 205,604,057            | 302,052                             | 69,028                                    | 131,306                     | 213,208,316            | (200,314)          | 213,008,002                     |
| Services                                   | 1,028,476             | 1,167,703               | 232,779                   | 204,431                          | 31,892,032             | 322,583                             | 77,980                                    | 85,278                      | 35,011,262             | (63,254)           | 34,948,008                      |
| Fuel and lube consumed                     | -                     | -                       | 49,767                    | 13,168                           | 11,275,070             | -                                   | -                                         | -                           | 11,338,005             | -                  | 11,338,005                      |
| Materials and supplies                     | 19,539                | 302,671                 | 343,770                   | 52,482                           | 22,265,470             | 1,544                               | -                                         | 1,037                       | 22,986,513             | (237)              | 22,986,276                      |
| Utilities                                  | 2,422                 | 132,507                 | 84,302                    | 198,103                          | 7,568,672              | -                                   | 1,197                                     | 775                         | 7,987,978              | (775)              | 7,987,203                       |
| Casualty and liability costs               | 48,188                | 55,306                  | 143,998                   | 54,569                           | 8,444,022              | -                                   | -                                         | -                           | 8,746,083              | -                  | 8,746,083                       |
| Other expenses                             | 397,751               | 1,656,891               | 145,031                   | 130,424                          | 7,021,968              | 50,527                              | 21,419                                    | 55,676                      | 9,479,687              | (4,538,753)        | 4,940,934                       |
| Interest expense                           | -                     | 293,257                 | -                         | -                                | 25,721,340             | -                                   | -                                         | -                           | 26,014,597             | -                  | 26,014,597                      |
| Contribution to outside entities           | -                     | 1,406,956               | -                         | -                                | 1,145,940              | -                                   | -                                         | -                           | 2,552,896              | -                  | 2,552,896                       |
| Other non-operating expense                | -                     | -                       | -                         | -                                | 424,287                | -                                   | -                                         | -                           | 424,287                | -                  | 424,287                         |
| <b>Total expense</b>                       | <u>4,460,118</u>      | <u>7,086,799</u>        | <u>2,257,558</u>          | <u>1,461,889</u>                 | <u>321,362,858</u>     | <u>676,706</u>                      | <u>169,624</u>                            | <u>274,072</u>              | <u>337,749,624</u>     | <u>(4,803,333)</u> | <u>332,946,291</u>              |
| <b>Income (loss) before depreciation</b>   | <u>552,909</u>        | <u>2,332,884</u>        | <u>(39,087)</u>           | <u>196,465</u>                   | <u>(7,016,752)</u>     | <u>(656,684)</u>                    | <u>(59,074)</u>                           | <u>16,940</u>               | <u>(4,672,399)</u>     | <u>-</u>           | <u>(4,672,399)</u>              |
| Depreciation and amortization expense      | -                     | 767,191                 | 236,967                   | 1,232,547                        | 76,409,659             | -                                   | 12,294                                    | -                           | 78,658,658             | -                  | 78,658,658                      |
| <b>Net income (loss) before transfers</b>  | <u>552,909</u>        | <u>1,565,693</u>        | <u>(276,054)</u>          | <u>(1,036,082)</u>               | <u>(83,426,411)</u>    | <u>(656,684)</u>                    | <u>(71,368)</u>                           | <u>16,940</u>               | <u>(83,331,057)</u>    | <u>-</u>           | <u>(83,331,057)</u>             |
| Net transfers in (out)                     | -                     | (5,366)                 | (78)                      | -                                | (2,529,554)            | -                                   | -                                         | -                           | (2,534,998)            | -                  | (2,534,998)                     |
| <b>Net income (loss)</b>                   | <u>\$ 552,909</u>     | <u>\$ 1,560,327</u>     | <u>\$ (276,132)</u>       | <u>\$ (1,036,082)</u>            | <u>\$ (85,955,965)</u> | <u>\$ (656,684)</u>                 | <u>\$ (71,368)</u>                        | <u>\$ 16,940</u>            | <u>\$ (85,866,055)</u> | <u>\$ -</u>        | <u>\$ (85,866,055)</u>          |

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                                   | Executive<br>Services | Gateway<br>Arch<br>Tram | Riverfront<br>Attractions | St. Louis<br>Downtown<br>Airport | Metro                   | St. Louis<br>Regional<br>Freightway | Bi-State<br>Development<br>Research Inst. | Arts<br>In<br>Transit, Inc. | Totals                  | Interfund<br>Eliminations | Totals<br>After<br>Eliminations |
|---------------------------------------------------|-----------------------|-------------------------|---------------------------|----------------------------------|-------------------------|-------------------------------------|-------------------------------------------|-----------------------------|-------------------------|---------------------------|---------------------------------|
| <b>Assets</b>                                     |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Current assets                                    |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Cash                                              | \$ 6,461,868          | \$17,461,701            | \$ 26,552                 | \$ 1,646,565                     | \$ 116,083,475          | \$ 18,933                           | \$ 108,327                                | \$ 87,904                   | \$ 141,895,325          | \$ -                      | \$ 141,895,325                  |
| Investments                                       | -                     | -                       | -                         | -                                | 110,495,531             | -                                   | -                                         | -                           | 110,495,531             | -                         | 110,495,531                     |
| Accounts and notes receivable                     | 101,367               | 15,526                  | 5,626                     | 55,383                           | 2,167,622               | -                                   | -                                         | -                           | 2,345,524               | -                         | 2,345,524                       |
| Interfund accounts receivable                     | -                     | -                       | -                         | -                                | 6,371,384               | -                                   | -                                         | 7,310                       | 6,378,694               | (6,378,694)               | -                               |
| Restricted accounts receivable                    | -                     | -                       | -                         | -                                | 792,240                 | -                                   | -                                         | -                           | 792,240                 | -                         | 792,240                         |
| Federal, state and local<br>assistance receivable | -                     | 4,395                   | -                         | -                                | 24,649,479              | -                                   | -                                         | -                           | 24,653,874              | -                         | 24,653,874                      |
| Materials and supplies inventory                  | -                     | -                       | 52,600                    | 65,112                           | 10,055,568              | -                                   | -                                         | -                           | 10,173,280              | -                         | 10,173,280                      |
| Other current assets                              | 68,257                | 80,788                  | 136,889                   | 45,355                           | 1,998,059               | -                                   | -                                         | -                           | 2,329,348               | -                         | 2,329,348                       |
| Total current assets                              | 6,631,492             | 17,562,410              | 221,667                   | 1,812,415                        | 272,613,358             | 18,933                              | 108,327                                   | 95,214                      | 299,063,816             | (6,378,694)               | 292,685,122                     |
| Capital assets                                    |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Capital assets - motorbus                         | -                     | -                       | -                         | -                                | 432,009,644             | -                                   | -                                         | -                           | 432,009,644             | -                         | 432,009,644                     |
| Capital assets - paratransit                      | -                     | -                       | -                         | -                                | 19,375,724              | -                                   | -                                         | -                           | 19,375,724              | -                         | 19,375,724                      |
| Capital assets - lightrail                        | -                     | -                       | -                         | -                                | 1,626,094,687           | -                                   | -                                         | -                           | 1,626,094,687           | -                         | 1,626,094,687                   |
| Capital assets                                    | -                     | 17,307,192              | 5,103,118                 | 50,235,398                       | -                       | -                                   | 253,859                                   | -                           | 72,899,567              | -                         | 72,899,567                      |
| Total capital assets                              | -                     | 17,307,192              | 5,103,118                 | 50,235,398                       | 2,077,480,055           | -                                   | 253,859                                   | -                           | 2,150,379,622           | -                         | 2,150,379,622                   |
| Accumulated depreciation                          | -                     | (8,339,635)             | (4,232,994)               | (37,082,928)                     | (1,313,430,698)         | -                                   | -                                         | -                           | (1,363,086,255)         | -                         | (1,363,086,255)                 |
| Total capital assets, net                         | -                     | 8,967,557               | 870,124                   | 13,152,470                       | 764,049,357             | -                                   | 253,859                                   | -                           | 787,293,367             | -                         | 787,293,367                     |
| Land                                              | -                     | -                       | -                         | 4,542,564                        | 95,776,349              | -                                   | -                                         | -                           | 100,318,913             | -                         | 100,318,913                     |
| Construction-in-process                           | -                     | (3,730)                 | 43,878                    | 1,320,923                        | 22,564,127              | -                                   | -                                         | -                           | 23,925,198              | -                         | 23,925,198                      |
| Total capital assets                              | -                     | 8,963,827               | 914,002                   | 19,015,957                       | 882,389,833             | -                                   | 253,859                                   | -                           | 911,537,478             | -                         | 911,537,478                     |
| Non-current assets                                |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Restricted investments                            | -                     | -                       | -                         | -                                | 118,080,699             | -                                   | -                                         | -                           | 118,080,699             | -                         | 118,080,699                     |
| Deferred charges                                  | -                     | -                       | -                         | 81,297                           | -                       | -                                   | -                                         | -                           | 81,297                  | -                         | 81,297                          |
| Other non-current assets, net amc                 | -                     | -                       | -                         | -                                | 415,179                 | -                                   | -                                         | -                           | 415,179                 | -                         | 415,179                         |
| Total non-current assets                          | -                     | -                       | -                         | 81,297                           | 118,495,878             | -                                   | -                                         | -                           | 118,577,175             | -                         | 118,577,175                     |
| Total assets                                      | 6,631,492             | 26,526,237              | 1,135,669                 | 20,909,669                       | 1,273,499,069           | 18,933                              | 362,186                                   | 95,214                      | 1,329,178,469           | (6,378,694)               | 1,322,799,775                   |
| Deferred outflow of resources                     |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Deferred pension loss                             | -                     | -                       | -                         | -                                | 6,719,537               | -                                   | -                                         | -                           | 6,719,537               | -                         | 6,719,537                       |
| Deferred pension expense                          | -                     | -                       | -                         | -                                | 2,705,100               | -                                   | -                                         | -                           | 2,705,100               | -                         | 2,705,100                       |
| Deferred unfunded OPEB loss                       | -                     | -                       | -                         | -                                | 6,383,448               | -                                   | -                                         | -                           | 6,383,448               | -                         | 6,383,448                       |
| Deferred loss on debt refunding                   | -                     | -                       | -                         | -                                | 2,000,320               | -                                   | -                                         | -                           | 2,000,320               | -                         | 2,000,320                       |
| Total deferred outflow of resour                  | -                     | -                       | -                         | -                                | 17,808,405              | -                                   | -                                         | -                           | 17,808,405              | -                         | 17,808,405                      |
| <b>Total</b>                                      | <u>\$ 6,631,492</u>   | <u>\$26,526,237</u>     | <u>\$ 1,135,669</u>       | <u>\$20,909,669</u>              | <u>\$ 1,291,307,474</u> | <u>\$ 18,933</u>                    | <u>\$ 362,186</u>                         | <u>\$ 95,214</u>            | <u>\$ 1,346,986,874</u> | <u>\$ (6,378,694)</u>     | <u>\$ 1,340,608,180</u>         |

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Business Divisions  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                        | Executive<br>Services | Gateway<br>Arch<br>Tram | Riverfront<br>Attractions | St. Louis<br>Downtown<br>Airport | Metro                   | St. Louis<br>Regional<br>Freightway | Bi-State<br>Development<br>Research Inst. | Arts<br>In<br>Transit, Inc. | Totals                  | Interfund<br>Eliminations | Totals<br>After<br>Eliminations |
|----------------------------------------|-----------------------|-------------------------|---------------------------|----------------------------------|-------------------------|-------------------------------------|-------------------------------------------|-----------------------------|-------------------------|---------------------------|---------------------------------|
| <b>Liabilities</b>                     |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Current liabilities                    |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Accounts payable                       | \$ 165,675            | \$ 214,478              | \$ 140,950                | \$ 73,542                        | \$ 9,908,031            | \$ 24,000                           | \$ -                                      | \$ -                        | \$ 10,526,676           | \$ -                      | \$ 10,526,676                   |
| Interfund accounts payable             | 87,135                | 3,364,335               | 814,798                   | 248,637                          | -                       | 2,047,596                           | 23,219                                    | -                           | 6,585,720               | (6,378,694)               | 207,026                         |
| Accrued expenses                       | 197,800               | 80,439                  | 95,900                    | 62,300                           | 20,393,525              | 33,500                              | -                                         | -                           | 20,863,464              | -                         | 20,863,464                      |
| Other current liabilities              | -                     | 100,805                 | 42,893                    | 66,115                           | 22,242,122              | -                                   | 106,670                                   | -                           | 22,558,605              | -                         | 22,558,605                      |
| Total current liabilities              | 450,610               | 3,760,057               | 1,094,541                 | 450,594                          | 52,543,678              | 2,105,096                           | 129,889                                   | -                           | 60,534,465              | (6,378,694)               | 54,155,771                      |
| Current liab payable from restricted a |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Accounts payable and retention         | -                     | -                       | -                         | -                                | 1,436,722               | -                                   | -                                         | -                           | 1,436,722               | -                         | 1,436,722                       |
| Accrued interest payable               | -                     | 24,080                  | -                         | -                                | 5,024,009               | -                                   | -                                         | -                           | 5,048,089               | -                         | 5,048,089                       |
| Short-term insurance                   | -                     | -                       | -                         | -                                | 140,487                 | -                                   | -                                         | -                           | 140,487                 | -                         | 140,487                         |
| Current portion of long-term debt      | -                     | 166,171                 | -                         | -                                | 9,630,000               | -                                   | -                                         | -                           | 9,796,171               | -                         | 9,796,171                       |
| Total current liabilities payable      | -                     | -                       | -                         | -                                | -                       | -                                   | -                                         | -                           | -                       | -                         | -                               |
| from restricted assets                 | -                     | 190,251                 | -                         | -                                | 16,231,218              | -                                   | -                                         | -                           | 16,421,469              | -                         | 16,421,469                      |
| Total current liabilities              | 450,610               | 3,950,308               | 1,094,541                 | 450,594                          | 68,774,896              | 2,105,096                           | 129,889                                   | -                           | 76,955,934              | (6,378,694)               | 70,577,240                      |
| Non-current liabilities                |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Other post-employment benefits         | 930,699               | 16,021                  | 320,218                   | 357,479                          | 63,721,009              | 137,125                             | -                                         | -                           | 65,482,551              | -                         | 65,482,551                      |
| Long-term insurance                    | -                     | -                       | -                         | -                                | 396,428                 | -                                   | -                                         | -                           | 396,428                 | -                         | 396,428                         |
| Long-term debt                         | -                     | 7,029,182               | -                         | -                                | 512,480,910             | -                                   | -                                         | -                           | 519,510,092             | -                         | 519,510,092                     |
| Capital lease obligations              | -                     | -                       | -                         | -                                | 118,080,701             | -                                   | -                                         | -                           | 118,080,701             | -                         | 118,080,701                     |
| Unfunded pension liabilities           | 160,559               | 41,576                  | 243,268                   | 12,344                           | 82,625,585              | 3,494                               | -                                         | -                           | 83,086,826              | -                         | 83,086,826                      |
| Other non-current liabilities          | -                     | -                       | -                         | -                                | 6,011,744               | -                                   | -                                         | -                           | 6,011,744               | -                         | 6,011,744                       |
| Total non-current liabilities          | 1,091,258             | 7,086,779               | 563,486                   | 369,823                          | 783,316,377             | 140,619                             | -                                         | -                           | 792,568,342             | -                         | 792,568,342                     |
| Total liabilities                      | 1,541,868             | 11,037,087              | 1,658,027                 | 820,417                          | 852,091,273             | 2,245,715                           | 129,889                                   | -                           | 869,524,276             | (6,378,694)               | 863,145,582                     |
| <b>Deferred Inflow of Resources</b>    |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Deferred gain on hedging instrume      | -                     | -                       | -                         | -                                | 677,922                 | -                                   | -                                         | -                           | 677,922                 | -                         | 677,922                         |
| Deferred Unfunded OPEB Gain            | -                     | -                       | -                         | -                                | 303,064                 | -                                   | -                                         | -                           | 303,064                 | -                         | 303,064                         |
| Deferred pension gain 788 ATU ar       | -                     | -                       | -                         | -                                | 5,363,364               | -                                   | -                                         | -                           | 5,363,364               | -                         | 5,363,364                       |
| Deferred pension gain IBEW             | -                     | -                       | -                         | -                                | 130,872                 | -                                   | -                                         | -                           | 130,872                 | -                         | 130,872                         |
| Deferred pension gain salaried         | -                     | -                       | -                         | -                                | 1,743,105               | -                                   | -                                         | -                           | 1,743,105               | -                         | 1,743,105                       |
| Total deferred inflow of resourc       | -                     | -                       | -                         | -                                | 8,218,327               | -                                   | -                                         | -                           | 8,218,327               | -                         | 8,218,327                       |
| <b>Net Position</b>                    |                       |                         |                           |                                  |                         |                                     |                                           |                             |                         |                           |                                 |
| Net position - capital investments     | -                     | 18,909,295              | 914,002                   | 19,015,956                       | 412,366,082             | -                                   | -                                         | -                           | 451,205,335             | -                         | 451,205,335                     |
| Net position - unrestricted            | 4,536,715             | (4,980,472)             | (1,160,228)               | 2,109,378                        | 104,587,757             | (1,570,098)                         | 303,665                                   | 78,274                      | 103,904,991             | -                         | 103,904,991                     |
| Net income (loss)                      | 552,909               | 1,560,327               | (276,132)                 | (1,036,082)                      | (85,955,965)            | (656,684)                           | (71,368)                                  | 16,940                      | (85,866,055)            | -                         | (85,866,055)                    |
| Total net position                     | 5,089,624             | 15,489,150              | (522,358)                 | 20,089,252                       | 430,997,874             | (2,226,782)                         | 232,297                                   | 95,214                      | 469,244,271             | -                         | 469,244,271                     |
| <b>Total</b>                           | <u>\$ 6,631,492</u>   | <u>\$26,526,237</u>     | <u>\$ 1,135,669</u>       | <u>\$20,909,669</u>              | <u>\$ 1,291,307,474</u> | <u>\$ 18,933</u>                    | <u>\$ 362,186</u>                         | <u>\$ 95,214</u>            | <u>\$ 1,346,986,874</u> | <u>\$ (6,378,694)</u>     | <u>\$ 1,340,608,180</u>         |

EXECUTIVE SERVICES



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# Executive Services – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Admin fees – Gateway Arch** increased 26.2% to \$1.1 million from prior year due to increased attendance and the effects of the variable ticket pricing structure.
2. **National Park Service management fee** increased 32.8% to \$438 thousand from prior year due to increased attendance and the effects of the variable ticket pricing structure at the Gateway Arch.
3. **Services** – increased 20.3% from prior year to \$1.0 million due to legal and consulting fees. Because of
4. **Net income before depreciation** is \$553 thousand.

## Balance Sheet

1. **Cash** increased \$2.7 million during the fiscal year. This is the result of a decrease in Interfund accounts receivable at the end for fiscal year 2018.
2. **Interfund accounts receivable** – decreased 100% during fiscal year 2019 through payments from the various business units.
3. **Accrued expenses** – decreased 34.3% from prior year due to a reduction in interfund payables.

## Cash Flow

1. **Interest received year-to-date** is \$88 thousand. Due to higher interest rates, this amount is greater than prior year.
2. **Net cash activity year-to-date** is \$2.7 million cash inflow, the direct result of the decrease in interfund accounts receivable.

**Executive Services**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                      | Current           |                   |                               |                  |                   | Year to Date      |                   |                               |                  |                   |
|--------------------------------------|-------------------|-------------------|-------------------------------|------------------|-------------------|-------------------|-------------------|-------------------------------|------------------|-------------------|
|                                      | Actual            | Budget            | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        | Actual            | Budget            | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        |
| <b>Revenue</b>                       |                   |                   |                               |                  |                   |                   |                   |                               |                  |                   |
| Admin fees - Transit                 | \$ 674,395        | \$ 894,847        | \$ (220,452)                  | (24.6)           | \$ 682,609        | \$ 3,221,964      | \$ 3,579,386      | \$ (357,422)                  | (10.0)           | \$ 2,808,000      |
| Admin fees - Gateway Arch            | (1) 365,420       | 372,938           | (7,518)                       | (2.0)            | 314,270           | 1,074,253         | 1,035,850         | 38,403                        | 3.7              | 850,952           |
| Admin fees - Airport                 | 20,475            | 22,199            | (1,724)                       | (7.8)            | 20,704            | 82,918            | 88,796            | (5,878)                       | (6.6)            | 81,896            |
| National Park Service management fee | (2) 136,139       | 112,495           | 23,644                        | 21.0             | 105,351           | 437,924           | 449,978           | (12,054)                      | (2.7)            | 330,557           |
| Other operating revenue              | -                 | 74,024            | (74,024)                      | (100.0)          | -                 | 108,184           | 296,095           | (187,911)                     | (63.5)           | 148,681           |
| Other revenue                        | -                 | -                 | -                             | -                | 29,045            | -                 | -                 | -                             | -                | 29,045            |
| Interest income                      | 25,920            | 11,500            | 14,420                        | 125.4            | 12,857            | 87,784            | 46,000            | 41,784                        | 90.8             | 43,883            |
| <b>Total revenue</b>                 | <u>1,222,349</u>  | <u>1,488,003</u>  | <u>(265,654)</u>              | <u>(17.9)</u>    | <u>1,164,836</u>  | <u>5,013,027</u>  | <u>5,496,105</u>  | <u>(483,078)</u>              | <u>(8.8)</u>     | <u>4,293,014</u>  |
| <b>Expense</b>                       |                   |                   |                               |                  |                   |                   |                   |                               |                  |                   |
| Wages and benefits                   | 664,527           | 763,644           | 99,117                        | 13.0             | 773,193           | 2,963,742         | 3,029,399         | 65,657                        | 2.2              | 2,828,098         |
| Services                             | (3) 242,418       | 371,674           | 129,256                       | 34.8             | 168,294           | 1,028,476         | 1,511,145         | 482,669                       | 31.9             | 855,163           |
| Materials and supplies               | 2,481             | 15,243            | 12,762                        | 83.7             | 4,094             | 19,539            | 37,126            | 17,587                        | 47.4             | 15,409            |
| Utilities                            | 954               | 1,841             | 887                           | 48.2             | 701               | 2,422             | 7,366             | 4,944                         | 67.1             | 3,034             |
| Casualty and liability costs         | 12,047            | -                 | (12,047)                      | -                | -                 | 48,188            | -                 | (48,188)                      | -                | -                 |
| Other expenses                       | 100,626           | 96,129            | (4,497)                       | (4.7)            | 83,621            | 397,751           | 387,479           | (10,272)                      | (2.7)            | 319,438           |
| <b>Total expense</b>                 | <u>1,023,053</u>  | <u>1,248,531</u>  | <u>225,478</u>                | <u>18.1</u>      | <u>1,029,903</u>  | <u>4,460,118</u>  | <u>4,972,515</u>  | <u>512,397</u>                | <u>10.3</u>      | <u>4,021,142</u>  |
| <b>Net income (loss)</b>             | <u>\$ 199,296</u> | <u>\$ 239,175</u> | <u>\$ (39,879)</u>            | <u>(16.7)</u>    | <u>\$ 134,933</u> | <u>\$ 552,909</u> | <u>\$ 521,649</u> | <u>\$ 31,260</u>              | <u>6.0</u>       | <u>\$ 271,872</u> |



**Executive Services**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                                   | Current             |                     |                   |                   | Prior Year          |                   |                   |
|---------------------------------------------------|---------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
|                                                   | Current<br>Period   | Prior<br>Period     | Dollar<br>Change  | Percent<br>Change | Prior<br>Year       | Dollar<br>Change  | Percent<br>Change |
| <b>Assets</b>                                     |                     |                     |                   |                   |                     |                   |                   |
| Current assets                                    |                     |                     |                   |                   |                     |                   |                   |
| Cash                                              | (1) \$ 6,461,868    | \$ 6,001,272        | \$ 460,596        | 7.7               | \$ 3,783,084        | \$ 2,678,784      | 70.8              |
| Accounts and notes receivable                     | 101,367             | 45,219              | 56,148            | 124.2             | 110,772             | (9,405)           | (8.5)             |
| Interfund accounts receivable                     | (2) -               | 123,011             | (123,011)         | (100.0)           | 2,137,390           | (2,137,390)       | (100.0)           |
| Federal, state and local<br>assistance receivable | -                   | (3,375)             | 3,375             | 100.0             | -                   | -                 | n/a               |
| Other current assets                              | 68,257              | 63,989              | 4,268             | 6.7               | 2,924               | 65,333            | n/a               |
| Total current assets                              | 6,631,492           | 6,230,116           | 401,376           | 6.4               | 6,034,170           | 597,322           | 9.9               |
| Capital assets                                    |                     |                     |                   |                   |                     |                   |                   |
| Total assets                                      | 6,631,492           | 6,230,116           | 401,376           | 6.4               | 6,034,170           | 597,322           | 9.9               |
| <b>Total</b>                                      | <u>\$ 6,631,492</u> | <u>\$ 6,230,116</u> | <u>\$ 401,376</u> | 6.4               | <u>\$ 6,034,170</u> | <u>\$ 597,322</u> | 9.9               |

**Executive Services**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                | Current             |                     |                   |                   | Prior Year          |                   |                   |
|--------------------------------|---------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
|                                | Current<br>Period   | Prior<br>Period     | Dollar<br>Change  | Percent<br>Change | Prior<br>Year       | Dollar<br>Change  | Percent<br>Change |
| <b>Liabilities</b>             |                     |                     |                   |                   |                     |                   |                   |
| Current liabilities            |                     |                     |                   |                   |                     |                   |                   |
| Accounts payable               | \$ 165,675          | \$ 94,200           | \$ 71,475         | 75.9              | \$ 143,729          | \$ 21,946         | 15.3              |
| Interfund accounts payable     | 87,135              | -                   | 87,135            | n/a               | -                   | 87,135            | n/a               |
| Accrued expenses               | (3) 197,800         | 177,200             | 20,600            | 11.6              | 300,900             | (103,100)         | (34.3)            |
| Total current liabilities      | 450,610             | 271,400             | 179,210           | 66.0              | 444,629             | 5,981             | 1.3               |
| Non-current liabilities        |                     |                     |                   |                   |                     |                   |                   |
| Other post-employment benefits | 930,699             | 907,829             | 22,870            | 2.5               | 892,267             | 38,432            | 4.3               |
| Unfunded pension liabilities   | 160,559             | 160,559             | -                 | -                 | 160,559             | -                 | -                 |
| Total non-current liabilities  | 1,091,258           | 1,068,388           | 22,870            | 2.1               | 1,052,826           | 38,432            | 3.7               |
| Total liabilities              | 1,541,868           | 1,339,788           | 202,080           | 15.1              | 1,497,455           | 44,413            | 3.0               |
| <b>Net Position</b>            |                     |                     |                   |                   |                     |                   |                   |
| Net position                   | 4,536,715           | 4,536,715           | -                 | -                 | 4,264,843           | 271,872           | 6.4               |
| Net income (loss)              | 552,909             | 353,613             | 199,296           | 56.4              | 271,872             | 281,037           | 103.4             |
| Total net position             | 5,089,624           | 4,890,328           | 199,296           | 4.1               | 4,536,715           | 552,909           | 12.2              |
| <b>Total</b>                   | <u>\$ 6,631,492</u> | <u>\$ 6,230,116</u> | <u>\$ 401,376</u> | <u>6.4</u>        | <u>\$ 6,034,170</u> | <u>\$ 597,322</u> | <u>9.9</u>        |

**Executive Services**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
**(unaudited)**

| <b>Cash flows from operating activities</b>                     |                      | <b>Supplemental disclosure of cash flow information</b> |
|-----------------------------------------------------------------|----------------------|---------------------------------------------------------|
| Receipts from customers                                         | \$ 555,513           | <b>Noncash Activities:</b><br>None                      |
| Payments to employees                                           | (3,028,411)          |                                                         |
| Payments to vendors                                             | (1,491,574)          |                                                         |
| Payments for self-insurance                                     | (48,188)             |                                                         |
| Receipts (payments) from inter-fund activity                    | (2) <u>6,603,659</u> |                                                         |
| <b>Net cash provided by (used in) operating activities</b>      | (2) <u>2,590,999</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>                     |                      |                                                         |
| Interest received                                               | (1) <u>87,784</u>    |                                                         |
| <b>Net cash provided by (used in) investing activities</b>      | <u>87,784</u>        |                                                         |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | (2) 2,678,783        |                                                         |
| <b>Cash and cash equivalents, beginning of year</b>             | <u>3,783,085</u>     |                                                         |
| <b>Cash and cash equivalents, year to date</b>                  | <u>\$ 6,461,868</u>  |                                                         |



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# Gateway Arch Tram – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Arch Tickets** – increased \$776.7 thousand over the prior year due to increased attendance and the effects of the variable pricing program.
2. **Service fee revenue** increased by \$268.1 thousand to \$278.1 thousand because of the implementation at the beginning of fiscal 2019 of an internet order fee.
3. **Interest income** increased 234.7% over fiscal 2018 to \$258.6 thousand as a result of higher interest rates.
4. **Contribution to outside entities** was \$1.4 million for fiscal 2019 an increase over fiscal year 2018 of \$464.2 thousand. Under agreement with the National Park Service, \$500.0 thousand was given toward operation and maintenance activities in the newly expanded Gateway Arch Visitors Center.
5. **Total year-to-date expense** increased \$257.5 thousand over prior year.
6. **Net income before depreciation** is \$2.3 million.

## Balance Sheet

1. **Cash** increased \$4.4 million. This is the result of increased attendance, the variable ticket pricing structure, and the implementation of an internet order fee.
2. **Long term debt** and **accrued interest payable** balances were affected by the semi-annual interest payment and annual principal payment on December 1, 2018 and June 1, 2019.

## Cash Flow

1. **Net cash provided by operating activities** resulted in a cash inflow of \$6.3 million. This is due to increased attendance, the effects of the variable pricing program, and the implementation of an internet order fee.
2. **Net cash used in non-capital financing activities** resulted in a cash outflow of \$1.3 million. This is primarily due to the amount of Contribution to outside entities.
3. **Interest received** was \$258.6 thousand. This is greater than the amount received in fiscal 2018 due to higher interest rates.
4. **Net cash activity year-to-date** is \$4.5 million cash inflow.

## Performance Indicators

1. **Tram Ridership** experienced a 5% increase over prior year. The newly renovated Arch grounds and museum has been open for a full year.

# Gateway Arch Tram – Performance Indicators

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

|                 | Tram Ridership |         |        |
|-----------------|----------------|---------|--------|
| Quarter         | FY 2019        | FY 2018 | Change |
| 1st Qtr         | 337,941        | 268,936 | 25.7%  |
| 2nd Qtr         | 131,362        | 140,761 | -6.7%  |
| 3rd Qtr         | 109,358        | 123,767 | -11.6% |
| 4th Qtr         | 261,093        | 266,112 | -1.9%  |
| (1) Fiscal Year | 839,754        | 799,576 | 5.0%   |

**Gateway Arch Tram**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                           | Current              |                   |                               |                  |                   | Year to Date        |                     |                               |                  |                   |
|-------------------------------------------|----------------------|-------------------|-------------------------------|------------------|-------------------|---------------------|---------------------|-------------------------------|------------------|-------------------|
|                                           | Actual               | Budget            | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        | Actual              | Budget              | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        |
| <b>Revenue</b>                            |                      |                   |                               |                  |                   |                     |                     |                               |                  |                   |
| Arch tickets                              | (1) \$ 2,890,684     | \$ 2,957,280      | \$ (66,596)                   | (2.3)            | \$ 2,649,194      | \$ 8,758,026        | \$ 9,219,530        | \$ (461,504)                  | (5.0)            | \$ 7,981,286      |
| Other operating revenue                   | 13,201               | 6,021             | 7,180                         | 119.2            | 8,304             | 50,946              | 24,084              | 26,862                        | 111.5            | 12,906            |
| Other revenue                             | 134,345              | -                 | 134,345                       | -                | 335,004           | 138,688             | -                   | 138,688                       | -                | 224,873           |
| Service fee revenue                       | (2) 83,652           | 41,097            | 42,555                        | 103.5            | 2,328             | 278,160             | 164,387             | 113,773                       | 69.2             | 10,029            |
| Interest income                           | (3) 80,963           | 31,985            | 48,978                        | 153.1            | 36,273            | 258,564             | 127,938             | 130,626                       | 102.1            | 110,181           |
| Sales discount                            | (23,128)             | (32,360)          | 9,232                         | 28.5             | (27,250)          | (64,701)            | (129,440)           | 64,739                        | 50.0             | (135,170)         |
| <b>Total revenue</b>                      | <u>3,179,717</u>     | <u>3,004,023</u>  | <u>175,694</u>                | <u>5.8</u>       | <u>3,003,853</u>  | <u>9,419,683</u>    | <u>9,406,499</u>    | <u>13,184</u>                 | <u>0.1</u>       | <u>8,204,105</u>  |
| <b>Expense</b>                            |                      |                   |                               |                  |                   |                     |                     |                               |                  |                   |
| Wages and benefits                        | 613,465              | 676,615           | 63,150                        | 9.3              | 635,357           | 2,071,508           | 2,290,477           | 218,969                       | 9.6              | 2,094,330         |
| Services                                  | 176,665              | 294,174           | 117,509                       | 39.9             | 269,825           | 1,167,703           | 1,138,843           | (28,860)                      | (2.5)            | 1,028,719         |
| Materials and supplies                    | 64,405               | 53,323            | (11,082)                      | (20.8)           | 107,304           | 302,671             | 443,660             | 140,989                       | 31.8             | 320,870           |
| Utilities                                 | 50,441               | 40,187            | (10,254)                      | (25.5)           | 39,862            | 132,507             | 135,268             | 2,761                         | 2.0              | 78,967            |
| Casualty and liability costs              | 13,826               | 15,877            | 2,051                         | 12.9             | (81,132)          | 55,306              | 63,507              | 8,201                         | 12.9             | (44,526)          |
| Other expenses                            | 536,459              | 791,665           | 255,206                       | 32.2             | 624,255           | 1,656,891           | 1,939,660           | 282,769                       | 14.6             | 2,108,733         |
| Interest expense                          | 71,969               | 73,448            | 1,479                         | 2.0              | 74,363            | 293,257             | 293,791             | 534                           | 0.2              | 299,503           |
| Contribution to outside entities          | (4) 353,597          | 280,342           | (73,255)                      | (26.1)           | 32,886            | 1,406,956           | 1,121,367           | (285,589)                     | (25.5)           | 942,724           |
| <b>Total expense</b>                      | (5) <u>1,880,827</u> | <u>2,225,631</u>  | <u>344,804</u>                | <u>15.5</u>      | <u>1,702,720</u>  | <u>7,086,799</u>    | <u>7,426,573</u>    | <u>339,774</u>                | <u>4.6</u>       | <u>6,829,320</u>  |
| <b>Income (loss) before depreciation</b>  | (6) <u>1,298,890</u> | <u>778,392</u>    | <u>520,498</u>                | <u>66.9</u>      | <u>1,301,133</u>  | <u>2,332,884</u>    | <u>1,979,926</u>    | <u>352,958</u>                | <u>17.8</u>      | <u>1,374,785</u>  |
| Depreciation and amortization expense     | 166,109              | 71,853            | (94,256)                      | (131.2)          | 398,032           | 767,191             | 378,716             | (388,475)                     | (102.6)          | 729,099           |
| <b>Net income (loss) before transfers</b> | <u>1,132,781</u>     | <u>706,539</u>    | <u>426,242</u>                | <u>60.3</u>      | <u>903,101</u>    | <u>1,565,693</u>    | <u>1,601,210</u>    | <u>(35,517)</u>               | <u>(2.2)</u>     | <u>645,686</u>    |
| <b>Net transfers in (out)</b>             | <u>(1,300)</u>       | <u>-</u>          | <u>(1,300)</u>                | <u>-</u>         | <u>(9,532)</u>    | <u>(5,366)</u>      | <u>-</u>            | <u>(5,366)</u>                | <u>-</u>         | <u>(15,490)</u>   |
| <b>Net income (loss)</b>                  | <u>\$ 1,131,481</u>  | <u>\$ 706,539</u> | <u>\$ 424,942</u>             | <u>60.1</u>      | <u>\$ 893,569</u> | <u>\$ 1,560,327</u> | <u>\$ 1,601,210</u> | <u>\$ (40,883)</u>            | <u>(2.6)</u>     | <u>\$ 630,196</u> |

**Gateway Arch Tram**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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) \$ 17,461,701    | \$ 16,181,971        | \$ 1,279,730        | 7.9            | \$ 12,971,482        | \$ 4,490,219        | 34.6           |
| Accounts and notes receivable                  | 15,526               | 502                  | 15,024              | n/a            | 29,215               | (13,689)            | (46.9)         |
| Federal, state and local assistance receivable | 4,395                | 4,213                | 182                 | 4.3            | 11,378               | (6,983)             | (61.4)         |
| Other current assets                           | 80,788               | 13,826               | 66,962              | 484.3          | 34,923               | 45,865              | 131.3          |
| Total current assets                           | 17,562,410           | 16,200,512           | 1,361,898           | 8.4            | 13,046,998           | 4,515,412           | 34.6           |
| Capital assets                                 |                      |                      |                     |                |                      |                     |                |
| Capital assets                                 | 17,307,192           | 17,265,349           | 41,843              | 0.2            | 16,980,993           | 326,199             | 1.9            |
| Accumulated depreciation                       | (8,339,635)          | (8,173,526)          | (166,109)           | (2.0)          | (7,587,262)          | (752,373)           | (9.9)          |
| Total capital assets, net                      | 8,967,557            | 9,091,823            | (124,266)           | (1.4)          | 9,393,731            | (426,174)           | (4.5)          |
| Construction-in-process                        | (3,730)              | 41,365               | (45,095)            | (109.0)        | 240,649              | (244,379)           | (101.5)        |
| Total capital assets                           | 8,963,827            | 9,133,188            | (169,361)           | (1.9)          | 9,634,380            | (670,553)           | (7.0)          |
| Total assets                                   | 26,526,237           | 25,333,700           | 1,192,537           | 4.7            | 22,681,378           | 3,844,859           | 17.0           |
| <b>Total</b>                                   | <u>\$ 26,526,237</u> | <u>\$ 25,333,700</u> | <u>\$ 1,192,537</u> | 4.7            | <u>\$ 22,681,378</u> | <u>\$ 3,844,859</u> | 17.0           |



**Gateway Arch Tram**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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                                         | \$ 214,478     | \$ 391,571    | \$ (177,093)  | (45.2)         | \$ 551,337    | \$ (336,859)  | (61.1)         |
| Interfund accounts payable                               | 3,364,335      | 2,914,917     | 449,418       | 15.4           | 287,222       | 3,077,113     | n/a            |
| Accrued expenses                                         | 80,439         | 81,700        | (1,261)       | (1.5)          | 76,500        | 3,939         | 5.1            |
| Other current liabilities                                | 100,805        | 121,978       | (21,173)      | (17.4)         | 155,778       | (54,973)      | (35.3)         |
| Total current liabilities                                | 3,760,057      | 3,510,166     | 249,891       | 7.1            | 1,070,837     | 2,689,220     | 251.1          |
| Current liab payable from restricted assets              |                |               |               |                |               |               |                |
| Accounts payable and retention                           | -              | 49,148        | (49,148)      | (100.0)        | 264,877       | (264,877)     | (100.0)        |
| Accrued interest payable                                 | (2) 24,080     | 98,213        | (74,133)      | (75.5)         | 24,615        | (535)         | (2.2)          |
| Current portion of long-term debt                        | (2) 166,171    | 162,900       | 3,271         | 2.0            | 159,693       | 6,478         | 4.1            |
| Total current liabilities payable from restricted assets | 190,251        | 310,261       | (120,010)     | (38.7)         | 449,185       | (258,934)     | (57.6)         |
| Total current liabilities                                | 3,950,308      | 3,820,427     | 129,881       | 3.4            | 1,520,022     | 2,430,286     | 159.9          |
| Non-current liabilities                                  |                |               |               |                |               |               |                |
| Other post-employment benefits                           | 16,021         | 5,329         | 10,692        | 200.6          | -             | 16,021        | n/a            |
| Long-term debt                                           | (2) 7,029,182  | 7,113,093     | (83,911)      | (1.2)          | 7,195,353     | (166,171)     | (2.3)          |
| Unfunded pension liabilities                             | 41,576         | 41,576        | -             | -              | 41,576        | -             | -              |
| Total non-current liabilities                            | 7,086,779      | 7,159,998     | (73,219)      | (1.0)          | 7,236,929     | (150,150)     | (2.1)          |
| Total liabilities                                        | 11,037,087     | 10,980,425    | 56,662        | 0.5            | 8,756,951     | 2,280,136     | 26.0           |
| <b>Net Position</b>                                      |                |               |               |                |               |               |                |
| Net position - capital investments                       | 18,909,295     | -             | 18,909,295    | n/a            | 15,027,607    | 3,881,688     | 25.8           |
| Net position                                             | (4,980,472)    | 13,924,429    | (18,904,901)  | (135.8)        | (1,733,376)   | (3,247,096)   | (187.3)        |
| Net income (loss)                                        | 1,560,327      | 428,846       | 1,131,481     | 263.8          | 630,196       | 930,131       | 147.6          |
| Total net position                                       | 15,489,150     | 14,353,275    | 1,135,875     | 7.9            | 13,924,427    | 1,564,723     | 11.2           |
| <b>Total</b>                                             | \$ 26,526,237  | \$ 25,333,700 | \$ 1,192,537  | 4.7            | \$ 22,681,378 | \$ 3,844,859  | 17.0           |

**Gateway Arch Tram**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
**(unaudited)**

| <b>Cash flows from operating activities</b>                            |                        | <b>Supplemental disclosure of cash flow information</b> |
|------------------------------------------------------------------------|------------------------|---------------------------------------------------------|
| Receipts from customers                                                | (1) \$ 9,036,120       | <b>Noncash Activities:</b><br>None                      |
| Payments to employees                                                  | (2,051,549)            |                                                         |
| Payments to vendors                                                    | (2,613,405)            |                                                         |
| Payments for self-insurance                                            | (55,306)               |                                                         |
| Receipts (payments) from inter-fund activity                           | <u>1,993,049</u>       |                                                         |
| <b>Net cash provided by (used in) operating activities</b>             | (1) <u>6,308,909</u>   |                                                         |
| <b>Cash flows from non capital financing activities</b>                |                        |                                                         |
| Operating assistance received                                          | 6,983                  |                                                         |
| Contributions to outside entities                                      | (2) (1,406,956)        |                                                         |
| Net transfers                                                          | (5,366)                |                                                         |
| Nonoperating contributions                                             | <u>134,345</u>         |                                                         |
| <b>Net cash provided by (used in) non capital financing activities</b> | (2) <u>(1,270,994)</u> |                                                         |
| <b>Cash flows from capital and related financing activities</b>        |                        |                                                         |
| Acquisitions of capital assets                                         | (357,171)              |                                                         |
| Payments of long-term debt                                             | (159,693)              |                                                         |
| Interest Paid                                                          | (293,791)              |                                                         |
| Contributed capital                                                    | <u>4,395</u>           |                                                         |
| <b>Cash flows from capital and related financing activities</b>        | <u>(806,260)</u>       |                                                         |
| <b>Cash flows from investing activities</b>                            |                        |                                                         |
| Interest received                                                      | (3) <u>258,564</u>     |                                                         |
| <b>Net cash provided by (used in) investing activities</b>             | <u>258,564</u>         |                                                         |
| <b>Net increase (decrease) in cash and cash equivalents</b>            | (4) 4,490,219          |                                                         |
| <b>Cash and cash equivalents, beginning of year</b>                    | <u>12,971,482</u>      |                                                         |
| <b>Cash and cash equivalents, year to date</b>                         | <u>\$ 17,461,701</u>   |                                                         |



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# Metro Transit – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** decreased 2.1% to \$314.3 million from prior year.
2. **Passenger year-to-date revenue** decreased 3.2% to \$40.7 million from prior year due to decline in ridership.
3. **Other local/regional funding** includes \$20.0 million budgeted for an MOU which was not funded.
4. **Other revenue** decreased due to recognition of insurance proceeds in FY18 offset by amortization of debt refunding.
5. **Total year-to-date expense** increased 6.3% to \$321.4 million from prior year.
6. **Wages and benefits** continue to be affected by an increase in unfavorable medical and workers compensation claims incurred and experience. Some claims are carryover from a poor claims experience in the prior year.
7. **Services** includes \$20.0 million budgeted for an MOU which was not funded.
8. **Net loss before depreciation** is \$7.0 million which is favorable to budget by 3.6%.

## Balance Sheet

1. **Federal, state and local funding** receivable decreased by 34.8% from the prior year due to the federal vehicle maintenance funding from FTA. In FY18, we did not receive the funding until July 2019 due to delayed availability.

2. The **Capital assets – motorbus** increase of \$7.3 million includes \$9.0 million for 20 new buses offset by retirements of 19 old buses.  
**MetroLink** had capital activity of \$13.0 million for Cortex/Boyle street station (July 2018) and CWE Station Rehab of \$1.5 million.
3. **Accrued interest payable** balances were affected by the semi-annual interest payment on April 1.
4. Due to the rising fuel costs during the first 6 months of FY19, the \$3.5 million **deferred gain on hedging instruments** was negated in the quarter ending December 2018. Fuel hedge commodities this last quarter have fluctuated which created a small deferred gain of \$678 thousand.

## Cash Flow

1. For the first twelve months, the net cash outflow to fund transit **operational and administrative functions** was \$245.6 million. This amount includes an offsetting cash inflow of **passenger and local contract revenue** of \$47.4 million.
2. Additional cash outflow of \$29.4 million were needed to make **debt service interest** (\$20.3) and **principal** payments (\$9.1).
3. **Local and federal funding** cash inflow to cover operating costs, capital expenditures and debt was \$269.8 million.
4. **Net cash activity year-to-date** is \$31.1 million cash inflow.

# Metro Transit – Key Performance Indicator Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Service Changes and Fare Increases

1. Quarterly service update went into effect November with minor adjustments to 12 MetroBus routes.
2. No fare increase is planned for fiscal year 2019. The last fare increase was in fiscal year 2015.

## Ridership Metrics

3. **System year-to-date passenger boarding's** decreased 3.0% to 36.6 million from prior year.
4. Current year passenger ridership by mode from prior year
  - a. Metrobus Decrease 2.9%
  - b. MetroLink Decrease 3.0%
  - c. Call-A-Ride Decrease 5.5%
5. Factors include:
  - a. Lower fuel prices
  - b. Perceived security issues

## Business and Operating Metrics

6. **Average fare** favorably increased 1.8% to \$1.09 from the prior year.
7. **Operating expense per revenue hour** for the system unfavorably increased 6.4% to \$162.19.
8. **Operating expense per passenger boarding** unfavorably increased by 9.2% to \$8.03. Budget estimates were \$8.69 per boarding.
9. **Passenger boarding's per revenue mile and passenger boarding's per revenue hour** were also negatively impacted by 2.8% and 2.6% respectively due to ridership trends.
10. **Vehicle accidents per 100,000 vehicle miles** are favorably down 6.1% from the prior year.

**Metro Transit - Key Performance Indicators**  
**For the Twelve Months Ended June 30, 2019**  
(Preliminary, subject to audit)  
(Favorable Trend) (Unfavorable Trend)

|                                             |          | System     |            |          | MetroBus   |            |          | MetroLink  |            |          | Call-A-Ride |         |          |
|---------------------------------------------|----------|------------|------------|----------|------------|------------|----------|------------|------------|----------|-------------|---------|----------|
|                                             |          | FY 2019    | FY 2018    | Variance | FY 2019    | FY 2018    | Variance | FY 2019    | FY 2018    | Variance | FY 2019     | FY 2018 | Variance |
| Ridership Metrics                           |          |            |            |          |            |            |          |            |            |          |             |         |          |
| Average Weekday Ridership                   |          | 115,480    | 119,310    | -3.2%    | 72,590     | 74,860     | -3.0%    | 41,140     | 42,570     | -3.4%    | 1,750       | 1,880   | -6.9%    |
| Passenger Boardings                         | (3), (4) | 36,642,200 | 37,771,300 | -3.0%    | 22,968,000 | 23,667,300 | -3.0%    | 13,151,000 | 13,550,500 | -2.9%    | 523,400     | 553,500 | -5.4%    |
| Business Measures                           |          |            |            |          |            |            |          |            |            |          |             |         |          |
| Average Fare (Includes Fixed & Special)     | (6)      | \$1.09     | \$1.07     | 1.9%     | \$1.07     | \$1.05     | 1.9%     | \$1.07     | \$1.05     | 1.9%     | \$2.94      | \$2.56  | 14.8%    |
| Farebox Recovery                            |          | 13.6%      | 14.6%      | -6.8%    | 13.6%      | 14.6%      | -6.8%    | 16.4%      | 17.8%      | -7.9%    | 7.6%        | 9.8%    | -22.4%   |
| Operating Expense per Revenue Hour          | (7)      | \$162.19   | \$152.44   | 6.4%     | \$129.93   | \$121.88   | 6.6%     | \$649.92   | \$604.57   | 7.5%     | \$97.71     | \$93.72 | 4.3%     |
| Operating Expense per Passenger Boarding    | (8)      | \$8.03     | \$7.36     | 9.1%     | \$7.90     | \$7.21     | 9.6%     | \$6.45     | \$5.91     | 9.1%     | \$53.83     | \$49.16 | 9.5%     |
| Subsidy per Passenger Boarding              |          | \$6.65     | \$5.98     | 11.2%    |            |            |          |            |            |          |             |         |          |
| Operating Measures                          |          |            |            |          |            |            |          |            |            |          |             |         |          |
| Vehicle Accidents per 100,000 Vehicle Miles | (10)     | 1.08       | 1.15       | -6.1%    | 1.37       | 1.53       | -10.5%   | 0.05       | 0.05       | 0.0%     | 1.14        | 0.93    | 22.6%    |
| On-Time Performance                         |          |            |            |          | 91.2%      | 92.9%      | -1.8%    | 97.7%      | 98.1%      | -0.4%    | 91.9%       | 91.3%   | 0.7%     |
| Unscheduled Absenteeism                     |          | 3.0%       | 3.1%       | -3.2%    |            |            |          |            |            |          |             |         |          |
| Passenger Boardings per Revenue Mile        | (9)      | 1.36       | 1.40       | -2.9%    | 1.24       | 1.27       | -2.4%    | 4.30       | 4.36       | -1.4%    | 0.10        | 0.11    | -9.1%    |
| Passenger Boardings per Revenue Hour        | (9)      | 20.19      | 20.72      | -2.6%    | 16.45      | 16.90      | -2.7%    | 100.79     | 102.36     | -1.5%    | 1.82        | 1.91    | -4.7%    |

**Metro Transit**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                                |     | Current         |                 |                               |                  |                 | Year to Date    |                 |                               |                  |                 |
|------------------------------------------------|-----|-----------------|-----------------|-------------------------------|------------------|-----------------|-----------------|-----------------|-------------------------------|------------------|-----------------|
|                                                |     | Actual          | Budget          | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year      | Actual          | Budget          | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year      |
| Revenue                                        |     |                 |                 |                               |                  |                 |                 |                 |                               |                  |                 |
| Passenger revenue                              | (2) | \$ 10,771,816   | \$ 9,949,684    | \$ 822,132                    | 8.3              | \$ 10,905,171   | \$ 40,684,133   | \$ 40,727,445   | \$ (43,312)                   | (0.1)            | \$ 42,016,497   |
| City of St. Louis <sup>1</sup>                 |     | 8,646,589       | 8,441,070       | 205,519                       | 2.4              | 8,294,464       | 37,942,780      | 38,849,178      | (906,398)                     | (2.3)            | 35,523,817      |
| St. Louis County <sup>1</sup>                  |     | 31,162,724      | 34,241,091      | (3,078,367)                   | (9.0)            | 31,273,148      | 145,125,286     | 142,511,244     | 2,614,042                     | 1.8              | 138,628,796     |
| St. Clair County Transit District <sup>1</sup> |     | 14,736,833      | 14,300,290      | 436,543                       | 3.1              | 12,008,782      | 55,676,006      | 57,201,159      | (1,525,153)                   | (2.7)            | 53,464,388      |
| State of Missouri and Illinois <sup>1</sup>    |     | 295,106         | 213,102         | 82,004                        | 38.5             | 126             | 733,025         | 852,408         | (119,383)                     | (14.0)           | 732,865         |
| Federal funding <sup>1</sup>                   |     | 3,541,437       | 5,067,943       | (1,526,506)                   | (30.1)           | 4,382,675       | 16,643,247      | 20,271,773      | (3,628,526)                   | (17.9)           | 18,087,809      |
| Other local/regional funding <sup>1</sup>      | (3) | 126,556         | 5,227,852       | (5,101,296)                   | (97.6)           | 55,047          | 304,692         | 20,911,408      | (20,606,716)                  | (98.5)           | 480,894         |
| Advertising, maint services, rental income     |     | 1,561,969       | 1,713,637       | (151,668)                     | (8.9)            | 1,634,445       | 5,515,325       | 6,873,302       | (1,357,977)                   | (19.8)           | 7,463,097       |
| Other revenue                                  | (4) | 496,778         | -               | 496,778                       | -                | 15,653,463      | -               | -               | -                             | -                | 14,948,455      |
| Service fee revenue                            |     | -               | -               | -                             | -                | -               | 239             | -               | 239                           | -                | -               |
| Interest income                                |     | 8,584,251       | 8,165,122       | 419,129                       | 5.1              | 7,744,877       | 11,721,373      | 9,935,558       | 1,785,815                     | 18.0             | 9,728,694       |
| Total revenue                                  | (1) | 79,924,059      | 87,319,791      | (7,395,732)                   | (8.5)            | 91,952,198      | 314,346,106     | 338,133,475     | (23,787,369)                  | (7.0)            | 321,075,312     |
| Expense                                        |     |                 |                 |                               |                  |                 |                 |                 |                               |                  |                 |
| Wages and benefits                             | (6) | 53,960,780      | 51,584,073      | (2,376,707)                   | (4.6)            | 47,276,456      | 205,604,057     | 203,974,463     | (1,629,594)                   | (0.8)            | 191,623,665     |
| Services                                       | (7) | 7,524,338       | 13,135,508      | 5,611,170                     | 42.7             | 8,633,938       | 31,892,032      | 54,008,442      | 22,116,410                    | 40.9             | 28,639,816      |
| Fuel and lube consumed                         |     | 2,898,590       | 2,860,801       | (37,789)                      | (1.3)            | 2,809,009       | 11,275,070      | 11,558,548      | 283,478                       | 2.5              | 10,322,191      |
| Materials and supplies                         |     | 6,614,479       | 6,556,436       | (58,043)                      | (0.9)            | 5,754,637       | 22,265,470      | 24,959,226      | 2,693,756                     | 10.8             | 24,142,987      |
| Utilities                                      |     | 1,845,099       | 1,755,147       | (89,952)                      | (5.1)            | 1,714,659       | 7,568,672       | 7,891,957       | 323,285                       | 4.1              | 7,070,562       |
| Casualty and liability costs                   |     | 1,689,481       | 1,972,365       | 282,884                       | 14.3             | 315,468         | 8,444,022       | 7,882,994       | (561,028)                     | (7.1)            | 6,822,023       |
| Other expenses                                 |     | 1,772,609       | 1,989,290       | 216,681                       | 10.9             | 1,634,042       | 7,021,968       | 8,065,962       | 1,043,994                     | 12.9             | 6,046,793       |
| Interest expense                               |     | 11,867,571      | 11,898,451      | 30,880                        | 0.3              | 11,463,366      | 25,721,340      | 25,821,521      | 100,181                       | 0.4              | 25,439,188      |
| Unrealized gain (loss) on investments          |     | -               | -               | -                             | -                | 1,346,361       | -               | -               | -                             | -                | 881,660         |
| Contribution to outside entities               |     | 223,383         | 311,701         | 88,318                        | 28.3             | 286,850         | 1,145,940       | 1,246,804       | 100,864                       | 8.1              | 1,258,855       |
| Other non-operating expense                    |     | -               | -               | -                             | -                | -               | 424,287         | -               | (424,287)                     | -                | -               |
| Total expense                                  | (5) | 88,396,330      | 92,063,772      | 3,667,442                     | 4.0              | 81,234,786      | 321,362,858     | 345,409,917     | 24,047,059                    | 7.0              | 302,247,740     |
| Income (loss) before depreciation              | (8) | (8,472,271)     | (4,743,981)     | (3,728,290)                   | (78.6)           | 10,717,412      | (7,016,752)     | (7,276,442)     | 259,690                       | 3.6              | 18,827,572      |
| Net transfers in (out)                         |     | (660,224)       | (446,774)       | (213,450)                     | (47.8)           | (1,459,241)     | (2,529,554)     | (1,787,095)     | (742,459)                     | (41.5)           | (2,350,735)     |
| Net income (loss)                              |     | \$ (28,592,091) | \$ (25,809,522) | \$ (2,782,569)                | (10.8)           | \$ (11,657,231) | \$ (85,955,965) | \$ (84,190,604) | \$ (1,765,361)                | (2.1)            | \$ (60,503,138) |

<sup>1</sup> - Detailed schedule included.

**Metro Transit**  
**Detailed Schedule of Contract, Sales Tax and Grant Revenue**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                                    | Current              |                      |                               |                  |                      | Year to Date          |                       |                               |                  |                       |
|----------------------------------------------------|----------------------|----------------------|-------------------------------|------------------|----------------------|-----------------------|-----------------------|-------------------------------|------------------|-----------------------|
|                                                    | Actual               | Budget               | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year           | Actual                | Budget                | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year            |
| <b>Contract, sales tax and grant revenue</b>       |                      |                      |                               |                  |                      |                       |                       |                               |                  |                       |
| City of St. Louis 1/2 cent                         | \$ 5,277,317         | \$ 4,394,733         | \$ 882,584                    | 20.1             | \$ 4,635,911         | \$ 20,161,358         | \$ 19,626,357         | \$ 535,001                    | 2.7              | \$ 19,713,162         |
| City of St. Louis 1/4 cent                         | 2,266,218            | 1,993,765            | 272,453                       | 13.7             | 2,155,039            | 9,258,604             | 9,024,966             | 233,638                       | 2.6              | 9,222,786             |
| City of St. Louis Prop M2 (1/4 cent)               | 1,103,054            | 2,052,572            | (949,518)                     | (46.3)           | 1,503,514            | 8,522,818             | 10,197,855            | (1,675,037)                   | (16.4)           | 6,587,869             |
| Total City of St. Louis                            | 8,646,589            | 8,441,070            | 205,519                       | 2.4              | 8,294,464            | 37,942,780            | 38,849,178            | (906,398)                     | (2.3)            | 35,523,817            |
| St. Louis County 1/2 cent                          | 12,563,406           | 11,182,170           | 1,381,236                     | 12.4             | 9,779,149            | 45,845,886            | 42,713,844            | 3,132,042                     | 7.3              | 43,232,040            |
| St. Louis County 1/4 cent                          | 8,166,117            | 8,606,696            | (440,579)                     | (5.1)            | 8,110,154            | 35,883,295            | 35,884,153            | (858)                         | -                | 36,528,003            |
| St. Louis County Prop A (1/2 cent)                 | 10,433,201           | 14,452,225           | (4,019,024)                   | (27.8)           | 13,383,845           | 63,396,105            | 63,913,247            | (517,142)                     | (0.8)            | 58,868,753            |
| Total St. Louis County                             | 31,162,724           | 34,241,091           | (3,078,367)                   | (9.0)            | 31,273,148           | 145,125,286           | 142,511,244           | 2,614,042                     | 1.8              | 138,628,796           |
| East-West Gateway Council of Govts.                | 90,400               | 40,000               | 50,400                        | 126.0            | 42,825               | 170,400               | 160,000               | 10,400                        | 6.5              | 171,300               |
| Non-capital projects and other                     | 36,156               | 5,187,852            | (5,151,696)                   | (99.3)           | 12,222               | 134,292               | 20,751,408            | (20,617,116)                  | (99.4)           | 309,594               |
| Total other local                                  | 126,556              | 5,227,852            | (5,101,296)                   | (97.6)           | 55,047               | 304,692               | 20,911,408            | (20,606,716)                  | (98.5)           | 480,894               |
| State of Missouri                                  | 291,918              | 188,102              | 103,816                       | 55.2             | -                    | 729,797               | 752,408               | (22,611)                      | (3.0)            | 731,629               |
| Total State of Missouri                            | 291,918              | 188,102              | 103,816                       | 55.2             | -                    | 729,797               | 752,408               | (22,611)                      | (3.0)            | 731,629               |
| Total Missouri                                     | 40,227,787           | 48,098,115           | (7,870,328)                   | (16.4)           | 39,622,659           | 184,102,555           | 203,024,238           | (18,921,683)                  | (9.3)            | 175,365,136           |
| Illinois                                           |                      |                      |                               |                  |                      |                       |                       |                               |                  |                       |
| St. Clair Transit District                         | 14,736,833           | 14,300,290           | 436,543                       | 3.1              | 12,008,782           | 55,676,006            | 57,201,159            | (1,525,153)                   | (2.7)            | 53,464,388            |
| State of Illinois                                  | 3,188                | 25,000               | (21,812)                      | (87.2)           | 126                  | 3,228                 | 100,000               | (96,772)                      | (96.8)           | 1,236                 |
| Total Illinois                                     | 14,740,021           | 14,325,290           | 414,731                       | 2.9              | 12,008,908           | 55,679,234            | 57,301,159            | (1,621,925)                   | (2.8)            | 53,465,624            |
| Total local and state                              | 54,967,808           | 62,423,405           | (7,455,597)                   | (11.9)           | 51,631,567           | 239,781,789           | 260,325,397           | (20,543,608)                  | (7.9)            | 228,830,760           |
| Federal                                            |                      |                      |                               |                  |                      |                       |                       |                               |                  |                       |
| Vehicle maintenance                                | 4,000,000            | 4,000,000            | -                             | -                | 4,000,000            | 16,000,000            | 16,000,000            | -                             | -                | 16,000,000            |
| CMAQ grant                                         | -                    | -                    | -                             | -                | -                    | 45,000                | -                     | 45,000                        | -                | -                     |
| Non-capital grants (i.e. JARC)                     | (458,563)            | 1,067,943            | (1,526,506)                   | (142.9)          | 382,675              | 598,247               | 4,271,773             | (3,673,526)                   | (86.0)           | 2,087,809             |
| Total federal                                      | 3,541,437            | 5,067,943            | (1,526,506)                   | (30.1)           | 4,382,675            | 16,643,247            | 20,271,773            | (3,628,526)                   | (17.9)           | 18,087,809            |
| <b>Total contract, sales tax and grant revenue</b> | <b>\$ 58,509,245</b> | <b>\$ 67,491,348</b> | <b>\$ (8,982,103)</b>         | <b>(13.3)</b>    | <b>\$ 56,014,242</b> | <b>\$ 256,425,036</b> | <b>\$ 280,597,170</b> | <b>\$ (24,172,134)</b>        | <b>(8.6)</b>     | <b>\$ 246,918,569</b> |



**Metro Transit**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                                | Current                 |                         |                        |                | Prior Year              |                        |                |
|------------------------------------------------|-------------------------|-------------------------|------------------------|----------------|-------------------------|------------------------|----------------|
|                                                | Current Period          | Prior Period            | Dollar Change          | Percent Change | Prior Year              | Dollar Change          | Percent Change |
| <b>Assets</b>                                  |                         |                         |                        |                |                         |                        |                |
| Current assets                                 |                         |                         |                        |                |                         |                        |                |
| Cash                                           | \$ 116,083,475          | \$ 135,799,688          | \$ (19,716,213)        | (14.5)         | \$ 84,772,433           | \$ 31,311,042          | 36.9           |
| Investments                                    | 110,495,531             | 97,000,822              | 13,494,709             | 13.9           | 132,957,227             | (22,461,696)           | (16.9)         |
| Accounts and notes receivable                  | 2,167,622               | 1,281,686               | 885,936                | 69.1           | 3,378,071               | (1,210,449)            | (35.8)         |
| Interfund accounts receivable                  | 6,371,384               | 4,262,820               | 2,108,564              | 49.5           | 860,519                 | 5,510,865              | 640.4          |
| Restricted accounts receivable                 | 792,240                 | 840,171                 | (47,931)               | (5.7)          | 997,447                 | (205,207)              | (20.6)         |
| Federal, state and local assistance receivable | (1) 24,649,479          | 29,470,303              | (4,820,824)            | (16.4)         | 37,830,374              | (13,180,895)           | (34.8)         |
| Materials and supplies inventory               | 10,055,568              | 10,739,121              | (683,553)              | (6.4)          | 8,562,411               | 1,493,157              | 17.4           |
| Other current assets                           | 1,998,059               | 2,847,255               | (849,196)              | (29.8)         | 4,692,186               | (2,694,127)            | (57.4)         |
| Total current assets                           | 272,613,358             | 282,241,866             | (9,628,508)            | (3.4)          | 274,050,668             | (1,437,310)            | (0.5)          |
| Capital assets                                 |                         |                         |                        |                |                         |                        |                |
| Capital assets - motorbus                      | 432,009,644             | 431,508,689             | 500,955                | 0.1            | 424,767,431             | 7,242,213              | 1.7            |
| Capital assets - paratransit                   | 19,375,724              | 19,375,724              | -                      | -              | 19,854,157              | (478,433)              | (2.4)          |
| Capital assets - lightrail                     | 1,626,094,687           | 1,625,376,351           | 718,336                | -              | 1,610,861,527           | 15,233,160             | 0.9            |
| Total capital assets                           | (2) 2,077,480,055       | 2,076,260,764           | 1,219,291              | 0.1            | 2,055,483,115           | 21,996,940             | 1.1            |
| Accumulated depreciation                       | (1,313,430,698)         | (1,296,057,342)         | (17,373,356)           | (1.3)          | (1,244,282,823)         | (69,147,875)           | (5.6)          |
| Total capital assets, net                      | 764,049,357             | 780,203,422             | (16,154,065)           | (2.1)          | 811,200,292             | (47,150,935)           | (5.8)          |
| Land                                           | 95,776,349              | 95,776,349              | -                      | -              | 96,059,164              | (282,815)              | (0.3)          |
| Construction-in-process                        | 22,564,127              | 17,123,955              | 5,440,172              | 31.8           | 24,247,985              | (1,683,858)            | (6.9)          |
| Total capital assets                           | 882,389,833             | 893,103,726             | (10,713,893)           | (1.2)          | 931,507,441             | (49,117,608)           | (5.3)          |
| Non-current assets                             |                         |                         |                        |                |                         |                        |                |
| Restricted investments                         | 118,080,699             | 116,198,202             | 1,882,497              | 1.6            | 110,822,945             | 7,257,754              | 6.5            |
| Other non-current assets, net amort            | 415,179                 | 410,875                 | 4,304                  | 1.0            | 400,858                 | 14,321                 | 3.6            |
| Total non-current assets                       | 118,495,878             | 116,609,077             | 1,886,801              | 1.6            | 111,223,803             | 7,272,075              | 6.5            |
| Total assets                                   | 1,273,499,069           | 1,291,954,669           | (18,455,600)           | (1.4)          | 1,316,781,912           | (43,282,843)           | (3.3)          |
| Deferred outflow of resources                  |                         |                         |                        |                |                         |                        |                |
| Deferred pension loss                          | 6,719,537               | 8,517,887               | (1,798,350)            | (21.1)         | 14,177,404              | (7,457,867)            | (52.6)         |
| Deferred pension expense                       | 2,705,100               | 2,705,100               | -                      | -              | 2,705,100               | -                      | -              |
| Deferred unfunded OPEB loss                    | 6,383,448               | 6,873,774               | (490,326)              | (7.1)          | 8,344,752               | (1,961,304)            | (23.5)         |
| Deferred loss on debt refunding                | 2,000,320               | 2,096,944               | (96,624)               | (4.6)          | 2,388,640               | (388,320)              | (16.3)         |
| Total deferred outflow of resources            | 17,808,405              | 20,193,705              | (2,385,300)            | (11.8)         | 27,615,896              | (9,807,491)            | (35.5)         |
| <b>Total</b>                                   | <b>\$ 1,291,307,474</b> | <b>\$ 1,312,148,374</b> | <b>\$ (20,840,900)</b> | <b>(1.6)</b>   | <b>\$ 1,344,397,808</b> | <b>\$ (53,090,334)</b> | <b>(3.9)</b>   |

**Metro Transit**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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                                         | \$ 9,908,031     | \$ 10,361,151    | \$ (453,120)    | (4.4)          | \$ 4,643,596     | \$ 5,264,435    | 113.4          |
| Accrued expenses                                         | 20,393,525       | 19,639,354       | 754,171         | 3.8            | 20,013,331       | 380,194         | 1.9            |
| Other current liabilities                                | 22,242,122       | 22,882,896       | (640,774)       | (2.8)          | 21,598,049       | 644,073         | 3.0            |
| Total current liabilities                                | 52,543,678       | 52,883,401       | (339,723)       | (0.6)          | 46,254,976       | 6,288,702       | 13.6           |
| Current liab payable from restricted assets              |                  |                  |                 |                |                  |                 |                |
| Accounts payable and retention                           | 1,436,722        | 1,222,337        | 214,385         | 17.5           | 2,385,220        | (948,498)       | (39.8)         |
| Accrued interest payable (3)                             | 5,024,009        | 10,048,186       | (5,024,177)     | (50.0)         | 5,136,884        | (112,875)       | (2.2)          |
| Short-term insurance                                     | 140,487          | 140,487          | -               | -              | 140,487          | -               | -              |
| Current portion of long-term debt                        | 9,630,000        | 9,630,000        | -               | -              | 9,030,000        | 600,000         | 6.6            |
| Total current liabilities payable from restricted assets | 16,231,218       | 21,041,010       | (4,809,792)     | (22.9)         | 16,692,591       | (461,373)       | (2.8)          |
| Total current liabilities                                | 68,774,896       | 73,924,411       | (5,149,515)     | (7.0)          | 62,947,567       | 5,827,329       | 9.3            |
| Non-current liabilities                                  |                  |                  |                 |                |                  |                 |                |
| Other post-employment benefits                           | 63,721,009       | 65,284,864       | (1,563,855)     | (2.4)          | 64,599,182       | (878,173)       | (1.4)          |
| Long-term insurance                                      | 396,428          | 400,644          | (4,216)         | (1.1)          | 287,216          | 109,212         | 38.0           |
| Long-term debt                                           | 512,480,910      | 512,905,260      | (424,350)       | (0.1)          | 523,900,171      | (11,419,261)    | (2.2)          |
| Capital lease obligations                                | 118,080,701      | 116,198,204      | 1,882,497       | 1.6            | 110,822,946      | 7,257,755       | 6.5            |
| Unfunded pension liabilities                             | 82,625,585       | 82,625,585       | -               | -              | 82,625,585       | -               | -              |
| Other non-current liabilities                            | 6,011,744        | 6,135,490        | (123,746)       | (2.0)          | 6,212,083        | (200,339)       | (3.2)          |
| Total non-current liabilities                            | 783,316,377      | 783,550,047      | (233,670)       | -              | 788,447,183      | (5,130,806)     | (0.7)          |
| Total liabilities                                        | 852,091,273      | 857,474,458      | (5,383,185)     | (0.6)          | 851,394,750      | 696,523         | 0.1            |
| <b>Deferred Inflow of Resources</b>                      |                  |                  |                 |                |                  |                 |                |
| Deferred gain on hedging instruments (4)                 | 677,922          | 1,238,756        | (560,834)       | (45.3)         | 3,468,280        | (2,790,358)     | (80.5)         |
| Deferred Unfunded OPEB Gain                              | 303,064          | 328,318          | (25,254)        | (7.7)          | 404,080          | (101,016)       | (25.0)         |
| Deferred pension gain 788 ATU and clerical               | 5,363,364        | 5,925,285        | (561,921)       | (9.5)          | 7,611,048        | (2,247,684)     | (29.5)         |
| Deferred pension gain IBEW                               | 130,872          | 144,483          | (13,611)        | (9.4)          | 185,316          | (54,444)        | (29.4)         |
| Deferred pension gain salaried                           | 1,743,105        | 1,961,765        | (218,660)       | (11.1)         | 2,656,301        | (913,196)       | (34.4)         |
| Total deferred inflow of resources                       | 8,218,327        | 9,598,607        | (1,380,280)     | (14.4)         | 14,325,025       | (6,106,698)     | (42.6)         |
| <b>Net Position</b>                                      |                  |                  |                 |                |                  |                 |                |
| Net position - capital investments                       | 412,366,082      | -                | 412,366,082     | n/a            | 449,653,738      | (37,287,656)    | (8.3)          |
| Net position                                             | 104,587,757      | 502,439,183      | (397,851,426)   | (79.2)         | 89,527,433       | 15,060,324      | 16.8           |
| Net income (loss)                                        | (85,955,965)     | (57,363,874)     | (28,592,091)    | (49.8)         | (60,503,138)     | (25,452,827)    | (42.1)         |
| Total net position                                       | 430,997,874      | 445,075,309      | (14,077,435)    | (3.2)          | 478,678,033      | (47,680,159)    | (10.0)         |
| <b>Total</b>                                             | \$ 1,291,307,474 | \$ 1,312,148,374 | \$ (20,840,900) | (1.6)          | \$ 1,344,397,808 | \$ (53,090,334) | (3.9)          |

**Metro Transit**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
**(unaudited)**

**Cash flows from operating activities**

|                                              |     |                    |
|----------------------------------------------|-----|--------------------|
| Receipts from customers                      | (1) | \$ 47,410,146      |
| Payments to employees                        |     | (206,102,036)      |
| Payments to vendors                          |     | (69,892,109)       |
| Payments for self-insurance                  |     | (8,334,810)        |
| Receipts (payments) from inter-fund activity |     | <u>(8,732,828)</u> |

**Net cash provided by (used in) operating activities** (1) (245,651,637)

**Cash flows from non capital financing activities**

|                                   |     |                  |
|-----------------------------------|-----|------------------|
| Operating assistance received     | (3) | 269,811,137      |
| Contributions to outside entities |     | (1,145,940)      |
| Net transfers                     |     | (2,529,554)      |
| Nonoperating contributions        |     | <u>(188,037)</u> |

**Net cash provided by (used in) non capital financing activities** 265,947,606

**Cash flows from capital and related financing activities**

|                                |     |                   |
|--------------------------------|-----|-------------------|
| Acquisitions of capital assets |     | (28,240,550)      |
| Payments of long-term debt     | (2) | (9,030,000)       |
| Interest Paid                  | (2) | (20,322,395)      |
| Contributed capital            |     | <u>38,275,806</u> |

**Cash flows from capital and related financing activities** (19,317,139)

**Cash flows from investing activities**

|                                   |  |                  |
|-----------------------------------|--|------------------|
| Purchases of investments          |  | (78,397,733)     |
| Proceeds from sale of investments |  | 104,187,639      |
| Interest received                 |  | <u>4,347,841</u> |

**Net cash provided by (used in) investing activities** 30,137,747

**Net increase (decrease) in cash and cash equivalents** (4) 31,116,577

**Cash and cash equivalents, beginning of year** 84,966,898

**Cash and cash equivalents, year to date** \$ 116,083,475

**Supplemental disclosure of cash flow information**

**Noncash Activities:**

|                                           |              |
|-------------------------------------------|--------------|
| Interest received on capital lease        | \$ 7,257,755 |
| Interest accrued on capital lease         | (7,257,755)  |
| Changes in Unfunded Pension Liability     | 4,242,549    |
| Changes in Unrealized Loss on Fuel Hedge  | (2,790,358)  |
| Deferred Loss Amortization                | 388,320      |
| Deferred charges                          | (14,323)     |
| Capital tower lease interest amortization | (38,353)     |
| Discounts on bonds                        | (4,970)      |
| Premium on bonds                          | 115,774      |
| Gain on disposal of fixed assets          | (236,250)    |
| Deferred Unfunded OPEB Loss               | 1,860,288    |

ST. LOUIS DOWNTOWN AIRPORT



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# St. Louis Downtown Airport – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total revenue** decreased 0.7 from prior year.
2. **Wages and benefits expense** decreased 12.3% to \$808.7 million from prior year primarily due to vacant positions.
3. **Services expense** increased 13.8% to \$204.4 thousand from prior year primarily due to painting and asphalt work at the airport.
4. **Total year-to-date expense** decreased 7.4% to \$1.5 million from prior year.
5. **Net income before depreciation** is \$196.5 thousand.

## Performance Indicators

1. **Aircraft movements** increased 3.5% from prior year.

## Balance Sheet

1. **Construction-in-process** balance of \$1.3 million represents the taxiway relocation and access road reconstruction.
2. **Other current liabilities** primarily consists of prepaid rent deposits.

## Cash Flow

1. **Cash flows from capital and related financing activities** created a \$1.3 million cash outflow funding the taxiway relocation and the access road reconstruction.
2. **Net cash activity year-to-date** is \$106.0 thousand cash outflow.

# St. Louis Downtown Airport – Performance Indicators

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

|             | Fuel Sales (gallons) |           |        |
|-------------|----------------------|-----------|--------|
| Quarter     | FY 2019              | FY 2018   | Change |
| 1st Qtr     | 495,857              | 465,971   | 6.4%   |
| 2nd Qtr     | 390,862              | 423,344   | -7.7%  |
| 3rd Qtr     | 363,923              | 393,305   | -7.5%  |
| 4th Qtr     | 468,909              | 455,904   | 2.9%   |
| Fiscal Year | 1,719,551            | 1,738,524 | -1.1%  |

|         | Average Based Aircraft |         |        |
|---------|------------------------|---------|--------|
| Quarter | FY 2019                | FY 2018 | Change |
| 1st Qtr | 305                    | 315     | -3.2%  |
| 2nd Qtr | 308                    | 313     | -1.6%  |
| 3rd Qtr | 309                    | 313     | -1.3%  |
| 4th Qtr | 309                    | 312     | -1.0%  |

|                 | Aircraft Movements |         |        |
|-----------------|--------------------|---------|--------|
| Quarter         | FY 2019            | FY 2018 | Change |
| 1st Qtr         | 24,381             | 26,051  | -6.4%  |
| 2nd Qtr         | 25,645             | 22,544  | 13.8%  |
| 3rd Qtr         | 21,793             | 19,175  | 13.7%  |
| 4th Qtr         | 25,529             | 26,264  | -2.8%  |
| (1) Fiscal Year | 97,348             | 94,034  | 3.5%   |

**St. Louis Downtown Airport**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                          | Current             |                     |                               |                  |                     | Year to Date          |                       |                               |                  |                       |
|------------------------------------------|---------------------|---------------------|-------------------------------|------------------|---------------------|-----------------------|-----------------------|-------------------------------|------------------|-----------------------|
|                                          | Actual              | Budget              | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year          | Actual                | Budget                | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year            |
| <b>Revenue</b>                           |                     |                     |                               |                  |                     |                       |                       |                               |                  |                       |
| Airport parking                          | \$ 27,732           | \$ 36,147           | \$ (8,415)                    | (23.3)           | \$ 39,403           | \$ 120,751            | \$ 144,587            | \$ (23,836)                   | (16.5)           | \$ 148,117            |
| Leased acreage                           | 144,561             | 137,686             | 6,875                         | 5.0              | 79,063              | 577,537               | 550,743               | 26,794                        | 4.9              | 321,991               |
| Hangar rental                            | 131,603             | 151,216             | (19,613)                      | (13.0)           | 179,388             | 530,897               | 604,866               | (73,969)                      | (12.2)           | 745,628               |
| Aviation sales flowage                   | 34,539              | 47,946              | (13,407)                      | (28.0)           | 46,135              | 152,349               | 191,783               | (39,434)                      | (20.6)           | 171,114               |
| Other operating revenue                  | 36,762              | 40,928              | (4,166)                       | (10.2)           | 38,306              | 137,165               | 163,712               | (26,547)                      | (16.2)           | 128,958               |
| Concessions                              | 27,968              | 29,286              | (1,318)                       | (4.5)            | 28,718              | 113,982               | 117,144               | (3,162)                       | (2.7)            | 114,870               |
| Other revenue                            | -                   | -                   | -                             | -                | -                   | -                     | -                     | -                             | -                | 27,861                |
| Service fee revenue                      | -                   | 50                  | (50)                          | (100.0)          | -                   | 125                   | 200                   | (75)                          | (37.5)           | 295                   |
| Interest income                          | 6,336               | 719                 | 5,617                         | 781.2            | 6,506               | 25,548                | 2,875                 | 22,673                        | 788.6            | 10,400                |
| <b>Total revenue</b>                     | <b>(1) 409,501</b>  | <b>443,978</b>      | <b>(34,477)</b>               | <b>(7.8)</b>     | <b>417,519</b>      | <b>1,658,354</b>      | <b>1,775,910</b>      | <b>(117,556)</b>              | <b>(6.6)</b>     | <b>1,669,234</b>      |
| <b>Expense</b>                           |                     |                     |                               |                  |                     |                       |                       |                               |                  |                       |
| Wages and benefits                       | (2) 215,863         | 263,642             | 47,779                        | 18.1             | 232,615             | 808,712               | 1,057,564             | 248,852                       | 23.5             | 921,413               |
| Services                                 | (3) 109,179         | 29,134              | (80,045)                      | (274.7)          | 61,951              | 204,431               | 116,535               | (87,896)                      | (75.4)           | 179,601               |
| Fuel and lube consumed                   | 2,833               | 8,183               | 5,350                         | 65.4             | 1,892               | 13,168                | 28,083                | 14,915                        | 53.1             | 10,615                |
| Materials and supplies                   | 6,321               | 38,796              | 32,475                        | 83.7             | 25,510              | 52,482                | 138,375               | 85,893                        | 62.1             | 94,132                |
| Utilities                                | 57,066              | 40,035              | (17,031)                      | (42.5)           | 53,576              | 198,103               | 185,741               | (12,362)                      | (6.7)            | 202,123               |
| Casualty and liability costs             | 13,642              | 11,291              | (2,351)                       | (20.8)           | 10,767              | 54,569                | 44,668                | (9,901)                       | (22.2)           | 50,797                |
| Other expenses                           | (60,718)            | 31,268              | 91,986                        | 294.2            | 30,538              | 130,424               | 112,149               | (18,275)                      | (16.3)           | 120,030               |
| <b>Total expense</b>                     | <b>(4) 344,186</b>  | <b>422,349</b>      | <b>78,163</b>                 | <b>18.5</b>      | <b>416,849</b>      | <b>1,461,889</b>      | <b>1,683,115</b>      | <b>221,226</b>                | <b>13.1</b>      | <b>1,578,711</b>      |
| <b>Income (loss) before depreciation</b> | <b>(5) 65,315</b>   | <b>21,629</b>       | <b>43,686</b>                 | <b>202.0</b>     | <b>670</b>          | <b>196,465</b>        | <b>92,795</b>         | <b>103,670</b>                | <b>111.7</b>     | <b>90,523</b>         |
| Depreciation and amortization expense    | 309,007             | 361,462             | 52,455                        | 14.5             | 318,591             | 1,232,547             | 1,392,603             | 160,056                       | 11.5             | 1,358,441             |
| <b>Net income (loss)</b>                 | <b>\$ (243,692)</b> | <b>\$ (339,833)</b> | <b>\$ 96,141</b>              | <b>28.3</b>      | <b>\$ (317,921)</b> | <b>\$ (1,036,082)</b> | <b>\$ (1,299,808)</b> | <b>\$ 263,726</b>             | <b>20.3</b>      | <b>\$ (1,267,918)</b> |

**St. Louis Downtown Airport**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                  | Current              |                      |                   |                | Prior Year           |                    |                |
|----------------------------------|----------------------|----------------------|-------------------|----------------|----------------------|--------------------|----------------|
|                                  | Current Period       | Prior Period         | Dollar Change     | Percent Change | Prior Year           | Dollar Change      | Percent Change |
| <b>Assets</b>                    |                      |                      |                   |                |                      |                    |                |
| Current assets                   |                      |                      |                   |                |                      |                    |                |
| Cash                             | \$ 1,646,565         | \$ 1,311,999         | \$ 334,566        | 25.5           | \$ 1,752,812         | \$ (106,247)       | (6.1)          |
| Accounts and notes receivable    | 55,383               | 64,600               | (9,217)           | (14.3)         | 77,630               | (22,247)           | (28.7)         |
| Interfund accounts receivable    | -                    | 4,262                | (4,262)           | (100.0)        | -                    | -                  | n/a            |
| Materials and supplies inventory | 65,112               | 65,112               | -                 | -              | 65,457               | (345)              | (0.5)          |
| Other current assets             | 45,355               | 25,666               | 19,689            | 76.7           | -                    | 45,355             | n/a            |
| Total current assets             | <u>1,812,415</u>     | <u>1,471,639</u>     | <u>340,776</u>    | <u>23.2</u>    | <u>1,895,899</u>     | <u>(83,484)</u>    | <u>(4.4)</u>   |
| Capital assets                   |                      |                      |                   |                |                      |                    |                |
| Capital assets                   | 50,235,398           | 50,138,642           | 96,756            | 0.2            | 50,138,570           | 96,828             | 0.2            |
| Accumulated depreciation         | (37,082,928)         | (36,773,922)         | (309,006)         | (0.8)          | (35,850,382)         | (1,232,546)        | (3.4)          |
| Total capital assets, net        | <u>13,152,470</u>    | <u>13,364,720</u>    | <u>(212,250)</u>  | <u>(1.6)</u>   | <u>14,288,188</u>    | <u>(1,135,718)</u> | <u>(7.9)</u>   |
| Land                             | 4,542,564            | 4,542,564            | -                 | -              | 4,542,564            | -                  | -              |
| Construction-in-process          | (1) 1,320,923        | 1,297,511            | 23,412            | 1.8            | 135,180              | 1,185,743          | 877.2          |
| Total capital assets             | <u>19,015,957</u>    | <u>19,204,795</u>    | <u>(188,838)</u>  | <u>(1.0)</u>   | <u>18,965,932</u>    | <u>50,025</u>      | <u>0.3</u>     |
| Non-current assets               |                      |                      |                   |                |                      |                    |                |
| Deferred charges                 | 81,297               | 104,105              | (22,808)          | (21.9)         | 69,093               | 12,204             | 17.7           |
| Total non-current assets         | <u>81,297</u>        | <u>104,105</u>       | <u>(22,808)</u>   | <u>(21.9)</u>  | <u>69,093</u>        | <u>12,204</u>      | <u>17.7</u>    |
| Total assets                     | <u>20,909,669</u>    | <u>20,780,539</u>    | <u>129,130</u>    | <u>0.6</u>     | <u>20,930,924</u>    | <u>(21,255)</u>    | <u>(0.1)</u>   |
| <b>Total</b>                     | <u>\$ 20,909,669</u> | <u>\$ 20,780,539</u> | <u>\$ 129,130</u> | <u>0.6</u>     | <u>\$ 20,930,924</u> | <u>\$ (21,255)</u> | <u>(0.1)</u>   |



**St. Louis Downtown Airport**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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                   | \$ 73,542            | \$ 20,000            | \$ 53,542         | 267.7          | \$ 12,577            | \$ 60,965          | 484.7          |
| Interfund accounts payable         | 248,637              | -                    | 248,637           | n/a            | 369,740              | (121,103)          | (32.8)         |
| Accrued expenses                   | 62,300               | 58,000               | 4,300             | 7.4            | 54,900               | 7,400              | 13.5           |
| Other current liabilities          | (2) 66,115           | 57,876               | 8,239             | 14.2           | 4,140                | 61,975             | n/a            |
| Total current liabilities          | 450,594              | 135,876              | 314,718           | 231.6          | 441,357              | 9,237              | 2.1            |
| Non-current liabilities            |                      |                      |                   |                |                      |                    |                |
| Other post-employment benefits     | 357,479              | 350,961              | 6,518             | 1.9            | 347,222              | 10,257             | 3.0            |
| Unfunded pension liabilities       | 12,344               | 12,344               | -                 | -              | 12,344               | -                  | -              |
| Total non-current liabilities      | 369,823              | 363,305              | 6,518             | 1.8            | 359,566              | 10,257             | 2.9            |
| Total liabilities                  | 820,417              | 499,181              | 321,236           | 64.4           | 800,923              | 19,494             | 2.4            |
| <b>Net Position</b>                |                      |                      |                   |                |                      |                    |                |
| Net position - capital investments | 19,015,956           | -                    | 19,015,956        | n/a            | 18,965,932           | 50,024             | 0.3            |
| Net position                       | 2,109,378            | 21,073,748           | (18,964,370)      | (90.0)         | 2,431,987            | (322,609)          | (13.3)         |
| Net income (loss)                  | (1,036,082)          | (792,390)            | (243,692)         | (30.8)         | (1,267,918)          | 231,836            | 18.3           |
| Total net position                 | 20,089,252           | 20,281,358           | (192,106)         | (0.9)          | 20,130,001           | (40,749)           | (0.2)          |
| <b>Total</b>                       | <u>\$ 20,909,669</u> | <u>\$ 20,780,539</u> | <u>\$ 129,130</u> | <u>0.6</u>     | <u>\$ 20,930,924</u> | <u>\$ (21,255)</u> | <u>(0.1)</u>   |

**St. Louis Downtown Airport**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
**(unaudited)**

|                                                                 |                     | Supplemental disclosure of cash flow information |
|-----------------------------------------------------------------|---------------------|--------------------------------------------------|
| <b>Cash flows from operating activities</b>                     |                     |                                                  |
| Receipts from customers                                         | \$ 1,642,848        |                                                  |
| Payments to employees                                           | (791,057)           | <b>Noncash Activities:</b>                       |
| Payments to vendors                                             | (437,760)           | None                                             |
| Payments for self-insurance                                     | (54,569)            |                                                  |
| Receipts (payments) from inter-fund activity                    | <u>(204,021)</u>    |                                                  |
| <b>Net cash provided by (used in) operating activities</b>      | <u>155,441</u>      |                                                  |
| <b>Cash flows from non capital financing activities</b>         |                     |                                                  |
| None                                                            |                     |                                                  |
| <b>Cash flows from capital and related financing activities</b> |                     |                                                  |
| Acquisitions of capital assets                                  | (1) (1,282,569)     |                                                  |
| Contributed capital                                             | <u>995,333</u>      |                                                  |
| <b>Cash flows from capital and related financing activities</b> | <u>(287,236)</u>    |                                                  |
| <b>Cash flows from investing activities</b>                     |                     |                                                  |
| Interest received                                               | <u>25,548</u>       |                                                  |
| <b>Net cash provided by (used in) investing activities</b>      | <u>25,548</u>       |                                                  |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | (2) (106,247)       |                                                  |
| <b>Cash and cash equivalents, beginning of year</b>             | <u>1,752,812</u>    |                                                  |
| <b>Cash and cash equivalents, year to date</b>                  | <u>\$ 1,646,565</u> |                                                  |

RIVERFRONT ATTRACTIONS



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# Riverfront Attractions – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** decreased 29.2% from prior year to \$2.2 million as a result of record flooding on the Mississippi River.
2. **Total year-to-date expense** decreased 14.2% from prior year to \$2.3 million as a result of record flooding on the Mississippi River. This necessitated halting business and cancelling scheduled cruises resulting in less seasonal employees and less food and beverage sales
3. **Net loss before depreciation** is \$276.1 thousand.

## Balance Sheet

1. **Cash balance** decreased 87.8% from prior year to \$26.6 thousand as a result of the riverboats being closed because of flooding.
2. **Construction-in-process** of \$43.9 thousand relates to updates to both riverboats and the dock barge.
3. **Accounts payable** increased balance of \$140.9 thousand is a result of prepaid fiscal year 2020 insurance being billed in June 2019.

## Cash Flow

1. **Net cash activity year-to-date** is \$191.0 thousand cash outflow.

## Performance Indicators

1. **Flood Days** of 110 occurred mostly in the 3<sup>rd</sup> and 4<sup>th</sup> quarter of fiscal 2019. The riverboats and the heliport could not operate. This impacted all aspects of the riverfront operations.
2. **Passengers per cruise** increased 7.2% from prior year.

# Riverfront Attractions – Performance Indicators

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

|             | Riverboat Passengers |         |        |
|-------------|----------------------|---------|--------|
| Quarter     | FY 2019              | FY 2018 | Change |
| 1st Qtr     | 67,740               | 60,158  | 12.6%  |
| 2nd Qtr     | 11,807               | 10,972  | 7.6%   |
| 3rd Qtr     | 2,653                | 5,419   | -51.0% |
| 4th Qtr     | 1,749                | 43,039  | -95.9% |
| Fiscal Year | 83,949               | 119,588 | -29.8% |

|             | Riverboat Cruises |         |        |
|-------------|-------------------|---------|--------|
| Quarter     | FY 2019           | FY 2018 | Change |
| 1st Qtr     | 516               | 444     | 16.2%  |
| 2nd Qtr     | 113               | 112     | 0.9%   |
| (1) 3rd Qtr | 21                | 55      | -61.8% |
| (1) 4th Qtr | 17                | 408     | -95.8% |
| Fiscal Year | 667               | 1,019   | -34.5% |

|                 | Riverboat Passengers per cruise |         |        |
|-----------------|---------------------------------|---------|--------|
| Quarter         | FY 2019                         | FY 2018 | Change |
| 1st Qtr         | 131                             | 135     | -3.1%  |
| 2nd Qtr         | 104                             | 98      | 6.7%   |
| 3rd Qtr         | 126                             | 99      | 28.2%  |
| 4th Qtr         | 103                             | 105     | -2.5%  |
| (2) Fiscal Year | 126                             | 117     | 7.2%   |

# Riverfront Attractions – Performance Indicators

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

|             | Riverboat Scheduled Days |         |        |
|-------------|--------------------------|---------|--------|
| Quarter     | FY 2019                  | FY 2018 | Change |
| 1st Qtr     | 92                       | 92      | 0.0%   |
| 2nd Qtr     | 70                       | 63      | 11.1%  |
| 3rd Qtr     | 26                       | 27      | -3.7%  |
| 4th Qtr     | 91                       | 91      | 0.0%   |
| Fiscal Year | 279                      | 273     | 2.2%   |

|             | Riverboat Days of Operation |         |        |
|-------------|-----------------------------|---------|--------|
| Quarter     | FY 2019                     | FY 2018 | Change |
| 1st Qtr     | 90                          | 92      | -2.2%  |
| 2nd Qtr     | 62                          | 63      | -1.6%  |
| 3rd Qtr     | 11                          | 27      | -59.3% |
| 4th Qtr     | 6                           | 91      | -93.4% |
| Fiscal Year | 169                         | 273     | -38.1% |

|                 | Riverboat Flood Days |         |        |
|-----------------|----------------------|---------|--------|
| Quarter         | FY 2019              | FY 2018 | Change |
| 1st Qtr         | 2                    | -       | 2      |
| 2nd Qtr         | 8                    | -       | 8      |
| (1) 3rd Qtr     | 15                   | -       | 15     |
| (1) 4th Qtr     | 85                   | -       | 85     |
| (1) Fiscal Year | 110                  | -       | 110    |

**Riverfront Attractions**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                           | Current              |                   |                               |                  |                   | Year to Date        |                  |                               |                  |                   |
|-------------------------------------------|----------------------|-------------------|-------------------------------|------------------|-------------------|---------------------|------------------|-------------------------------|------------------|-------------------|
|                                           | Actual               | Budget            | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        | Actual              | Budget           | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        |
| <b>Revenue</b>                            |                      |                   |                               |                  |                   |                     |                  |                               |                  |                   |
| Cruise                                    | \$ 42,180            | \$ 689,320        | \$ (647,140)                  | (93.9)           | \$ 728,839        | \$ 1,421,939        | \$ 2,018,240     | \$ (596,301)                  | (29.5)           | \$ 2,009,626      |
| Food and beverage                         | 17,246               | 267,720           | (250,474)                     | (93.6)           | 327,383           | 626,248             | 857,653          | (231,405)                     | (27.0)           | 900,041           |
| Retail                                    | 1,723                | 45,900            | (44,177)                      | (96.2)           | 52,580            | 75,998              | 128,250          | (52,252)                      | (40.7)           | 133,433           |
| Other operating revenue                   | 21,470               | 35,935            | (14,465)                      | (40.3)           | 36,273            | 112,038             | 124,542          | (12,504)                      | (10.0)           | 129,842           |
| Other revenue                             | -                    | -                 | -                             | -                | -                 | -                   | -                | -                             | -                | 947               |
| Sales discount                            | (2,214)              | (8,205)           | 5,991                         | 73.0             | (9,892)           | (17,752)            | (32,820)         | 15,068                        | 45.9             | (42,483)          |
| <b>Total revenue</b>                      | <b>(1) 80,405</b>    | <b>1,030,670</b>  | <b>(950,265)</b>              | <b>(92.2)</b>    | <b>1,135,183</b>  | <b>2,218,471</b>    | <b>3,095,865</b> | <b>(877,394)</b>              | <b>(28.3)</b>    | <b>3,131,406</b>  |
| <b>Expense</b>                            |                      |                   |                               |                  |                   |                     |                  |                               |                  |                   |
| Wages and benefits                        | (2) 246,774          | 422,160           | 175,386                       | 41.5             | 440,501           | 1,257,911           | 1,517,810        | 259,899                       | 17.1             | 1,417,121         |
| Services                                  | 19,086               | 82,902            | 63,816                        | 77.0             | 54,219            | 232,779             | 279,489          | 46,710                        | 16.7             | 256,751           |
| Fuel and lube consumed                    | -                    | 18,000            | 18,000                        | 100.0            | 22,072            | 49,767              | 55,000           | 5,233                         | 9.5              | 51,636            |
| Materials and supplies                    | (2) 34,798           | 167,993           | 133,195                       | 79.3             | 208,176           | 343,770             | 499,000          | 155,230                       | 31.1             | 522,498           |
| Utilities                                 | 15,443               | 20,790            | 5,347                         | 25.7             | 31,989            | 84,302              | 84,904           | 602                           | 0.7              | 98,456            |
| Casualty and liability costs              | 36,673               | 39,807            | 3,134                         | 7.9              | 35,528            | 143,998             | 159,227          | 15,229                        | 9.6              | 141,693           |
| Other expenses                            | 28,423               | 37,427            | 9,004                         | 24.1             | 26,221            | 145,031             | 158,619          | 13,588                        | 8.6              | 141,406           |
| <b>Total expense</b>                      | <b>(2) 381,197</b>   | <b>789,079</b>    | <b>407,882</b>                | <b>51.7</b>      | <b>818,706</b>    | <b>2,257,558</b>    | <b>2,754,049</b> | <b>496,491</b>                | <b>18.0</b>      | <b>2,629,561</b>  |
| <b>Income (loss) before depreciation</b>  | <b>(300,792)</b>     | <b>241,591</b>    | <b>(542,383)</b>              | <b>(224.5)</b>   | <b>316,477</b>    | <b>(39,087)</b>     | <b>341,816</b>   | <b>(380,903)</b>              | <b>(111.4)</b>   | <b>501,845</b>    |
| Depreciation and amortization expense     | 52,691               | 64,983            | 12,292                        | 18.9             | 63,215            | 236,967             | 262,793          | 25,826                        | 9.8              | 255,543           |
| <b>Net income (loss) before transfers</b> | <b>(3) (353,483)</b> | <b>176,608</b>    | <b>(530,091)</b>              | <b>(300.2)</b>   | <b>253,262</b>    | <b>(276,054)</b>    | <b>79,023</b>    | <b>(355,077)</b>              | <b>(449.3)</b>   | <b>246,302</b>    |
| <b>Net transfers in (out)</b>             | <b>-</b>             | <b>-</b>          | <b>-</b>                      | <b>-</b>         | <b>(2,126)</b>    | <b>(78)</b>         | <b>-</b>         | <b>(78)</b>                   | <b>-</b>         | <b>(2,126)</b>    |
| <b>Net income (loss)</b>                  | <b>\$ (353,483)</b>  | <b>\$ 176,608</b> | <b>\$ (530,091)</b>           | <b>(300.2)</b>   | <b>\$ 251,136</b> | <b>\$ (276,132)</b> | <b>\$ 79,023</b> | <b>\$ (355,155)</b>           | <b>(449.4)</b>   | <b>\$ 244,176</b> |

**Riverfront Attractions**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                  | Current             |                     |                  |                   | Prior Year          |                     |                   |
|----------------------------------|---------------------|---------------------|------------------|-------------------|---------------------|---------------------|-------------------|
|                                  | Current<br>Period   | Prior<br>Period     | Dollar<br>Change | Percent<br>Change | Prior<br>Year       | Dollar<br>Change    | Percent<br>Change |
| <b>Assets</b>                    |                     |                     |                  |                   |                     |                     |                   |
| Current assets                   |                     |                     |                  |                   |                     |                     |                   |
| Cash                             | (1) \$ 26,552       | \$ 42,221           | \$ (15,669)      | (37.1)            | \$ 217,545          | \$ (190,993)        | (87.8)            |
| Accounts and notes receivable    | 5,626               | 435                 | 5,191            | n/a               | 9,331               | (3,705)             | (39.7)            |
| Materials and supplies inventory | 52,600              | 52,600              | -                | -                 | 44,374              | 8,226               | 18.5              |
| Other current assets             | 136,889             | 39,054              | 97,835           | 250.5             | -                   | 136,889             | n/a               |
| Total current assets             | 221,667             | 134,310             | 87,357           | 65.0              | 271,250             | (49,583)            | (18.3)            |
| Capital assets                   |                     |                     |                  |                   |                     |                     |                   |
| Capital assets                   | 5,103,118           | 5,103,118           | -                | -                 | 5,109,041           | (5,923)             | (0.1)             |
| Accumulated depreciation         | (4,232,994)         | (4,180,300)         | (52,694)         | (1.3)             | (4,001,950)         | (231,044)           | (5.8)             |
| Total capital assets, net        | 870,124             | 922,818             | (52,694)         | (5.7)             | 1,107,091           | (236,967)           | (21.4)            |
| Construction-in-process          | (2) 43,878          | 43,878              | -                | -                 | -                   | 43,878              | n/a               |
| Total capital assets             | 914,002             | 966,696             | (52,694)         | (5.5)             | 1,107,091           | (193,089)           | (17.4)            |
| Total assets                     | 1,135,669           | 1,101,006           | 34,663           | 3.1               | 1,378,341           | (242,672)           | (17.6)            |
| <b>Total</b>                     | <u>\$ 1,135,669</u> | <u>\$ 1,101,006</u> | <u>\$ 34,663</u> | 3.1               | <u>\$ 1,378,341</u> | <u>\$ (242,672)</u> | (17.6)            |



**Riverfront Attractions**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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                   | (3) \$ 140,950      | \$ 5,791            | \$ 135,159       | n/a            | \$ 39,870           | \$ 101,080          | 253.5          |
| Interfund accounts payable         | 814,798             | 574,504             | 240,294          | 41.8           | 875,769             | (60,971)            | (7.0)          |
| Accrued expenses                   | 95,900              | 96,700              | (800)            | (0.8)          | 123,100             | (27,200)            | (22.1)         |
| Other current liabilities          | 42,893              | 36,271              | 6,622            | 18.3           | 33,579              | 9,314               | 27.7           |
| Total current liabilities          | 1,094,541           | 713,266             | 381,275          | 53.5           | 1,072,318           | 22,223              | 2.1            |
| Non-current liabilities            |                     |                     |                  |                |                     |                     |                |
| Other post-employment benefits     | 320,218             | 313,346             | 6,872            | 2.2            | 308,980             | 11,238              | 3.6            |
| Unfunded pension liabilities       | 243,268             | 243,268             | -                | -              | 243,268             | -                   | -              |
| Total non-current liabilities      | 563,486             | 556,614             | 6,872            | 1.2            | 552,248             | 11,238              | 2.0            |
| Total liabilities                  | 1,658,027           | 1,269,880           | 388,147          | 30.6           | 1,624,566           | 33,461              | 2.1            |
| <b>Net Position</b>                |                     |                     |                  |                |                     |                     |                |
| Net position - capital investments | 914,002             | -                   | 914,002          | n/a            | 1,107,091           | (193,089)           | (17.4)         |
| Net position                       | (1,160,228)         | (246,225)           | (914,003)        | (371.2)        | (1,597,492)         | 437,264             | 27.4           |
| Net income (loss)                  | (276,132)           | 77,351              | (353,483)        | (457.0)        | 244,176             | (520,308)           | (213.1)        |
| Total net position                 | (522,358)           | (168,874)           | (353,484)        | (209.3)        | (246,225)           | (276,133)           | (112.1)        |
| <b>Total</b>                       | <u>\$ 1,135,669</u> | <u>\$ 1,101,006</u> | <u>\$ 34,663</u> | <u>3.1</u>     | <u>\$ 1,378,341</u> | <u>\$ (242,672)</u> | <u>(17.6)</u>  |

**Riverfront Attractions**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

|                                                                        |                  |                                                         |  |
|------------------------------------------------------------------------|------------------|---------------------------------------------------------|--|
| <b>Cash flows from operating activities</b>                            |                  | <b>Supplemental disclosure of cash flow information</b> |  |
| Receipts from customers                                                | \$ 2,222,175     | <b>Noncash Activities:</b><br>None                      |  |
| Payments to employees                                                  | (1,273,871)      |                                                         |  |
| Payments to vendors                                                    | (890,370)        |                                                         |  |
| Payments for self-insurance                                            | (143,998)        |                                                         |  |
| Receipts (payments) from inter-fund activity                           | (60,971)         |                                                         |  |
| <b>Net cash provided by (used in) operating activities</b>             | <u>(147,035)</u> |                                                         |  |
| <b>Cash flows from non capital financing activities</b>                |                  |                                                         |  |
| Net transfers                                                          | <u>(78)</u>      |                                                         |  |
| <b>Net cash provided by (used in) non capital financing activities</b> | <u>(78)</u>      |                                                         |  |
| <b>Cash flows from capital and related financing activities</b>        |                  |                                                         |  |
| Acquisitions of capital assets                                         | <u>(43,880)</u>  |                                                         |  |
| <b>Cash flows from capital and related financing activities</b>        | <u>(43,880)</u>  |                                                         |  |
| <b>Cash flows from investing activities</b>                            |                  |                                                         |  |
| None                                                                   |                  |                                                         |  |
| <b>and cash equivalents</b>                                            | (1) (190,993)    |                                                         |  |
| <b>Cash and cash equivalents, beginning of year</b>                    | <u>217,545</u>   |                                                         |  |
| <b>Cash and cash equivalents, year to date</b>                         | <u>\$ 26,552</u> |                                                         |  |

ST. LOUIS REGIONAL FREIGHTWAY



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# St. Louis Regional Freightway – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** decreased 87.4% from prior year to \$20.0 thousand.
2. **Total year-to-date expense** decreased 27.8% from prior year to \$676.7 thousand as the result of staffing changes and reduction of outside contractor services.
3. **Other expenses** include advertising expenses.
4. **Net loss before depreciation** is \$656.6 thousand.

## Balance Sheet

Nothing of note

## Cash Flow

1. **Net cash activity year-to-date** is \$4.9 thousand cash outflow.

**St. Louis Regional Freightway**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                             | Current                 |                     |                               |                  |                     | Year to Date        |                     |                               |                  |                     |
|-----------------------------|-------------------------|---------------------|-------------------------------|------------------|---------------------|---------------------|---------------------|-------------------------------|------------------|---------------------|
|                             | Actual                  | Budget              | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year          | Actual              | Budget              | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year          |
| <b>Revenue</b>              |                         |                     |                               |                  |                     |                     |                     |                               |                  |                     |
| Partnership fees            | \$ -                    | \$ 55,000           | \$ (55,000)                   | (100.0)          | \$ -                | \$ -                | \$ 220,000          | \$ (220,000)                  | (100.0)          | \$ 100,000          |
| Other operating revenue     | 2,045                   | 10,000              | (7,955)                       | (79.6)           | 53,040              | 19,405              | 40,000              | (20,595)                      | (51.5)           | 58,625              |
| Other non-operating revenue | -                       | -                   | -                             | -                | -                   | 500                 | -                   | 500                           | -                | -                   |
| Interest income             | -                       | -                   | -                             | -                | 104                 | 117                 | -                   | 117                           | -                | 104                 |
| <b>Total revenue</b>        | <b>(1) 2,045</b>        | <b>65,000</b>       | <b>(62,955)</b>               | <b>(96.9)</b>    | <b>53,144</b>       | <b>20,022</b>       | <b>260,000</b>      | <b>(239,978)</b>              | <b>(92.3)</b>    | <b>158,729</b>      |
| <b>Expense</b>              |                         |                     |                               |                  |                     |                     |                     |                               |                  |                     |
| Wages and benefits          | (2) 47,526              | 90,177              | 42,651                        | 47.3             | 120,510             | 302,052             | 361,433             | 59,381                        | 16.4             | 403,110             |
| Services                    | (2) 125,547             | 142,500             | 16,953                        | 11.9             | 168,596             | 322,583             | 570,000             | 247,417                       | 43.4             | 399,458             |
| Materials and supplies      | 32                      | 1,413               | 1,381                         | 97.7             | 856                 | 1,544               | 3,500               | 1,956                         | 55.9             | 2,576               |
| Other expenses              | (3) 14,999              | 26,700              | 11,701                        | 43.8             | 84,375              | 50,527              | 106,800             | 56,273                        | 52.7             | 132,371             |
| <b>Total expense</b>        | <b>188,104</b>          | <b>260,790</b>      | <b>72,686</b>                 | <b>27.9</b>      | <b>374,337</b>      | <b>676,706</b>      | <b>1,041,733</b>    | <b>365,027</b>                | <b>35.0</b>      | <b>937,515</b>      |
| <b>Net income (loss)</b>    | <b>(4) \$ (186,059)</b> | <b>\$ (195,790)</b> | <b>\$ 9,731</b>               | <b>5.0</b>       | <b>\$ (321,193)</b> | <b>\$ (656,684)</b> | <b>\$ (781,733)</b> | <b>\$ 125,049</b>             | <b>16.0</b>      | <b>\$ (779,286)</b> |

**St. Louis Regional Freightway**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                               | Current           |                  |                  |                   | Prior Year       |                   |                   |
|-------------------------------|-------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|
|                               | Current<br>Period | Prior<br>Period  | Dollar<br>Change | Percent<br>Change | Prior<br>Year    | Dollar<br>Change  | Percent<br>Change |
| <b>Assets</b>                 |                   |                  |                  |                   |                  |                   |                   |
| Current assets                |                   |                  |                  |                   |                  |                   |                   |
| Cash                          | \$ 18,933         | \$ 17,020        | \$ 1,913         | 11.2              | \$ 23,897        | \$ (4,964)        | (20.8)            |
| Accounts and notes receivable | -                 | 1,250            | (1,250)          | (100.0)           | 4,255            | (4,255)           | (100.0)           |
| Total current assets          | 18,933            | 18,270           | 663              | 3.6               | 28,152           | (9,219)           | (32.7)            |
| Total assets                  | 18,933            | 18,270           | 663              | 3.6               | 28,152           | (9,219)           | (32.7)            |
| <b>Total</b>                  | <u>\$ 18,933</u>  | <u>\$ 18,270</u> | <u>\$ 663</u>    | 3.6               | <u>\$ 28,152</u> | <u>\$ (9,219)</u> | (32.7)            |

**St. Louis Regional Freightway**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                | Current           |                 |                  |                   | Prior Year    |                  |                   |
|--------------------------------|-------------------|-----------------|------------------|-------------------|---------------|------------------|-------------------|
|                                | Current<br>Period | Prior<br>Period | Dollar<br>Change | Percent<br>Change | Prior<br>Year | Dollar<br>Change | Percent<br>Change |
| <b>Liabilities</b>             |                   |                 |                  |                   |               |                  |                   |
| Current liabilities            |                   |                 |                  |                   |               |                  |                   |
| Accounts payable               | \$ 24,000         | \$ 15,000       | \$ 9,000         | 60.0              | \$ 25,008     | \$ (1,008)       | (4.0)             |
| Interfund accounts payable     | 2,047,596         | 1,870,392       | 177,204          | 9.5               | 1,396,720     | 650,876          | 46.6              |
| Accrued expenses               | 33,500            | 33,100          | 400              | 1.2               | 29,000        | 4,500            | 15.5              |
| Other current liabilities      | -                 | 1,250           | (1,250)          | (100.0)           | 10,055        | (10,055)         | (100.0)           |
| Total current liabilities      | 2,105,096         | 1,919,742       | 185,354          | 9.7               | 1,460,783     | 644,313          | 44.1              |
| Non-current liabilities        |                   |                 |                  |                   |               |                  |                   |
| Other post-employment benefits | 137,125           | 135,757         | 1,368            | 1.0               | 133,973       | 3,152            | 2.4               |
| Unfunded pension liabilities   | 3,494             | 3,494           | -                | -                 | 3,494         | -                | -                 |
| Total non-current liabilities  | 140,619           | 139,251         | 1,368            | 1.0               | 137,467       | 3,152            | 2.3               |
| Total liabilities              | 2,245,715         | 2,058,993       | 186,722          | 9.1               | 1,598,250     | 647,465          | 40.5              |
| <b>Net Position</b>            |                   |                 |                  |                   |               |                  |                   |
| Net position                   | (1,570,098)       | (1,570,098)     | -                | -                 | (790,812)     | (779,286)        | (98.5)            |
| Net income (loss)              | (656,684)         | (470,625)       | (186,059)        | (39.5)            | (779,286)     | 122,602          | 15.7              |
| Total net position             | (2,226,782)       | (2,040,723)     | (186,059)        | (9.1)             | (1,570,098)   | (656,684)        | (41.8)            |
| <b>Total</b>                   | \$ 18,933         | \$ 18,270       | \$ 663           | 3.6               | \$ 28,152     | \$ (9,219)       | (32.7)            |

**St. Louis Regional Freightway**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

|                                                                        |                  |                                                         |
|------------------------------------------------------------------------|------------------|---------------------------------------------------------|
| <b>Cash flows from operating activities</b>                            |                  | <b>Supplemental disclosure of cash flow information</b> |
| Receipts from customers                                                | \$ 23,660        |                                                         |
| Payments to employees                                                  | (294,400)        | <b>Noncash Activities:</b>                              |
| Payments to vendors                                                    | (385,717)        | None                                                    |
| Receipts (payments) from inter-fund activity                           | <u>650,876</u>   |                                                         |
| <b>Net cash provided by (used in) operating activities</b>             | <u>(5,581)</u>   |                                                         |
| <br><b>Cash flows from non capital financing activities</b>            |                  |                                                         |
| Nonoperating contributions                                             | <u>500</u>       |                                                         |
| <b>Net cash provided by (used in) non capital financing activities</b> | <u>500</u>       |                                                         |
| <br><b>Cash flows from capital and related financing activities</b>    |                  |                                                         |
| None                                                                   |                  |                                                         |
| <br><b>Cash flows from investing activities</b>                        |                  |                                                         |
| Interest received                                                      | <u>117</u>       |                                                         |
| <b>Net cash provided by (used in) investing activities</b>             | <u>117</u>       |                                                         |
| <br><b>Net increase (decrease) in cash and cash equivalents</b>        | (1) (4,964)      |                                                         |
| <b>Cash and cash equivalents, beginning of year</b>                    | <u>23,897</u>    |                                                         |
| <b>Cash and cash equivalents, year to date</b>                         | <u>\$ 18,933</u> |                                                         |



BI-STATE DEVELOPMENT RESEARCH INSTITUTE



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# Bi-State Development Research Institute – Financial Notes

## For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

### Income Statement

1. **Total year-to-date revenue** decreased 76.8% from prior year to \$110.6 thousand as a result of reduced grant funds and in-kind contributions.
2. **Total year-to-date expense** decreased 47.5% from prior year to \$169.6 thousand primarily as a result of reduced in-kind contributions.
3. **Net loss before depreciation** is \$59.1 thousand.

### Balance Sheet

1. **Cash** increased 30.1% over prior year due to grant receipts for Bike Share and the Food Kiosks.
2. **Capital Assets** increased over prior year as a result of additional construction costs relating to the food kiosks.
3. **Other current liabilities** increased \$25.4 thousand due to the receipt of grant funding.

### Cash Flow

1. **Net cash activity year-to-date** is \$25.0 thousand cash inflow.

**Bi-State Development Research Institute**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                          | Current             |                 |                               |                  |                  | Year to Date       |                  |                               |                  |                   |
|------------------------------------------|---------------------|-----------------|-------------------------------|------------------|------------------|--------------------|------------------|-------------------------------|------------------|-------------------|
|                                          | Actual              | Budget          | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year       | Actual             | Budget           | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year        |
| <b>Revenue</b>                           |                     |                 |                               |                  |                  |                    |                  |                               |                  |                   |
| Not for profit revenue                   | \$ -                | \$ 21,000       | \$ (21,000)                   | (100.0)          | \$ 60,000        | \$ 22,776          | \$ 84,000        | \$ (61,224)                   | (72.9)           | \$ 278,512        |
| Contributions <sup>1</sup>               | (2,021)             | 34,011          | (36,032)                      | (105.9)          | 44,944           | 87,774             | 136,046          | (48,272)                      | (35.5)           | 195,116           |
| Other revenue                            | -                   | -               | -                             | -                | -                | -                  | -                | -                             | -                | 2,571             |
| <b>Total revenue</b>                     | <b>(1)</b> (2,021)  | 55,011          | (57,032)                      | (103.7)          | 104,944          | 110,550            | 220,046          | (109,496)                     | (49.8)           | 476,199           |
| <b>Expense</b>                           |                     |                 |                               |                  |                  |                    |                  |                               |                  |                   |
| Wages and benefits                       | (989)               | 31,143          | 32,132                        | 103.2            | 34,124           | 69,028             | 124,571          | 55,543                        | 44.6             | 148,101           |
| Services                                 | 15,090              | 5,619           | (9,471)                       | (168.6)          | 30,553           | 77,980             | 22,475           | (55,505)                      | (247.0)          | 124,203           |
| Materials and supplies                   | -                   | 609             | 609                           | 100.0            | 234              | -                  | 1,000            | 1,000                         | 100.0            | 1,704             |
| Utilities                                | 402                 | 250             | (152)                         | (60.8)           | 381              | 1,197              | 1,000            | (197)                         | (19.7)           | 1,247             |
| Interfund admin fees                     | (1,032)             | 9,776           | 10,808                        | 110.6            | 10,025           | 17,376             | 39,102           | 21,726                        | 55.6             | 43,368            |
| Other expenses                           | 10                  | 500             | 490                           | 98.0             | 340              | 4,043              | 2,000            | (2,043)                       | (102.2)          | 4,510             |
| <b>Total expense</b>                     | <b>(2)</b> 13,481   | 47,897          | 34,416                        | 71.9             | 75,657           | 169,624            | 190,148          | 20,524                        | 10.8             | 323,133           |
| <b>Income (loss) before depreciation</b> | <b>(3)</b> (15,502) | 7,114           | (22,616)                      | (317.9)          | 29,287           | (59,074)           | 29,898           | (88,972)                      | (297.6)          | 153,066           |
| Depreciation and amortization expense    | 4,030               | 2,700           | (1,330)                       | (49.3)           | 2,700            | 12,294             | 10,800           | (1,494)                       | (13.8)           | 4,951             |
| <b>Net income (loss)</b>                 | <b>\$ (19,532)</b>  | <b>\$ 4,414</b> | <b>\$ (23,946)</b>            | <b>(542.5)</b>   | <b>\$ 26,587</b> | <b>\$ (71,368)</b> | <b>\$ 19,098</b> | <b>\$ (90,466)</b>            | <b>(473.7)</b>   | <b>\$ 148,115</b> |

<sup>1</sup> - Contributions include in-kind donations of services, supplies and materials from other BSD business units.

**Bi-State Development Research Institute**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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) \$ 108,327 | \$ 108,337   | \$ (10)       | -              | \$ 83,287  | \$ 25,040     | 30.1           |
| Other current assets      | -              | 15,000       | (15,000)      | (100.0)        | 60,000     | (60,000)      | (100.0)        |
| Total current assets      | 108,327        | 123,337      | (15,010)      | (12.2)         | 143,287    | (34,960)      | (24.4)         |
| Capital assets            |                |              |               |                |            |               |                |
| Capital assets            | (2) 292,901    | 272,901      | 20,000        | 7.3            | 270,000    | 22,901        | 8.5            |
| Accumulated depreciation  | (19,042)       | (15,013)     | (4,029)       | (26.8)         | (6,750)    | (12,292)      | (182.1)        |
| Total capital assets, net | 273,859        | 257,888      | 15,971        | 6.2            | 263,250    | 10,609        | 4.0            |
| Construction-in-process   | (20,000)       | -            | (20,000)      | n/a            | -          | (20,000)      | n/a            |
| Total capital assets      | 253,859        | 257,888      | (4,029)       | (1.6)          | 263,250    | (9,391)       | (3.6)          |
| Total assets              | 362,186        | 381,225      | (19,039)      | (5.0)          | 406,537    | (44,351)      | (10.9)         |
| <b>Total</b>              | \$ 362,186     | \$ 381,225   | \$ (19,039)   | (5.0)          | \$ 406,537 | \$ (44,351)   | (10.9)         |

**Bi-State Development Research Institute**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                            | Current           |                   |                    |                | Prior Year        |                    |                |
|----------------------------|-------------------|-------------------|--------------------|----------------|-------------------|--------------------|----------------|
|                            | Current Period    | Prior Period      | Dollar Change      | Percent Change | Prior Year        | Dollar Change      | Percent Change |
| <b>Liabilities</b>         |                   |                   |                    |                |                   |                    |                |
| Current liabilities        |                   |                   |                    |                |                   |                    |                |
| Interfund accounts payable | \$ 23,219         | \$ 22,726         | \$ 493             | 2.2            | \$ 21,624         | \$ 1,595           | 7.4            |
| Other current liabilities  | (3) 106,670       | 106,670           | -                  | -              | 81,248            | 25,422             | 31.3           |
| Total current liabilities  | 129,889           | 129,396           | 493                | 0.4            | 102,872           | 27,017             | 26.3           |
| Total liabilities          | 129,889           | 129,396           | 493                | 0.4            | 102,872           | 27,017             | 26.3           |
| <b>Net Position</b>        |                   |                   |                    |                |                   |                    |                |
| Net position               | 303,665           | 303,665           | -                  | -              | 155,550           | 148,115            | 95.2           |
| Net income (loss)          | (71,368)          | (51,836)          | (19,532)           | (37.7)         | 148,115           | (219,483)          | (148.2)        |
| Total net position         | 232,297           | 251,829           | (19,532)           | (7.8)          | 303,665           | (71,368)           | (23.5)         |
| <b>Total</b>               | <u>\$ 362,186</u> | <u>\$ 381,225</u> | <u>\$ (19,039)</u> | (5.0)          | <u>\$ 406,537</u> | <u>\$ (44,351)</u> | (10.9)         |

**Bi-State Development Research Institute**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

**Cash flows from operating activities**

|                                              |              |
|----------------------------------------------|--------------|
| Receipts from customers                      | \$ 22,776    |
| Payments to employees                        | 1            |
| Payments to vendors                          | 3,570        |
| Payments for self-insurance                  | -            |
| Receipts (payments) from inter-fund activity | <u>1,595</u> |

**Net cash provided by (used in)  
operating activities**

27,942

**Cash flows from non capital financing activities**

None

**Cash flows from capital and related financing activities**

Acquisitions of capital assets (2,902)

**Cash flows from capital and  
related financing activities**

(2,902)

**Cash flows from investing activities**

None

**Net increase (decrease) in cash  
and cash equivalents**

(1) 25,040

**Cash and cash equivalents, beginning of year**

83,287

**Cash and cash equivalents, year to date**

\$ 108,327

**Supplemental disclosure of cash flow information**

**Noncash Activities:**

|                                  |           |
|----------------------------------|-----------|
| In-kind donations                | \$ 87,774 |
| In-kind wages and benefits       | (69,029)  |
| In-kind services                 | -         |
| In-kind materials and supplies   | -         |
| In-kind utilities                | -         |
| In-kind management fees          | (17,376)  |
| In-kind other operating expenses | (1,369)   |



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# Arts in Transit, Inc. – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** increased 12.0% from prior year to \$291.0 thousand as a result of increased billings for bus painting and a grant from the Missouri Arts Council.
2. **Services** increased 95.1% from prior year to \$85.3 thousand primarily due to in-kind contributions.
3. **Total year-to-date expense** increased 12.6% from prior year to \$274.1 thousand.
4. **Net Income before depreciation** is \$16.9 thousand.

## Balance Sheet

Nothing of note

## Cash Flow

1. **Net cash activity year-to-date** is \$16.9 thousand cash inflow.



**Arts In Transit, Inc.**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                            | Current              |                 |                               |                  |                 | Year to Date     |                  |                               |                  |                  |
|----------------------------|----------------------|-----------------|-------------------------------|------------------|-----------------|------------------|------------------|-------------------------------|------------------|------------------|
|                            | Actual               | Budget          | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year      | Actual           | Budget           | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year       |
| <b>Revenue</b>             |                      |                 |                               |                  |                 |                  |                  |                               |                  |                  |
| Not for Profit Revenue     | \$ 20,927            | \$ 15,000       | \$ 5,927                      | 39.5             | \$ 8,150        | \$ 39,772        | \$ 60,000        | \$ (20,228)                   | (33.7)           | \$ 41,250        |
| Contributions <sup>1</sup> | 58,850               | 48,334          | 10,516                        | 21.8             | 65,531          | 251,249          | 191,657          | 59,592                        | 31.1             | 218,685          |
| Other operating revenue    | (9)                  | -               | (9)                           | -                | -               | (9)              | -                | (9)                           | -                | -                |
| <b>Total revenue</b>       | <b>(1) 79,768</b>    | <b>63,334</b>   | <b>16,434</b>                 | <b>25.9</b>      | <b>73,681</b>   | <b>291,012</b>   | <b>251,657</b>   | <b>39,355</b>                 | <b>15.6</b>      | <b>259,935</b>   |
| <b>Expense</b>             |                      |                 |                               |                  |                 |                  |                  |                               |                  |                  |
| Wages and benefits         | 34,679               | 31,679          | (3,000)                       | (9.5)            | 30,726          | 131,306          | 126,716          | (4,590)                       | (3.6)            | 129,750          |
| Services                   | (2) 13,329           | 16,628          | 3,299                         | 19.8             | 14,008          | 85,278           | 66,513           | (18,765)                      | (28.2)           | 43,710           |
| Materials and supplies     | 212                  | 6,740           | 6,528                         | 96.9             | -               | 1,037            | 23,100           | 22,063                        | 95.5             | 1,148            |
| Utilities                  | 443                  | 200             | (243)                         | (121.5)          | 150             | 775              | 800              | 25                            | 3.1              | 572              |
| Interfund admin fees       | 9,006                | -               | (9,006)                       | -                | 8,957           | 36,355           | -                | (36,355)                      | -                | 36,828           |
| Other expenses             | 1,181                | 1,913           | 732                           | 38.3             | 17,473          | 19,321           | 7,650            | (11,671)                      | (152.6)          | 31,348           |
| <b>Total expense</b>       | <b>(3) 58,850</b>    | <b>57,160</b>   | <b>(1,690)</b>                | <b>(3.0)</b>     | <b>71,314</b>   | <b>274,072</b>   | <b>224,779</b>   | <b>(49,293)</b>               | <b>(21.9)</b>    | <b>243,356</b>   |
| <b>Net income (loss)</b>   | <b>(4) \$ 20,918</b> | <b>\$ 6,174</b> | <b>\$ 14,744</b>              | <b>238.8</b>     | <b>\$ 2,367</b> | <b>\$ 16,940</b> | <b>\$ 26,878</b> | <b>\$ (9,938)</b>             | <b>(37.0)</b>    | <b>\$ 16,579</b> |

<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, 2019**  
(unaudited)

|                               | Current           |                  |                  |                   | Prior Year       |                  |                   |
|-------------------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|-------------------|
|                               | Current<br>Period | Prior<br>Period  | Dollar<br>Change | Percent<br>Change | Prior<br>Year    | Dollar<br>Change | Percent<br>Change |
| <b>Assets</b>                 |                   |                  |                  |                   |                  |                  |                   |
| Current assets                |                   |                  |                  |                   |                  |                  |                   |
| Cash                          | \$ 87,904         | \$ 74,296        | \$ 13,608        | 18.3              | \$ 71,066        | \$ 16,838        | 23.7              |
| Accounts and notes receivable | -                 | -                | -                | n/a               | 8,000            | (8,000)          | (100.0)           |
| Interfund accounts receivable | 7,310             | -                | 7,310            | n/a               | -                | 7,310            | n/a               |
| Total current assets          | 95,214            | 74,296           | 20,918           | 28.2              | 79,066           | 16,148           | 20.4              |
| Total assets                  | 95,214            | 74,296           | 20,918           | 28.2              | 79,066           | 16,148           | 20.4              |
| <b>Total</b>                  | <u>\$ 95,214</u>  | <u>\$ 74,296</u> | <u>\$ 20,918</u> | 28.2              | <u>\$ 79,066</u> | <u>\$ 16,148</u> | 20.4              |

**Arts In Transit, Inc.**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                            | Current           |                  |                  |                   | Prior Year       |                  |                   |
|----------------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|-------------------|
|                            | Current<br>Period | Prior<br>Period  | Dollar<br>Change | Percent<br>Change | Prior<br>Year    | Dollar<br>Change | Percent<br>Change |
| <b>Liabilities</b>         |                   |                  |                  |                   |                  |                  |                   |
| Current liabilities        |                   |                  |                  |                   |                  |                  |                   |
| Interfund accounts payable | \$ -              | \$ -             | \$ -             | n/a               | \$ 792           | \$ (792)         | (100.0)           |
| Total current liabilities  | -                 | -                | -                | n/a               | 792              | (792)            | (100.0)           |
| Total liabilities          | -                 | -                | -                | n/a               | 792              | (792)            | (100.0)           |
| <b>Net Position</b>        |                   |                  |                  |                   |                  |                  |                   |
| Net position               | \$ 78,274         | \$ 78,274        | \$ -             | -                 | \$ 61,695        | \$ 16,579        | 26.9              |
| Net income (loss)          | 16,940            | (3,978)          | 20,918           | 525.8             | 16,579           | 361              | 2.2               |
| Total net position         | 95,214            | 74,296           | 20,918           | 28.2              | 78,274           | 16,940           | 21.6              |
| <b>Total</b>               | <u>\$ 95,214</u>  | <u>\$ 74,296</u> | <u>\$ 20,918</u> | 28.2              | <u>\$ 79,066</u> | <u>\$ 16,148</u> | 20.4              |

**Art In Transit, Inc.**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

**Cash flows from operating activities**

|                                                            |                |
|------------------------------------------------------------|----------------|
| Receipts from customers                                    | \$ 47,763      |
| Payments to vendors                                        | (22,823)       |
| Payments for self-insurance                                | -              |
| Receipts (payments) from inter-fund activity               | <u>(8,102)</u> |
| <b>Net cash provided by (used in) operating activities</b> | <u>16,838</u>  |

**Supplemental disclosure of cash flow information**

|                                  |            |
|----------------------------------|------------|
| In-kind donations                | \$ 251,249 |
| In-kind wages and benefits       | (131,305)  |
| In-kind services                 | (63,254)   |
| In-kind materials and supplies   | (237)      |
| In-kind utilities                | (775)      |
| In-kind management fees          | (36,355)   |
| In-kind other operating expenses | (19,323)   |

**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**

**(1)** 16,838

**Cash and cash equivalents, beginning of year**

71,066

**Cash and cash equivalents, year to date**

\$ 87,904

SELF-INSURANCE FUNDS

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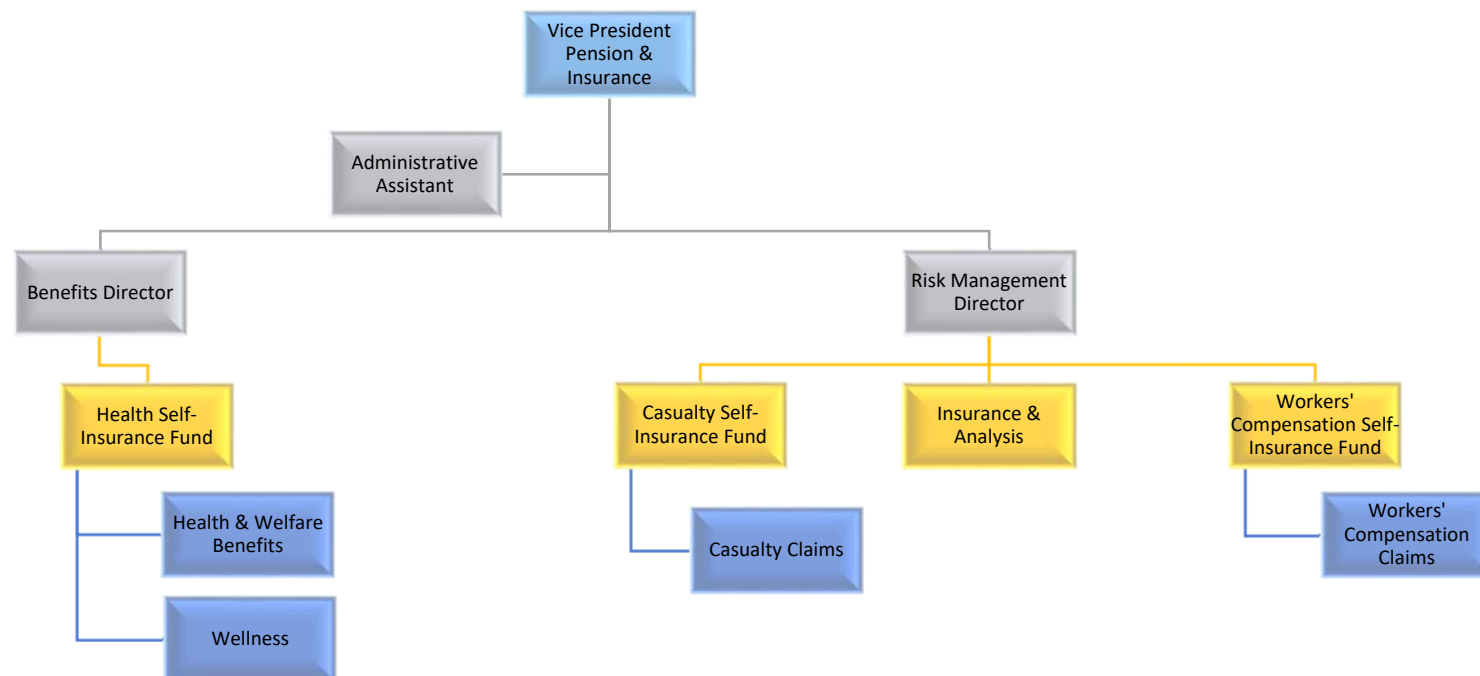
# Self-Insurance Funds

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

As directed by the BSD Board of Commissioners, in order to improve overall accountability, governance, accounting and reporting has been restructured and administration has been reorganized for the Health, Casualty and Workers Compensation Self-Insurance Funds. The objective is comprehensive management, accounting, and reporting for assets, sources of revenue, expenses and related administrative costs for these self-insured activities.

The major costs and administrative components of the Health Self-Insurance Fund reside in the Benefits Department. The major costs and administrative components of the Casualty and Workers Compensation Self-Insurance Funds reside in the Risk Management Department. The administration of these departments, and their related activities, has been reorganized to achieve the accountability and governance objectives as shown below:



**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, 2019**  
(unaudited)

|                                                | <b>Health<br/>Self-Insurance<br/>Division</b> | <b>Casualty<br/>Self-Insurance<br/>Division</b> | <b>Workers Compensation<br/>Self-Insurance<br/>Division</b> | <b>Totals</b>       | <b>Eliminations</b> | <b>Totals<br/>After<br/>Eliminations</b> |
|------------------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------------------------|---------------------|---------------------|------------------------------------------|
| <b>Revenue</b>                                 |                                               |                                                 |                                                             |                     |                     |                                          |
| Employee medical contributions                 | \$ 7,299,925                                  | \$ -                                            | \$ -                                                        | \$ 7,299,925        | \$ -                | \$ 7,299,925                             |
| Employee dental contributions                  | 512,983                                       | -                                               | -                                                           | 512,983             | -                   | 512,983                                  |
| Employee gym membership                        | 4,085                                         | -                                               | -                                                           | 4,085               | -                   | 4,085                                    |
| Bi-State Dev medical contributions             | 28,572,164                                    | -                                               | -                                                           | 28,572,164          | (215,562)           | 28,356,602                               |
| Bi-State Dev dental contributions              | 646,856                                       | -                                               | -                                                           | 646,856             | (5,718)             | 641,138                                  |
| Bi-State Dev EAP contributions                 | 39,007                                        | -                                               | -                                                           | 39,007              | (329)               | 38,678                                   |
| Healthy savings plan                           | (234,538)                                     | -                                               | -                                                           | (234,538)           | -                   | (234,538)                                |
| Charges for services - Casualty                | -                                             | 6,800,095                                       | -                                                           | 6,800,095           | -                   | 6,800,095                                |
| Charges for services - Workers Compensation    | -                                             | -                                               | 8,296,462                                                   | 8,296,462           | -                   | 8,296,462                                |
| Interest Income                                | 37,133                                        | 220,017                                         | 195,390                                                     | 452,540             | -                   | 452,540                                  |
| <b>Total revenue</b>                           | <b>36,877,615</b>                             | <b>7,020,112</b>                                | <b>8,491,852</b>                                            | <b>52,389,579</b>   | <b>(221,609)</b>    | <b>52,167,970</b>                        |
| <b>Expense</b>                                 |                                               |                                                 |                                                             |                     |                     |                                          |
| Wages and benefits                             | 812,477                                       | 660,457                                         | 348,257                                                     | 1,821,191           | -                   | 1,821,191                                |
| Services                                       | 332,779                                       | 45,379                                          | 33,452                                                      | 411,610             | -                   | 411,610                                  |
| Materials and supplies                         | 33,106                                        | 1,630                                           | 406                                                         | 35,142              | -                   | 35,142                                   |
| Utilities                                      | 4,979                                         | 1,992                                           | 559                                                         | 7,530               | -                   | 7,530                                    |
| Casualty and liability costs                   | -                                             | 881,050                                         | 222,189                                                     | 1,103,239           | -                   | 1,103,239                                |
| Other expenses                                 | 77,830                                        | 2,996                                           | 336,632                                                     | 417,458             | -                   | 417,458                                  |
| Medical claims and prescriptions, less rebates | 33,950,929                                    | -                                               | -                                                           | 33,950,929          | (221,609)           | 33,729,320                               |
| Stop loss, third party fees, Medicare Part D   | 236,873                                       | -                                               | -                                                           | 236,873             | -                   | 236,873                                  |
| Casualty claims paid                           | -                                             | 6,914,473                                       | -                                                           | 6,914,473           | -                   | 6,914,473                                |
| Workers Compensation claims paid               | -                                             | -                                               | 6,640,795                                                   | 6,640,795           | -                   | 6,640,795                                |
| <b>Total expense</b>                           | <b>35,448,973</b>                             | <b>8,507,977</b>                                | <b>7,582,290</b>                                            | <b>51,539,240</b>   | <b>(221,609)</b>    | <b>51,317,631</b>                        |
| <b>Net income (loss) before transfers</b>      | <b>1,428,642</b>                              | <b>(1,487,865)</b>                              | <b>909,562</b>                                              | <b>850,339</b>      | <b>-</b>            | <b>850,339</b>                           |
| Net transfers in (out)                         | -                                             | 1,593,504                                       | 941,494                                                     | 2,534,998           | -                   | 2,534,998                                |
| <b>Net income (loss)</b>                       | <b>\$ 1,428,642</b>                           | <b>\$ 105,639</b>                               | <b>\$ 1,851,056</b>                                         | <b>\$ 3,385,337</b> | <b>\$ -</b>         | <b>\$ 3,385,337</b>                      |

**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Divisions  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                | <b>Health<br/>Self-Insurance<br/>Division</b> | <b>Casualty<br/>Self-Insurance<br/>Division</b> | <b>Workers Compensation<br/>Self-Insurance<br/>Division</b> | <b>Totals</b>        | <b>Interfund<br/>Eliminations</b> | <b>Totals<br/>After<br/>Eliminations</b> |
|--------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------------------------|----------------------|-----------------------------------|------------------------------------------|
| <b>Assets</b>                  |                                               |                                                 |                                                             |                      |                                   |                                          |
| Current assets                 |                                               |                                                 |                                                             |                      |                                   |                                          |
| Cash                           | \$ 1,896,020                                  | \$ 10,682,666                                   | \$ 8,871,253                                                | \$ 21,449,939        | \$ -                              | \$ 21,449,939                            |
| Investments                    | -                                             | -                                               | 2,348,988                                                   | 2,348,988            | -                                 | 2,348,988                                |
| Accounts and notes receivable  | 429,813                                       | 72,848                                          | 114,136                                                     | 616,797              | -                                 | 616,797                                  |
| Interfund accounts receivable  | 334,361                                       | 163,640                                         | -                                                           | 498,001              | (498,001)                         | -                                        |
| Restricted accounts receivable | -                                             | -                                               | 49,107                                                      | 49,107               | -                                 | 49,107                                   |
| Other current assets           | -                                             | -                                               | 231,484                                                     | 231,484              | -                                 | 231,484                                  |
| Total current assets           | <u>2,660,194</u>                              | <u>10,919,154</u>                               | <u>11,614,968</u>                                           | <u>25,194,316</u>    | <u>(498,001)</u>                  | <u>24,696,315</u>                        |
| Total assets                   | <u>2,660,194</u>                              | <u>10,919,154</u>                               | <u>11,614,968</u>                                           | <u>25,194,316</u>    | <u>(498,001)</u>                  | <u>24,696,315</u>                        |
| <b>Total</b>                   | <u>\$ 2,660,194</u>                           | <u>\$ 10,919,154</u>                            | <u>\$ 11,614,968</u>                                        | <u>\$ 25,194,316</u> | <u>\$ (498,001)</u>               | <u>\$ 24,696,315</u>                     |



**Bi-State Development Agency of the  
Missouri-Illinois Metropolitan District  
Self-Insurance Divisions  
Quarterly Statement of Financial Position  
June 30, 2019  
(unaudited)**

|                                                             | Health<br>Self-Insurance<br>Division | Casualty<br>Self-Insurance<br>Division | Workers Compensation<br>Self-Insurance<br>Division | Totals               | Interfund<br>Eliminations | Totals<br>After<br>Eliminations |
|-------------------------------------------------------------|--------------------------------------|----------------------------------------|----------------------------------------------------|----------------------|---------------------------|---------------------------------|
| <b>Liabilities</b>                                          |                                      |                                        |                                                    |                      |                           |                                 |
| Current liabilities                                         |                                      |                                        |                                                    |                      |                           |                                 |
| Accounts payable                                            | \$ 91,359                            | \$ -                                   | \$ 231,484                                         | \$ 322,843           | \$ -                      | \$ 322,843                      |
| Interfund accounts payable                                  | \$ -                                 | \$ -                                   | \$ 290,975                                         | \$ 290,975           | \$ (498,001)              | \$ (207,026)                    |
| Accrued expenses                                            | 28,900                               | 42,900                                 | 20,400                                             | 92,200               | -                         | 92,200                          |
| Total current liabilities                                   | 120,259                              | 42,900                                 | 542,859                                            | 706,018              | (498,001)                 | 208,017                         |
| Current liab payable from restricted assets                 |                                      |                                        |                                                    |                      |                           |                                 |
| Short-term self-insurance                                   | -                                    | 3,315,000                              | 5,975,000                                          | 9,290,000            | -                         | 9,290,000                       |
| Medical self-insurance liability                            | 4,208,524                            | -                                      | -                                                  | 4,208,524            | -                         | 4,208,524                       |
| Total current liabilities payable<br>from restricted assets | 4,208,524                            | 3,315,000                              | 5,975,000                                          | 13,498,524           | -                         | 13,498,524                      |
| Total current liabilities                                   | 4,328,783                            | 3,357,900                              | 6,517,859                                          | 14,204,542           | (498,001)                 | 13,706,541                      |
| Non-current liabilities                                     |                                      |                                        |                                                    |                      |                           |                                 |
| Other post-employment benefits                              | 178,309                              | 158,292                                | 47,441                                             | 384,042              | -                         | 384,042                         |
| Long-term self-insurance                                    | -                                    | 6,620,000                              | 4,294,000                                          | 10,914,000           | -                         | 10,914,000                      |
| Unfunded pension liabilities                                | 74,574                               | 113,402                                | 42,748                                             | 230,724              | -                         | 230,724                         |
| Total non-current liabilities                               | 252,883                              | 6,891,694                              | 4,384,189                                          | 11,528,766           | -                         | 11,528,766                      |
| Total liabilities                                           | 4,581,666                            | 10,249,594                             | 10,902,048                                         | 25,733,308           | (498,001)                 | 25,235,307                      |
| <b>Net Position</b>                                         |                                      |                                        |                                                    |                      |                           |                                 |
| Net position                                                | (3,350,114)                          | 563,921                                | (1,138,136)                                        | (3,924,329)          | -                         | (3,924,329)                     |
| Net income (loss)                                           | 1,428,642                            | 105,639                                | 1,851,056                                          | 3,385,337            | -                         | 3,385,337                       |
| Total net position                                          | (1,921,472)                          | 669,560                                | 712,920                                            | (538,992)            | -                         | (538,992)                       |
| <b>Total</b>                                                | <u>\$ 2,660,194</u>                  | <u>\$ 10,919,154</u>                   | <u>\$ 11,614,968</u>                               | <u>\$ 25,194,316</u> | <u>\$ (498,001)</u>       | <u>\$ 24,696,315</u>            |

HEALTH SELF-INSURANCE FUND



BI-STATE  
DEVELOPMENT

Gateway to growth. On both sides of the river.™

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# Health Self-Insurance Fund – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Bi-State Dev supplementary contributions** – In fiscal year 2018 Bi-State made a supplementary employer contribution of \$6.0 million to cover a high amount of paid employee medical claims.
2. **Total year-to-date revenue** increased 13.7% from prior year, net of the \$6.0 million Bi-State supplementary contribution in fiscal 2018.
3. **Claim payments and related expenses** decreased 11.6% from prior year to \$34.2 million due to a lower cost of claims and a higher amount of experience rebates from the insurance company.
4. **Total year-to-date expense** decreased 11.0% from prior year to \$35.4 million.
5. **Net income** is \$1.4 million.

## Balance Sheet

1. **Accounts and notes receivable** increased \$375.2 thousand. This represents refunds due from the insurance company which was not received before the end of the fiscal year.
2. **Accounts payable** decreased of \$316.6 thousand because most outstanding invoices were able to be paid before the end of the fiscal year.

## Cash Flow

1. **Net cash activity year-to-date** is \$351.4 thousand cash inflow.

**Health Self-Insurance Fund**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                           | Current          |              |                               |                  |              | Year to Date |              |                               |                  |                |
|-------------------------------------------|------------------|--------------|-------------------------------|------------------|--------------|--------------|--------------|-------------------------------|------------------|----------------|
|                                           | Actual           | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year   | Actual       | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year     |
| <b>Revenue</b>                            |                  |              |                               |                  |              |              |              |                               |                  |                |
| Employee medical contributions            | \$ 1,949,979     | \$ 1,768,629 | \$ 181,350                    | 10.3             | \$ 1,721,753 | \$ 7,299,925 | \$ 7,074,516 | \$ 225,409                    | 3.2              | \$ 6,604,802   |
| Employee dental contributions             | 125,471          | 136,093      | (10,622)                      | (7.8)            | 128,290      | 512,983      | 544,371      | (31,388)                      | (5.8)            | 505,247        |
| Employee gym membership                   | 969              | 1,419        | (450)                         | (31.7)           | 1,203        | 4,085        | 5,677        | (1,592)                       | (28.0)           | 5,136          |
| Bi-State Dev medical contributions        | 7,517,800        | 6,764,844    | 752,956                       | 11.1             | 7,283,414    | 28,572,164   | 27,059,376   | 1,512,788                     | 5.6              | 24,892,478     |
| Bi-State Dev dental contributions         | 159,634          | 159,053      | 581                           | 0.4              | 160,783      | 646,856      | 636,213      | 10,643                        | 1.7              | 627,766        |
| Bi-State Dev EAP contributions            | 9,376            | 10,296       | (920)                         | (8.9)            | 9,424        | 39,007       | 41,182       | (2,175)                       | (5.3)            | 38,257         |
| Bi-State Dev supplementary contributions  | (1) -            | -            | -                             | -                | 6,000,000    | -            | -            | -                             | -                | 6,000,000      |
| Healthy Savings Plan                      | (51,129)         | (42,175)     | (8,954)                       | (21.2)           | (42,520)     | (234,538)    | (168,700)    | (65,838)                      | (39.0)           | (245,279)      |
| Interest income                           | 7,573            | -            | 7,573                         | -                | -            | 37,133       | -            | 37,133                        | -                | -              |
| <b>Total revenue</b>                      | (2) 9,719,673    | 8,798,159    | 921,514                       | 10.5             | 15,262,347   | 36,877,615   | 35,192,635   | 1,684,980                     | 4.8              | 38,428,407     |
| <b>Expense</b>                            |                  |              |                               |                  |              |              |              |                               |                  |                |
| Wages and benefits                        | 199,219          | 214,852      | 15,633                        | 7.3              | 210,732      | 812,477      | 861,649      | 49,172                        | 5.7              | 855,008        |
| Services                                  | 167,089          | 110,419      | (56,670)                      | (51.3)           | 159,062      | 332,779      | 441,675      | 108,896                       | 24.7             | 244,508        |
| Materials and supplies                    | 9,790            | 14,926       | 5,136                         | 34.4             | 3,458        | 33,106       | 55,400       | 22,294                        | 40.2             | 19,509         |
| Utilities                                 | 2,080            | 745          | (1,335)                       | (179.2)          | 1,243        | 4,979        | 2,980        | (1,999)                       | (67.1)           | 4,964          |
| Other expenses                            | 23,677           | 13,807       | (9,870)                       | (71.5)           | 15,893       | 77,830       | 55,227       | (22,603)                      | (40.9)           | 30,917         |
| Medical claims paid                       | (3) 7,174,660    | 5,960,434    | (1,214,226)                   | (20.4)           | 8,855,200    | 28,332,607   | 23,841,737   | (4,490,870)                   | (18.8)           | 31,183,353     |
| Contra medical                            | (3) (1,081,481)  | (286,144)    | 795,337                       | 277.9            | (567,704)    | (3,038,903)  | (1,144,577)  | 1,894,326                     | 165.5            | (1,881,121)    |
| Dental claims paid                        | (3) 233,792      | 260,622      | 26,830                        | 10.3             | 255,152      | 1,019,080    | 1,042,488    | 23,408                        | 2.2              | 986,570        |
| Medical TPA fees                          | (3) 137,348      | 390,097      | 252,749                       | 64.8             | 307,798      | 722,343      | 1,560,389    | 838,046                       | 53.7             | 998,710        |
| Prescription (RX) claims/admin fees       | (3) 1,713,351    | 1,845,491    | 132,140                       | 7.2              | 1,988,995    | 6,455,499    | 7,381,962    | 926,463                       | 12.6             | 6,805,041      |
| Medical stop loss                         | (3) 83,010       | 100,110      | 17,100                        | 17.1             | 109,658      | 460,303      | 400,440      | (59,863)                      | (14.9)           | 365,296        |
| Other administrative and third party fees | (3) 52,580       | 173,316      | 120,736                       | 69.7             | 68,063       | 236,873      | 693,265      | 456,392                       | 65.8             | 228,179        |
| <b>Total expense</b>                      | (4) 8,715,115    | 8,798,675    | 83,560                        | 0.9              | 11,407,550   | 35,448,973   | 35,192,635   | (256,338)                     | (0.7)            | 39,840,934     |
| <b>Net income (loss)</b>                  | (5) \$ 1,004,558 | \$ (516)     | \$ 1,005,074                  | n/a              | \$ 3,854,797 | \$ 1,428,642 | \$ -         | \$ 1,428,642                  | -                | \$ (1,412,527) |

**Health Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                               | Current             |                     |                   |                   | Prior Year          |                     |                   |
|-------------------------------|---------------------|---------------------|-------------------|-------------------|---------------------|---------------------|-------------------|
|                               | Current<br>Period   | Prior<br>Period     | Dollar<br>Change  | Percent<br>Change | Prior<br>Year       | Dollar<br>Change    | Percent<br>Change |
| <b>Assets</b>                 |                     |                     |                   |                   |                     |                     |                   |
| Current assets                |                     |                     |                   |                   |                     |                     |                   |
| Cash and Cash Equivalents     | \$ 1,896,020        | \$ 2,031,749        | \$ (135,729)      | (6.7)             | \$ 1,544,652        | \$ 351,368          | 22.7              |
| Accounts and notes receivable | (1) 429,813         | 64,830              | 364,983           | 563.0             | 54,650              | 375,163             | 686.5             |
| Interfund accounts receivable | 334,361             | -                   | 334,361           | n/a               | -                   | 334,361             | n/a               |
| Total current assets          | 2,660,194           | 2,096,579           | 563,615           | 26.9              | 1,599,302           | 1,060,892           | 66.3              |
| Total assets                  | 2,660,194           | 2,096,579           | 563,615           | 26.9              | 1,599,302           | 1,060,892           | 66.3              |
| <b>Total</b>                  | <u>\$ 2,660,194</u> | <u>\$ 2,096,579</u> | <u>\$ 563,615</u> | 26.9              | <u>\$ 1,599,302</u> | <u>\$ 1,060,892</u> | 66.3              |

**Health Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                                             | Current             |                     |                   |                   | Prior Year          |                     |                   |
|-------------------------------------------------------------|---------------------|---------------------|-------------------|-------------------|---------------------|---------------------|-------------------|
|                                                             | Current<br>Period   | Prior<br>Period     | Dollar<br>Change  | Percent<br>Change | Prior<br>Year       | Dollar<br>Change    | Percent<br>Change |
| <b>Liabilities</b>                                          |                     |                     |                   |                   |                     |                     |                   |
| Current liabilities                                         |                     |                     |                   |                   |                     |                     |                   |
| Accounts payable                                            | (2) \$ 91,359       | \$ 87,819           | \$ 3,540          | 4.0               | \$ 408,017          | \$ (316,658)        | (77.6)            |
| Interfund accounts payable                                  | -                   | 541,299             | (541,299)         | (100.0)           | 454,169             | (454,169)           | (100.0)           |
| Accrued expenses                                            | 28,900              | 24,500              | 4,400             | 18.0              | 33,200              | (4,300)             | (13.0)            |
| Total current liabilities                                   | 120,259             | 653,618             | (533,359)         | (81.6)            | 895,386             | (775,127)           | (86.6)            |
| Current liab payable from restricted assets                 |                     |                     |                   |                   |                     |                     |                   |
| Medical self-insurance liability                            | 4,208,524           | 4,123,146           | 85,378            | 2.1               | 3,812,031           | 396,493             | 10.4              |
| Total current liabilities payable<br>from restricted assets | 4,208,524           | 4,123,146           | 85,378            | 2.1               | 3,812,031           | 396,493             | 10.4              |
| Total current liabilities                                   | 4,328,783           | 4,776,764           | (447,981)         | (9.4)             | 4,707,417           | (378,634)           | (8.0)             |
| Non-current liabilities                                     |                     |                     |                   |                   |                     |                     |                   |
| Other post-employment benefits                              | 178,309             | 171,271             | 7,038             | 4.1               | 167,425             | 10,884              | 6.5               |
| Unfunded pension liabilities                                | 74,574              | 74,574              | -                 | -                 | 74,574              | -                   | -                 |
| Total non-current liabilities                               | 252,883             | 245,845             | 7,038             | 2.9               | 241,999             | 10,884              | 4.5               |
| Total liabilities                                           | 4,581,666           | 5,022,609           | (440,943)         | (8.8)             | 4,949,416           | (367,750)           | (7.4)             |
| <b>Net Position</b>                                         |                     |                     |                   |                   |                     |                     |                   |
| Net position                                                | (3,350,114)         | (3,350,114)         | -                 | -                 | (1,937,587)         | (1,412,527)         | (72.9)            |
| Net income (loss)                                           | 1,428,642           | 424,084             | 1,004,558         | 236.9             | (1,412,527)         | 2,841,169           | 201.1             |
| Total net position                                          | (1,921,472)         | (2,926,030)         | 1,004,558         | 34.3              | (3,350,114)         | 1,428,642           | 42.6              |
| <b>Total</b>                                                | <u>\$ 2,660,194</u> | <u>\$ 2,096,579</u> | <u>\$ 563,615</u> | <u>26.9</u>       | <u>\$ 1,599,302</u> | <u>\$ 1,060,892</u> | <u>66.3</u>       |

**Health Self-Insurance Internal Service Fund**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

|                                                                 |                     |                                                         |  |
|-----------------------------------------------------------------|---------------------|---------------------------------------------------------|--|
| <b>Cash flows from operating activities</b>                     |                     | <b>Supplemental disclosure of cash flow information</b> |  |
| Receipts from customers                                         | \$ (375,163)        | <b>Noncash Activities:</b><br>None.                     |  |
| Payments to employees                                           | (805,894)           |                                                         |  |
| Payments to vendors                                             | (765,352)           |                                                         |  |
| Payments for self-insurance                                     | (33,791,309)        |                                                         |  |
| Receipts (payments) from inter-fund activity                    | <u>36,051,953</u>   |                                                         |  |
| <b>Net cash provided by (used in) operating activities</b>      | <u>314,235</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>                     |                     |                                                         |  |
| Interest received                                               | <u>37,133</u>       |                                                         |  |
| <b>Net cash provided by (used in) investing activities</b>      | <u>37,133</u>       |                                                         |  |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | (1) 351,368         |                                                         |  |
| <b>Cash and cash equivalents, beginning of year</b>             | <u>1,544,652</u>    |                                                         |  |
| <b>Cash and cash equivalents, year to date</b>                  | <u>\$ 1,896,020</u> |                                                         |  |

# CASUALTY SELF-INSURANCE FUND



**BI-STATE  
DEVELOPMENT**

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# Casualty Self-Insurance Fund – Financial Notes

For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

## Income Statement

1. **Total year-to-date revenue** increased 46.9% from prior year due to increased charges for service, which is directly ties to claims payments.
2. **Claim payments** increased 23.0% from prior year to \$6.9 million primarily because of a few large payments.
3. **Total year-to-date expense** increased 21.2% from prior year to \$8.5 million.
4. **Net loss before transfers** is \$1.5 million.

## Balance Sheet

Nothing of note

## Cash Flow

1. **Net cash activity year-to-date** is \$21.1 thousand cash inflow.

**Casualty Self-Insurance Fund**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                           | Current          |              |                               |                  |                | Year to Date |              |                               |                  |              |
|-------------------------------------------|------------------|--------------|-------------------------------|------------------|----------------|--------------|--------------|-------------------------------|------------------|--------------|
|                                           | Actual           | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year     | Actual       | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year   |
| <b>Revenue</b>                            |                  |              |                               |                  |                |              |              |                               |                  |              |
| Charges for services                      | (1) \$ 1,325,307 | \$ 1,346,250 | \$ (20,943)                   | (1.6)            | \$ 519,174     | \$ 6,800,095 | \$ 5,385,000 | \$ 1,415,095                  | 26.3             | \$ 4,699,937 |
| Interest income                           | 65,642           | 11,500       | 54,142                        | 470.8            | 41,983         | 220,017      | 46,000       | 174,017                       | 378.3            | 79,547       |
| <b>Total revenue</b>                      | (1) 1,390,949    | 1,357,750    | 33,199                        | 2.4              | 561,157        | 7,020,112    | 5,431,000    | 1,589,112                     | 29.3             | 4,779,484    |
| <b>Expense</b>                            |                  |              |                               |                  |                |              |              |                               |                  |              |
| Wages and benefits                        | 176,668          | 142,376      | (34,292)                      | (24.1)           | 145,223        | 660,457      | 570,992      | (89,465)                      | (15.7)           | 568,492      |
| Services                                  | 272              | 14,375       | 14,103                        | 98.1             | 475            | 45,379       | 57,500       | 12,121                        | 21.1             | 5,695        |
| Materials and supplies                    | 116              | 1,025        | 909                           | 88.7             | 1,008          | 1,630        | 4,100        | 2,470                         | 60.2             | 3,121        |
| Utilities                                 | 750              | 550          | (200)                         | (36.4)           | 533            | 1,992        | 2,200        | 208                           | 9.5              | 1,244        |
| Casualty and liability costs              | 220,263          | 212,500      | (7,763)                       | (3.7)            | 203,825        | 881,050      | 850,000      | (31,050)                      | (3.7)            | 815,301      |
| Other expenses                            | -                | 2,125        | 2,125                         | 100.0            | 465            | 2,996        | 8,500        | 5,504                         | 64.8             | 2,515        |
| Casualty claims paid                      | (2) 3,926,829    | 1,133,750    | (2,793,079)                   | (246.4)          | 3,190,664      | 6,914,473    | 4,535,000    | (2,379,473)                   | (52.5)           | 5,621,104    |
| <b>Total expense</b>                      | (3) 4,324,898    | 1,506,701    | (2,818,197)                   | (187.0)          | 3,542,193      | 8,507,977    | 6,028,292    | (2,479,685)                   | (41.1)           | 7,017,472    |
| <b>Net income (loss) before transfers</b> | (4) (2,933,949)  | (148,951)    | (2,784,998)                   | (1,869.7)        | (2,981,036)    | (1,487,865)  | (597,292)    | (890,573)                     | (149.1)          | (2,237,988)  |
| <b>Net transfers in (out)</b>             | 396,340          | 149,323      | 247,017                       | 165.4            | 934,276        | 1,593,504    | 597,292      | 996,212                       | 166.8            | 1,380,749    |
| <b>Net income (loss)</b>                  | \$ (2,537,609)   | \$ 372       | \$ (2,537,981)                | n/a              | \$ (2,046,760) | \$ 105,639   | \$ -         | \$ 105,639                    | -                | \$ (857,239) |

**Casualty Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                               | Current              |                      |                       |                   | Prior Year           |                   |                   |
|-------------------------------|----------------------|----------------------|-----------------------|-------------------|----------------------|-------------------|-------------------|
|                               | Current<br>Period    | Prior<br>Period      | Dollar<br>Change      | Percent<br>Change | Prior<br>Year        | Dollar<br>Change  | Percent<br>Change |
| <b>Assets</b>                 |                      |                      |                       |                   |                      |                   |                   |
| Current assets                |                      |                      |                       |                   |                      |                   |                   |
| Cash and Cash Equivalents     | \$ 10,682,666        | \$ 12,594,072        | \$ (1,911,406)        | (15.2)            | \$ 10,661,598        | \$ 21,068         | 0.2               |
| Accounts and notes receivable | 72,848               | -                    | 72,848                | n/a               | -                    | 72,848            | n/a               |
| Interfund accounts receivable | 163,640              | 633,212              | (469,572)             | (74.2)            | 140,932              | 22,708            | 16.1              |
| Other current assets          | -                    | 220,263              | (220,263)             | (100.0)           | -                    | -                 | n/a               |
| Total current assets          | 10,919,154           | 13,447,547           | (2,528,393)           | (18.8)            | 10,802,530           | 116,624           | 1.1               |
| Total assets                  | 10,919,154           | 13,447,547           | (2,528,393)           | (18.8)            | 10,802,530           | 116,624           | 1.1               |
| <b>Total</b>                  | <u>\$ 10,919,154</u> | <u>\$ 13,447,547</u> | <u>\$ (2,528,393)</u> | <u>(18.8)</u>     | <u>\$ 10,802,530</u> | <u>\$ 116,624</u> | <u>1.1</u>        |

**Casualty Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                                             | Current              |                      |                       |                   | Prior Year           |                   |                   |
|-------------------------------------------------------------|----------------------|----------------------|-----------------------|-------------------|----------------------|-------------------|-------------------|
|                                                             | Current<br>Period    | Prior<br>Period      | Dollar<br>Change      | Percent<br>Change | Prior<br>Year        | Dollar<br>Change  | Percent<br>Change |
| <b>Liabilities</b>                                          |                      |                      |                       |                   |                      |                   |                   |
| Current liabilities                                         |                      |                      |                       |                   |                      |                   |                   |
| Accrued expenses                                            | \$ 42,900            | 39,400               | \$ 3,500              | 8.9               | 40,700               | \$ 2,200          | 5.4               |
| Total current liabilities                                   | 42,900               | 39,400               | 3,500                 | 8.9               | 40,700               | 2,200             | 5.4               |
| Current liab payable from restricted assets                 |                      |                      |                       |                   |                      |                   |                   |
| Short-term self-insurance                                   | 3,315,000            | 3,315,000            | -                     | -                 | 3,315,000            | -                 | -                 |
| Total current liabilities payable<br>from restricted assets | 3,315,000            | 3,315,000            | -                     | -                 | 3,315,000            | -                 | -                 |
| Total current liabilities                                   | 3,357,900            | 3,354,400            | 3,500                 | 0.1               | 3,355,700            | 2,200             | 0.1               |
| Non-current liabilities                                     |                      |                      |                       |                   |                      |                   |                   |
| Other post-employment benefits                              | 158,292              | 152,576              | 5,716                 | 3.7               | 149,506              | 8,786             | 5.9               |
| Long-term self-insurance                                    | 6,620,000            | 6,620,000            | -                     | -                 | 6,620,000            | -                 | -                 |
| Unfunded pension liabilities                                | 113,402              | 113,402              | -                     | -                 | 113,402              | -                 | -                 |
| Total non-current liabilities                               | 6,891,694            | 6,885,978            | 5,716                 | 0.1               | 6,882,908            | 8,786             | 0.1               |
| Total liabilities                                           | 10,249,594           | 10,240,378           | 9,216                 | 0.1               | 10,238,608           | 10,986            | 0.1               |
| <b>Net Position</b>                                         |                      |                      |                       |                   |                      |                   |                   |
| Net position                                                | 563,921              | 563,921              | -                     | -                 | 1,421,161            | (857,240)         | (60.3)            |
| Net income (loss)                                           | 105,639              | 2,643,248            | (2,537,609)           | (96.0)            | (857,239)            | 962,878           | 112.3             |
| Total net position                                          | 669,560              | 3,207,169            | (2,537,609)           | (79.1)            | 563,922              | 105,638           | 18.7              |
| <b>Total</b>                                                | <u>\$ 10,919,154</u> | <u>\$ 13,447,547</u> | <u>\$ (2,528,393)</u> | <u>(18.8)</u>     | <u>\$ 10,802,530</u> | <u>\$ 116,624</u> | <u>1.1</u>        |

**Casualty Self-Insurance Internal Service Fund**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

|                                                                        |                      |                                                         |
|------------------------------------------------------------------------|----------------------|---------------------------------------------------------|
| <b>Cash flows from operating activities</b>                            |                      | <b>Supplemental disclosure of cash flow information</b> |
| Receipts from customers                                                | \$ 6,727,247         | <b>Noncash Activities:</b><br>None.                     |
| Payments to employees                                                  | (649,472)            |                                                         |
| Payments to vendors                                                    | (51,996)             |                                                         |
| Payments for self-insurance                                            | (7,795,524)          |                                                         |
| Receipts (payments) from inter-fund activity                           | <u>(22,708)</u>      |                                                         |
| <b>Net cash provided by (used in) operating activities</b>             | <u>(1,792,453)</u>   |                                                         |
| <b>Cash flows from non capital financing activities</b>                |                      |                                                         |
| Net transfers                                                          | 1,593,504            |                                                         |
| <b>Net cash provided by (used in) non capital financing activities</b> | <u>1,593,504</u>     |                                                         |
| <b>Cash flows from capital and related financing activities</b>        |                      |                                                         |
| None                                                                   |                      |                                                         |
| <b>Cash flows from investing activities</b>                            |                      |                                                         |
| Interest received                                                      | <u>220,017</u>       |                                                         |
| <b>Net cash provided by (used in) investing activities</b>             | <u>220,017</u>       |                                                         |
| <b>Net increase (decrease) in cash and cash equivalents</b>            | (1) 21,068           |                                                         |
| <b>Cash and cash equivalents, beginning of year</b>                    | <u>10,661,598</u>    |                                                         |
| <b>Cash and cash equivalents, year to date</b>                         | <u>\$ 10,682,666</u> |                                                         |

WORKER’S COMPENSATION SELF-INSURANCE FUND



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# Workers Compensation Self-Insurance Fund – Financial Notes

## For the Twelve Months Ended June 30, 2019

(Preliminary, subject to audit)

### Income Statement

1. **Total year-to-date revenue** increased 7.9% from prior year due to increased charges for service, which is directly tied to claims payments.
2. **Claim payments** decreased 28.0% from prior year to \$6.6 million.
3. **Total year-to-date expense** decreased 25.8% from prior year to \$7.6 million.
4. **Net income before transfers** is \$909.6 thousand.

### Balance Sheet

1. **Investments** increased to \$2.3 million via a transfer of a self-insurance investment previously held in Metro Transit being moved to the Workers Compensation Self-Insurance Fund.

### Cash Flow

1. **Net cash activity year-to-date** is \$2.3 million cash inflow.

**Workers Compensation Self-Insurance Fund**  
**Statement of Activities**  
**For the Quarter Ended June 30, 2019**  
(unaudited)

|                                           | Current          |              |                               |                  |                | Year to Date |              |                               |                  |                |
|-------------------------------------------|------------------|--------------|-------------------------------|------------------|----------------|--------------|--------------|-------------------------------|------------------|----------------|
|                                           | Actual           | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year     | Actual       | Budget       | \$ Favorable<br>(Unfavorable) | % Fav<br>(Unfav) | Prior Year     |
| <b>Revenue</b>                            |                  |              |                               |                  |                |              |              |                               |                  |                |
| Charges for Services                      | (1) \$ 1,739,642 | \$ 1,384,502 | \$ 355,140                    | 25.7             | \$ 1,193,838   | \$ 8,296,462 | \$ 5,538,008 | \$ 2,758,454                  | 49.8             | \$ 7,774,076   |
| Interest income                           | 43,491           | 33,812       | 9,679                         | 28.6             | 35,348         | 195,390      | 135,250      | 60,140                        | 44.5             | 95,934         |
| <b>Total revenue</b>                      | (1) 1,783,133    | 1,418,314    | 364,819                       | 25.7             | 1,229,186      | 8,491,852    | 5,673,258    | 2,818,594                     | 49.7             | 7,870,010      |
| <b>Expense</b>                            |                  |              |                               |                  |                |              |              |                               |                  |                |
| Wages and benefits                        | 86,575           | 151,249      | 64,674                        | 42.8             | (43,218)       | 348,257      | 605,952      | 257,695                       | 42.5             | 371,679        |
| Services                                  | 16,855           | 8,875        | (7,980)                       | (89.9)           | 475            | 33,452       | 35,500       | 2,048                         | 5.8              | 5,993          |
| Materials and supplies                    | 9                | 625          | 616                           | 98.6             | 20             | 406          | 2,500        | 2,094                         | 83.8             | 1,124          |
| Utilities                                 | 234              | 150          | (84)                          | (56.0)           | 144            | 559          | 600          | 41                            | 6.8              | 331            |
| Casualty and liability costs              | 54,008           | 56,250       | 2,242                         | 4.0              | (57,534)       | 222,189      | 225,000      | 2,811                         | 1.2              | 212,610        |
| Other expenses                            | 107,578          | 113,875      | 6,297                         | 5.5              | 372,726        | 336,632      | 455,500      | 118,868                       | 26.1             | 403,433        |
| Workers Compensation claims paid          | (2) 1,767,775    | 1,384,502    | (383,273)                     | (27.7)           | 4,505,173      | 6,640,795    | 5,538,008    | (1,102,787)                   | (19.9)           | 9,224,526      |
| <b>Total expense</b>                      | (3) 2,033,034    | 1,715,526    | (317,508)                     | (18.5)           | 4,777,786      | 7,582,290    | 6,863,060    | (719,230)                     | (10.5)           | 10,219,696     |
| <b>Net income (loss) before transfers</b> | (4) (249,901)    | (297,212)    | 47,311                        | 15.9             | (3,548,600)    | 909,562      | (1,189,802)  | 2,099,364                     | 176.4            | (2,349,686)    |
| <b>Net transfers in (out)</b>             | 265,184          | 297,451      | (32,267)                      | (10.8)           | 536,624        | 941,494      | 1,189,802    | (248,308)                     | (20.9)           | 988,102        |
| <b>Net income (loss)</b>                  | \$ 15,283        | \$ 239       | \$ 15,044                     | 6,294.6          | \$ (3,011,976) | \$ 1,851,056 | \$ -         | \$ 1,851,056                  | -                | \$ (1,361,584) |



**Workers Compensation Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(unaudited)

|                                | Current              |                      |                   |                   | Prior Year          |                     |                   |
|--------------------------------|----------------------|----------------------|-------------------|-------------------|---------------------|---------------------|-------------------|
|                                | Current<br>Period    | Prior<br>Period      | Dollar<br>Change  | Percent<br>Change | Prior<br>Year       | Dollar<br>Change    | Percent<br>Change |
| <b>Assets</b>                  |                      |                      |                   |                   |                     |                     |                   |
| Current assets                 |                      |                      |                   |                   |                     |                     |                   |
| Cash and Cash Equivalents      | \$ 8,871,253         | \$ 7,733,299         | \$ 1,137,954      | 14.7              | \$ 8,968,552        | \$ (97,299)         | (1.1)             |
| Investments                    | (1) 2,348,988        | 2,348,988            | -                 | -                 | -                   | 2,348,988           | n/a               |
| Accounts and notes receivable  | 114,136              | 1,372                | 112,764           | n/a               | -                   | 114,136             | n/a               |
| Interfund accounts receivable  | -                    | 900,534              | (900,534)         | (100.0)           | 267,192             | (267,192)           | (100.0)           |
| Restricted accounts receivable | 49,107               | 35,142               | 13,965            | 39.7              | -                   | 49,107              | n/a               |
| Other current assets           | 231,484              | 54,008               | 177,476           | 328.6             | -                   | 231,484             | n/a               |
| Total current assets           | 11,614,968           | 11,073,343           | 541,625           | 4.9               | 9,235,744           | 2,379,224           | 25.8              |
| Total assets                   | 11,614,968           | 11,073,343           | 541,625           | 4.9               | 9,235,744           | 2,379,224           | 25.8              |
| <b>Total</b>                   | <b>\$ 11,614,968</b> | <b>\$ 11,073,343</b> | <b>\$ 541,625</b> | <b>4.9</b>        | <b>\$ 9,235,744</b> | <b>\$ 2,379,224</b> | <b>25.8</b>       |

**Workers Compensation Self-Insurance Fund**  
**Quarterly Statement of Financial Position**  
**June 30, 2019**  
(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                                         | \$ 231,484     | \$ -          | \$ 231,484    | n/a            | \$ -         | \$ 231,484    | n/a            |
| Interfund accounts payable                               | \$ 290,975     | \$ -          | \$ 290,975    | n/a            | \$ -         | \$ 290,975    | n/a            |
| Accrued expenses                                         | 20,400         | 19,300        | 1,100         | 5.7            | 19,100       | 1,300         | 6.8            |
| Total current liabilities                                | 542,859        | 19,300        | 523,559       | n/a            | 19,100       | 523,759       | n/a            |
| Current liab payable from restricted assets              |                |               |               |                |              |               |                |
| Short-term self-insurance                                | 5,975,000      | 5,975,000     | -             | -              | 5,975,000    | -             | -              |
| Total current liabilities payable from restricted assets | 5,975,000      | 5,975,000     | -             | -              | 5,975,000    | -             | -              |
| Total current liabilities                                | 6,517,859      | 5,994,300     | 523,559       | 8.7            | 5,994,100    | 523,759       | 8.7            |
| Non-current liabilities                                  |                |               |               |                |              |               |                |
| Other post-employment benefits                           | 47,441         | 44,658        | 2,783         | 6.2            | 43,032       | 4,409         | 10.2           |
| Long-term self-insurance                                 | 4,294,000      | 4,294,000     | -             | -              | 4,294,000    | -             | -              |
| Unfunded pension liabilities                             | 42,748         | 42,748        | -             | -              | 42,748       | -             | -              |
| Total non-current liabilities                            | 4,384,189      | 4,381,406     | 2,783         | 0.1            | 4,379,780    | 4,409         | 0.1            |
| Total liabilities                                        | 10,902,048     | 10,375,706    | 526,342       | 5.1            | 10,373,880   | 528,168       | 5.1            |
| <b>Net Position</b>                                      |                |               |               |                |              |               |                |
| Net position                                             | (1,138,136)    | (1,138,136)   | -             | -              | 223,448      | (1,361,584)   | (609.4)        |
| Net income (loss)                                        | 1,851,056      | 1,835,773     | 15,283        | 0.8            | (1,361,584)  | 3,212,640     | 235.9          |
| Total net position                                       | 712,920        | 697,637       | 15,283        | 2.2            | (1,138,136)  | 1,851,056     | 162.6          |
| <b>Total</b>                                             | \$ 11,614,968  | \$ 11,073,343 | \$ 541,625    | 4.9            | \$ 9,235,744 | \$ 2,379,224  | 25.8           |

**Worker's Compensation Self-Insurance Fund**  
**Statement of Cash Flows**  
**For the Twelve Months Ended June 30, 2019**  
(unaudited)

|                                                                        |                      |                                                         |  |
|------------------------------------------------------------------------|----------------------|---------------------------------------------------------|--|
| <b>Cash flows from operating activities</b>                            |                      | <b>Supplemental disclosure of cash flow information</b> |  |
| Receipts from customers                                                | \$ 8,182,326         | <b>Noncash Activities:</b><br>None                      |  |
| Payments to employees                                                  | (342,547)            |                                                         |  |
| Payments to vendors                                                    | (371,049)            |                                                         |  |
| Payments for self-insurance                                            | (6,862,985)          |                                                         |  |
| Receipts (payments) from inter-fund activity                           | 558,167              |                                                         |  |
| <b>Net cash provided by (used in) operating activities</b>             | <u>1,163,912</u>     |                                                         |  |
| <b>Cash flows from non capital financing activities</b>                |                      |                                                         |  |
| Net transfers                                                          | <u>941,494</u>       |                                                         |  |
| <b>Net cash provided by (used in) non capital financing activities</b> | <u>941,494</u>       |                                                         |  |
| <b>Cash flows from capital and related financing activities</b>        |                      |                                                         |  |
| None                                                                   |                      |                                                         |  |
| <b>Cash flows from investing activities</b>                            |                      |                                                         |  |
| Interest received                                                      | <u>146,283</u>       |                                                         |  |
| <b>Net cash provided by (used in) investing activities</b>             | <u>146,283</u>       |                                                         |  |
| <b>Net increase (decrease) in cash and cash equivalents</b>            | (1) 2,251,689        |                                                         |  |
| <b>Cash and cash equivalents, beginning of year</b>                    | <u>8,968,552</u>     |                                                         |  |
| <b>Cash and cash equivalents, year to date</b>                         | <u>\$ 11,220,241</u> |                                                         |  |



BI-STATE  
DEVELOPMENT

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**BI-STATE DEVELOPMENT  
STAFFING LEVEL REPORT  
June 2019**

|                                                    | EMPLOYEES AT END OF MONTH |           |             |                  | BUDGETED<br>POSITIONS | VARIANCE     | PERCENT<br>VARIANCE |
|----------------------------------------------------|---------------------------|-----------|-------------|------------------|-----------------------|--------------|---------------------|
|                                                    | PRIOR<br>MONTH            | ADDED     | DELETED     | CURRENT<br>MONTH |                       |              |                     |
| A.T.U. Maintenance & Operations:                   |                           |           |             |                  |                       |              |                     |
| Light Rail Vehicle Operators                       | 102                       | 0         | (2)         | 100              | 102                   | (2)          | -2.0%               |
| PT Bus Operators                                   | 14                        | 0         | (10)        | 4                | 85                    | (81)         | -95.3%              |
| Bus Operators                                      | 897                       | 20        | (10)        | 907              | 828                   | 79           | 9.5%                |
| Van Operators                                      | 187                       | 13        | (8)         | 192              | 200                   | (8)          | -4.0%               |
| Vehicle Maintenance                                | 275                       | 0         | (4)         | 271              | 283                   | (12)         | -4.2%               |
| MetroBus Support Services and Facility Maintenance | 23                        | 0         | 0           | 23               | 25                    | (2)          | -8.0%               |
| Right of Way Maintenance                           | 49                        | 0         | 0           | 49               | 53                    | (4)          | -7.5%               |
| Revenue Operations & Maintenance                   | 13                        | 0         | 0           | 13               | 15                    | (2)          | -13.3%              |
| Materials Management                               | <u>25</u>                 | <u>0</u>  | <u>(1)</u>  | <u>24</u>        | <u>27</u>             | <u>(3)</u>   | <u>-11.1%</u>       |
| SUBTOTAL A.T.U. Maintenance & Operations           | 1,585                     | 33        | (35)        | 1,583            | 1,618                 | (35)         | -2.2%               |
| Other:                                             |                           |           |             |                  |                       |              |                     |
| A.T.U. Clerical Unit                               | 43                        | 0         | 0           | 43               | 52                    | (9)          | -17.3%              |
| I.B.E.W.                                           | 60                        | 0         | 0           | 60               | 66                    | (6)          | -9.1%               |
| Salaried                                           | 467                       | 5         | (7)         | 465              | 540                   | (75)         | -13.9%              |
| SUBTOTAL Other                                     | 570                       | 5         | (7)         | 568              | 658                   | (90)         | -13.7%              |
| <b>TOTAL</b>                                       | <b>2,155</b>              | <b>38</b> | <b>(42)</b> | <b>2,151</b>     | <b>2,276</b>          | <b>(125)</b> | <b>-5.5%</b>        |
| ARCH                                               |                           |           |             |                  |                       |              |                     |
| Salaried:                                          | 16                        | 1         | 0           | 17               | 17                    | 0            | 0.0%                |
| Hourly:*                                           | 114                       | 8         | (13)        | 109              | 84                    | 25           | 29.8%               |
| <b>TOTAL ARCH</b>                                  | <b>130</b>                | <b>9</b>  | <b>(13)</b> | <b>126</b>       | <b>101</b>            | <b>25</b>    | <b>24.8%</b>        |
| AIRPORT                                            | 9                         | 0         | 0           | 9                | 12                    | (3)          | -25.0%              |
| RIVERBOAT CRUISES                                  |                           |           |             |                  |                       |              |                     |
| Salaried:                                          | 14                        | 0         | 0           | 14               | 11                    | 3            | 27.3%               |
| Hourly:*                                           | 61                        | 7         | (7)         | 61               | 49                    | 12           | 24.5%               |
| <b>TOTAL RIVERBOAT CRUISES</b>                     | <b>75</b>                 | <b>7</b>  | <b>(7)</b>  | <b>75</b>        | <b>60</b>             | <b>15</b>    | <b>25.0%</b>        |
| EXECUTIVE OFFICE                                   | 28                        | 0         | (1)         | 27               | 36                    | (9)          | -25.0%              |
| <b>GRAND TOTAL</b>                                 | <b>2,397</b>              | <b>54</b> | <b>(63)</b> | <b>2,388</b>     | <b>2,485</b>          | <b>(97)</b>  | <b>-3.9%</b>        |

Does not include Security Officers, Interns or Temporary Employees

\*Includes PT and Seasonal - Actual depends on availability; Budget based on average hours

dd



## BI•STATE DEVELOPMENT



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**BI-STATE DEVELOPMENT  
TREASURER'S REPORT  
Quarter Ended June 30, 2019**

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**INVESTMENTS**

***Yields:***

Bi-State investments had an average yield of 2.13% for the month of June, down from 2.19% in March. The Federal Reserve held the Federal Funds Rate at 2.5% in June, but is currently expected to cut rates by at least 25 basis points at the next meeting on July 31.

***Invested Funds:***

In June, Bi-State directed approximately \$226 million of cash and investments. Approximately 31% of the invested funds were invested in U.S. Treasury or U.S. Government Agency securities, and 2% 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 90 days.

**DEBT MANAGEMENT**

***Debt Restructuring, 2013:***

On July 1, 2013, Bi-State successfully sold its \$381,225,000 Series 2013A Bonds. More than \$1.5 billion in orders were placed for the bonds. The deal closed on August 1, 2013. An effective cost of funds of 4.44% was achieved. The effects of the \$75 million County loan bring the true interest cost to 3.68%. The bond restructuring, of essentially all of the Cross County Bonds, with the exception of the \$97 million Series 2009 Bonds, achieved important long-term financial objectives for Bi-State:

- Improved debt ratings. The bonds were assigned ratings of 'AA+' and 'Aa3' by S&P and Moody's, respectively. The higher ratings will benefit Bi-State in future financings.
- Eliminated exposure of Bi-State to variable and short-term debt obligations.
- Brought 2010 subordinate bonds to senior lien status, and began their amortization.
- Optimized the debt service funding requirements to preserve long-term funding flexibility for operations and capital.
- Incorporated the availability of the County Loan by using the Prop A Capital Reserve to reduce borrowing costs.
- Returned \$18 million of Federal funding from the 2002 Debt Service Reserve Fund to Bi-State's capital program.

In 2014, St Louis County approved the appropriation of the 2nd loan advance in the amount of \$30 million to Bi-State. The Series 2052 bonds were redeemed on October 1, 2014. This lowered the interest rate on \$30 million in debt from 4.75% to 1.04%.

In August 2015, St Louis County approved the appropriation of the 3<sup>rd</sup> loan advance and the Series 2050 bonds were redeemed on October 1, 2015. The interest rate on this \$30 million in debt decreased from 4.75% to 1.02%. The debt service reserve fund requirement on the 2013A bonds also decreased. The new debt service reserve requirement is now approximately \$23.6 million.

***Arch Tram Revenue Bonds, 2014:***

On December 3, 2014, Bi-State closed on the Series 2014 Taxable Arch Tram Revenue Bonds. These bonds have a par value of \$7,656,000 and a 30-year term. The initial fixed rate term is 10 years with a fixed interest



rate of 4.016%. The funds from this bond issuance will pay for the cost of issuance, a portion of the interior roof over the Arch visitor's center, and the replacement of the motor generator sets. The debt service requirement is approximately \$454 thousand.

***Bi-State Development/St. Clair County Transit District Revenue Bonds Refunding, 2014:***


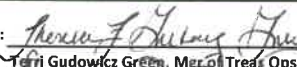
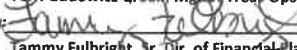
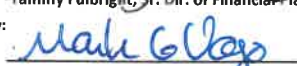
On December 4, 2014, Bi-State and St Clair County Transit District closed on the \$4,160,000 issuance of the Series 2014 Bi-State Development/St Clair County Metrolink Extension Project Refunding Revenue Bonds. The refunding provides a savings of approximately \$700,000 in debt service expenses. It also eliminated the need for the debt service reserve funding of approximately \$450 thousand.

***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 \$6.3 million.

**FUEL HEDGING**

In June, in conjunction with its diesel fuel hedging program, Bi-State had a *realized gain* of approximately \$78 thousand and an *unrealized gain* of approximately \$678 thousand on the sale of Home Heating Oil #2 futures contracts. June oil prices ended the month at \$53.50 a barrel, a 2.8% decrease 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 - QUARTERLY TREASURER'S REPORT SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                       |                        |                     |              |                  |                       |                        |                     |              |                  |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|---------------------|--------------|------------------|-----------------------|------------------------|---------------------|--------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------|--------------|------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                               |                       | AS OF: 30-Jun-2019     |                     |              |                  | 31-May-2019           |                        |                     |              | 30-Apr-2019      |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 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) |
| <b>BI-STATE DIRECTED:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                       |                        |                     |              |                  |                       |                        |                     |              |                  |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
| Cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 0                     | \$7,373                | 4.1%                | 0.00%        | \$7,373          | 0                     | \$13,259               | 7.8%                | 0.00%        | \$13,259         | 0                                                                                                                                                                                                                                                                                                                                                                                     | \$10,042               | 5.4%                | 0.00%        | \$10,042         |
| Certificates of Deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 131                   | 3,044                  | 1.7%                | 1.39%        | 3,044            | 161                   | 3,044                  | 1.8%                | 1.39%        | 3,044            | 192                                                                                                                                                                                                                                                                                                                                                                                   | 3,044                  | 1.6%                | 1.39%        | 3,044            |
| U.S. Agencies (discounted)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                     | 0                      | 0.0%                | 0.00%        | 0                | 0                     | 0                      | 0.0%                | 0.00%        | 0                | 0                                                                                                                                                                                                                                                                                                                                                                                     | 0                      | 0.0%                | 0.00%        | 0                |
| U.S. Agencies (coupon)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 322                   | 40,407                 | 22.4%               | 2.00%        | 40,444           | 352                   | 40,407                 | 23.8%               | 2.00%        | 40,412           | 367                                                                                                                                                                                                                                                                                                                                                                                   | 42,393                 | 22.7%               | 1.85%        | 42,330           |
| U.S. Treasury Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 137                   | 12,835                 | 7.1%                | 1.60%        | 12,865           | 100                   | 23,675                 | 13.9%               | 2.00%        | 23,819           | 131                                                                                                                                                                                                                                                                                                                                                                                   | 23,675                 | 12.7%               | 2.00%        | 23,780           |
| Other Investments (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3                     | 117,127                | 64.8%               | 2.24%        | 117,127          | 3                     | 89,589                 | 52.7%               | 2.28%        | 89,589           | 1                                                                                                                                                                                                                                                                                                                                                                                     | 107,415                | 57.6%               | 2.31%        | 107,415          |
| <b>SUB-TOTAL BI-STATE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>86</b>             | <b>\$180,786</b>       | <b>100.0%</b>       | <b>2.12%</b> | <b>\$180,853</b> | <b>102</b>            | <b>\$169,974</b>       | <b>100.0%</b>       | <b>2.15%</b> | <b>\$170,123</b> | <b>104</b>                                                                                                                                                                                                                                                                                                                                                                            | <b>\$186,569</b>       | <b>100.0%</b>       | <b>2.14%</b> | <b>\$186,611</b> |
| <b>BI-STATE DIRECTED-PROP M:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                       |                        |                     |              |                  |                       |                        |                     |              |                  |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
| Certificates of Deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 173                   | \$1,560                | 3.5%                | 2.62%        | \$1,560          | 203                   | \$1,560                | 3.5%                | 2.62%        | \$1,560          | 234                                                                                                                                                                                                                                                                                                                                                                                   | \$1,560                | 3.5%                | 2.62%        | \$1,560          |
| U.S. Agencies (coupon)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 295                   | 12,993                 | 28.9%               | 2.20%        | 12,997           | 325                   | 12,993                 | 29.3%               | 2.20%        | 12,989           | 274                                                                                                                                                                                                                                                                                                                                                                                   | 17,202                 | 39.0%               | 1.98%        | 17,182           |
| U.S. Treasury Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 169                   | 3,991                  | 8.9%                | 1.38%        | 3,986            | 140                   | 5,962                  | 13.4%               | 1.74%        | 5,976            | 171                                                                                                                                                                                                                                                                                                                                                                                   | 5,962                  | 13.5%               | 1.74%        | 5,966            |
| Other Investments (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3                     | 26,424                 | 58.8%               | 2.25%        | 26,424           | 3                     | 23,892                 | 53.8%               | 2.27%        | 23,892           | 1                                                                                                                                                                                                                                                                                                                                                                                     | 19,386                 | 43.9%               | 2.31%        | 19,386           |
| <b>SUB-TOTAL PROP M</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>108</b>            | <b>\$44,968</b>        | <b>100.0%</b>       | <b>2.17%</b> | <b>\$44,967</b>  | <b>123</b>            | <b>\$44,407</b>        | <b>100.0%</b>       | <b>2.19%</b> | <b>\$44,417</b>  | <b>139</b>                                                                                                                                                                                                                                                                                                                                                                            | <b>\$44,110</b>        | <b>100.0%</b>       | <b>2.12%</b> | <b>\$44,094</b>  |
| <b>TOTAL BI-STATE DIRECTED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>90</b>             | <b>\$225,754</b>       |                     | <b>2.13%</b> | <b>\$225,820</b> | <b>106</b>            | <b>\$214,381</b>       |                     | <b>2.16%</b> | <b>\$214,540</b> | <b>110</b>                                                                                                                                                                                                                                                                                                                                                                            | <b>\$230,679</b>       |                     | <b>2.14%</b> | <b>\$230,705</b> |
| <b>TRUSTEE DIRECTED:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                       |                        |                     |              |                  |                       |                        |                     |              |                  |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
| Cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 0                     | \$0                    | 0.0%                | 0.00%        | \$0              | 0                     | \$0                    | 0.0%                | 0.00%        | \$0              | 0                                                                                                                                                                                                                                                                                                                                                                                     | \$0                    | 0.0%                | 0.00%        | \$0              |
| Municipal Bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 918                   | 6,389                  | 13.6%               | 2.75%        | 6,431            | 948                   | 6,389                  | 14.2%               | 2.75%        | 6,406            | 979                                                                                                                                                                                                                                                                                                                                                                                   | 6,389                  | 15.1%               | 2.75%        | 6,363            |
| U.S. Agencies (coupon)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 469                   | 26,218                 | 56.0%               | 2.16%        | 26,527           | 499                   | 26,218                 | 58.3%               | 2.16%        | 26,463           | 530                                                                                                                                                                                                                                                                                                                                                                                   | 26,218                 | 62.0%               | 2.16%        | 26,298           |
| U.S. 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 (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3                     | 14,209                 | 30.4%               | 2.31%        | 14,209           | 3                     | 12,402                 | 27.6%               | 2.34%        | 12,402           | 1                                                                                                                                                                                                                                                                                                                                                                                     | 9,673                  | 22.9%               | 2.46%        | 9,673            |
| <b>SUB-TOTAL TRUSTEE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>389</b>            | <b>\$46,816</b>        | <b>100.0%</b>       | <b>2.29%</b> | <b>\$47,167</b>  | <b>426</b>            | <b>\$45,009</b>        | <b>100.0%</b>       | <b>2.29%</b> | <b>\$45,271</b>  | <b>477</b>                                                                                                                                                                                                                                                                                                                                                                            | <b>\$42,280</b>        | <b>100.0%</b>       | <b>2.32%</b> | <b>\$42,334</b>  |
| <b>TOTAL BI-STATE &amp; TRUSTEE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>142</b>            | <b>\$272,570</b>       |                     | <b>2.16%</b> | <b>\$272,987</b> | <b>162</b>            | <b>\$259,390</b>       |                     | <b>2.18%</b> | <b>\$259,811</b> | <b>167</b>                                                                                                                                                                                                                                                                                                                                                                            | <b>\$272,959</b>       |                     | <b>2.16%</b> | <b>\$273,039</b> |
| <b>LRV LEASE1:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                       |                        |                     |              |                  |                       |                        |                     |              |                  |                                                                                                                                                                                                                                                                                                                                                                                       |                        |                     |              |                  |
| Cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 0                     | 5                      | 0.0%                | 0.00%        | 5                | 0                     | 5                      | 0.0%                | 0.00%        | 5                | 0                                                                                                                                                                                                                                                                                                                                                                                     | 5                      | 0.0%                | 0.00%        | 5                |
| US Treasury Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 186                   | 6,358                  | 5.1%                | 2.36%        | 6,400            | 216                   | 6,358                  | 5.1%                | 2.36%        | 6,381            | 247                                                                                                                                                                                                                                                                                                                                                                                   | 6,358                  | 5.2%                | 2.36%        | 6,358            |
| Other Investments (4)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3                     | 118,081                | 94.9%               | 5.80%        | 118,081          | 3                     | 117,453                | 94.9%               | 5.80%        | 117,453          | 1                                                                                                                                                                                                                                                                                                                                                                                     | 116,826                | 94.8%               | 5.80%        | 116,826          |
| <b>SUB-TOTAL LRV</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       | <b>\$124,444</b>       | <b>100.0%</b>       | <b>5.62%</b> | <b>\$124,486</b> |                       | <b>\$123,816</b>       | <b>100.0%</b>       | <b>5.62%</b> | <b>\$123,839</b> |                                                                                                                                                                                                                                                                                                                                                                                       | <b>\$123,189</b>       | <b>100.0%</b>       | <b>5.62%</b> | <b>\$123,189</b> |
| <b>Grand Total (5)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                       | <b>\$397,014</b>       |                     |              | <b>\$397,473</b> |                       | <b>\$383,206</b>       |                     |              | <b>\$383,650</b> |                                                                                                                                                                                                                                                                                                                                                                                       | <b>\$396,148</b>       |                     |              | <b>\$396,228</b> |
| <b>Explanatory Notes:</b><br>(1) Approximate weighted average of days to effective maturity, from last business day of the month.<br>(2) Market value of government securities provided by safekeeping agent. Cost equals market for other investments.<br>(3) Includes money market funds and fuel hedging accounts.<br>(4) Investment Contracts (leases). Values of investment contracts adjusted to conform to lease payment schedules.<br>(5) All amounts preliminary and subject to audit and adjustment. |                       |                        |                     |              |                  |                       |                        |                     |              |                  | Prepared by:  8/6/19<br>Date<br>Reviewed by:  8/6/19<br>Date<br>Approved by:  8/6/19<br>Date<br>Mark Vago, Sr VP & CFO |                        |                     |              |                  |



BI-STATE DEVELOPMENT  
MONTHLY TREASURER'S REPORT- ALL COMPANIES  
BANK / ISSUER SUMMARY as of:

6/30/2019

Section 1 Bank/issuer Summary

| BI-STATE DIRECTED *<br>all non debt/lease assets, inc. Prop M: | CASH               | CERTIFICATES<br>OF DEPOSIT | REPURCHASE<br>AGREEMENTS | OTHER                | GOVERNMENT<br>SECURITIES | COMMERCIAL<br>PAPER\ BA's | TOTAL                | MARKET<br>VALUE      | NOTES                                    |
|----------------------------------------------------------------|--------------------|----------------------------|--------------------------|----------------------|--------------------------|---------------------------|----------------------|----------------------|------------------------------------------|
| BANK OF AMERICA MERRILL LYNCH                                  | 42,827             | 0                          | 0                        | 0                    | 0                        | 0                         | 42,827               | 42,827               | FDIC\tri-party collateral(deposits).     |
| BLACK ROCK                                                     | 0                  | 0                          | 0                        | 51,705,680           | 0                        | 0                         | 51,705,680           | 51,705,680           | Money Market Fund (Govt. Securities).    |
| COMMERCE BANK                                                  | 0                  | 1,560,216                  | 0                        | 0                    | 0                        | 0                         | 1,560,216            | 1,560,216            | FDIC\FRB collateral.                     |
| FIDELITY                                                       | 0                  | 0                          | 0                        | 67,714,148           | 0                        | 0                         | 67,714,148           | 67,714,148           | Money Market Fund (First Tier\Prime)     |
| INVESCO                                                        | 0                  | 0                          | 0                        | 19,973,610           | 0                        | 0                         | 19,973,610           | 19,973,610           | Money Market Fund (First Tier\Prime)     |
| JEFFERSON BANK & TRUST                                         | 56,078             | 0                          | 0                        | 0                    | 0                        | 0                         | 56,078               | 56,078               | FDIC; repo collateral held at JBT.       |
| JP MORGAN CHASE                                                | (106,839)          | 0                          | 0                        | 0                    | 0                        | 0                         | (106,839)            | (106,839)            | FDIC (bank acct.)MMKT (First Tier\Prime) |
| OPTUM                                                          | 0                  | 0                          | 0                        | 0                    | 0                        | 0                         | 0                    | 0                    | FDIC\FRB collateral.                     |
| 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                                                       | 6,830,839          | 0                          | 0                        | 1,948,182            | 0                        | 0                         | 8,779,021            | 8,779,021            | FDIC\FRB collateral.                     |
| RBC DAIN RAUSCHER                                              | 0                  | 0                          | 0                        | 1,769,142            | 0                        | 0                         | 1,769,142            | 1,769,142            | Commodities Margin Acct. (fuel hedging)  |
| RU O'BRIEN                                                     | 0                  | 0                          | 0                        | 439,888              | 0                        | 0                         | 439,888              | 439,888              | Commodities Trading Acct. (fuel hedging) |
| RELIANCE BANK                                                  | 0                  | 3,043,800                  | 0                        | 0                    | 0                        | 0                         | 3,043,800            | 3,043,800            | FDIC\FRB collateral.                     |
| U.S. BANK                                                      | (210,216)          | 0                          | 0                        | 0                    | 0                        | 0                         | (210,216)            | (210,216)            | FDIC\FRB Collateral.                     |
| FARM CREDIT BANK                                               | 0                  | 0                          | 0                        | 0                    | 29,907,287               | 0                         | 29,907,287           | 29,926,357           | Safekept at Bank of America (BOA).       |
| FEDERAL HOME LOAN BANK                                         | 0                  | 0                          | 0                        | 0                    | 23,492,867               | 0                         | 23,492,867           | 23,515,018           | Safekept at Bank of America (BOA).       |
| U.S. TREASURY                                                  | 0                  | 0                          | 0                        | 0                    | 16,826,138               | 0                         | 16,826,138           | 16,851,076           | Safekept by BOA or designated agent.     |
| OTHER                                                          | 706,190            | 0                          | 0                        | 0                    | 0                        | 0                         | 706,190              | 706,190              |                                          |
| <b>sub-total Bi-State directed</b>                             | <b>7,373,556</b>   | <b>4,604,016</b>           | <b>0</b>                 | <b>143,550,650</b>   | <b>70,226,292</b>        | <b>0</b>                  | <b>225,754,514</b>   | <b>225,820,673</b>   |                                          |
| <b>TRUSTEE DIRECTED</b>                                        |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| <b>DEBT ISSUES</b>                                             |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| <b>Cross County Bonds</b>                                      |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| <b>Series 2009, 2013</b>                                       |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| <b>BANK OF NEW YORK -MELLON TRUST</b>                          |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| BANK OF NEW YORK                                               | 0                  | 0                          | 0                        | 0                    | 0                        | 0                         | 0                    | 0                    | FDIC Insured.                            |
| GOLDMAN                                                        | 0                  | 0                          | 0                        | 14,208,743           | 0                        | 0                         | 14,208,743           | 14,208,743           | Money Market Fund (First Tier\Prime).    |
| FEDERATED GOVT OBLIG                                           | 0                  | 0                          | 0                        | 0                    | 0                        | 0                         | 0                    | 0                    | Safekept at Bank of New York             |
| MORGAN STANLEY                                                 | 0                  | 0                          | 0                        | 0                    | 0                        | 0                         | 0                    | 0                    | Safekept at Bank of New York             |
| GOVERNMENT AGENCIES                                            | 0                  | 0                          | 0                        | 0                    | 26,218,121               | 0                         | 26,218,121           | 26,527,414           | Safekept at Bank of New York             |
| MUNICIPAL BONDS                                                | 0                  | 0                          | 0                        | 0                    | 6,389,370                | 0                         | 6,389,370            | 6,430,586            | Safekept at Bank of New York             |
| U.S. TREASURY                                                  | 0                  | 0                          | 0                        | 0                    | 0                        | 0                         | 0                    | 0                    | Safekept at Bank of New York             |
| <b>sub-total</b>                                               | <b>0</b>           | <b>0</b>                   | <b>0</b>                 | <b>14,208,743</b>    | <b>32,607,491</b>        | <b>0</b>                  | <b>46,816,234</b>    | <b>47,166,743</b>    |                                          |
| <b>SUB-TOTAL TRUSTEE (BONDS)</b>                               | <b>0</b>           | <b>0</b>                   | <b>0</b>                 | <b>14,208,743</b>    | <b>32,607,491</b>        | <b>0</b>                  | <b>46,816,234</b>    | <b>47,166,743</b>    |                                          |
| <b>SUB-TOTAL BI-STATE AND TRUSTEE</b>                          | <b>7,373,556</b>   | <b>4,604,016</b>           | <b>0</b>                 | <b>157,759,393</b>   | <b>102,833,783</b>       | <b>0</b>                  | <b>272,570,748</b>   | <b>272,987,416</b>   |                                          |
| <b>LRV Lease\Leaseback 2001 C1 C2</b>                          |                    |                            |                          |                      |                          |                           |                      |                      |                                          |
| FSA\AIG                                                        | 0                  | 0                          | 0                        | 118,080,698          | 0                        | 0                         | 118,080,698          | 118,080,698          | Guaranteed Investment Contract (GIC).    |
| US TREASURY                                                    | 5,246              | 0                          | 0                        | 0                    | 6,357,748                | 0                         | 6,362,994            | 6,405,054            | Safekept by Lease Trustee.               |
| <b>sub-total</b>                                               | <b>5,246</b>       | <b>0</b>                   | <b>0</b>                 | <b>118,080,698</b>   | <b>6,357,748</b>         | <b>0</b>                  | <b>124,443,692</b>   | <b>124,485,752</b>   |                                          |
| <b>sub-total leases</b>                                        | <b>5,246</b>       | <b>0</b>                   | <b>0</b>                 | <b>118,080,698</b>   | <b>6,357,748</b>         | <b>0</b>                  | <b>124,443,692</b>   | <b>124,485,752</b>   |                                          |
| <b>GRAND TOTAL</b>                                             | <b>\$7,378,802</b> | <b>\$4,604,016</b>         | <b>\$0</b>               | <b>\$275,840,091</b> | <b>\$109,191,531</b>     | <b>\$0</b>                | <b>\$397,014,440</b> | <b>\$397,473,168</b> |                                          |

## **INVESTMENT CATEGORY DESCRIPTIONS**

**CASH:** Demand deposit accounts. Some accounts are consolidated by bank for presentation purposes. Negative balances generally reflect check float. Bi-State's bank accounts are protected either by Federal Deposit Insurance Corporation (FDIC), or collateralized with securities pledged to Bi-State and held either in a segregated customer account, tri-party account, or at the Federal Reserve.

**CERTIFICATES OF DEPOSIT:** Non-negotiable certificates of deposit, protected by FDIC insurance, AAA rated surety or Letter of Credit, or collateralized with securities placed in joint safekeeping with Bi-State at the Federal Reserve Bank.

**BANKER'S ACCEPTANCE (BAs):** Negotiable investment instruments created by banks to finance commercial trade transactions. Bi-State's investment policy permits purchase of BAs only from banks rated "B" or better by Fitch Ratings (formerly Thomson BankWatch-see ratings descriptions below).

**REPURCHASE AGREEMENTS (REPOs):** An investment created by the simultaneous sale and repurchase of a security (usually a government security) for different settlement dates. Bi-State's repos are collateralized with securities held in segregated customer accounts, or at the Federal Reserve.

**OTHER:** Interest checking, money market funds, guaranteed investment contracts (GICs) and investment agreements. Also includes fuel hedging related accounts. Bi-State's policy restricts use of money market funds to Triple A rated institutional funds which have over \$500 million in assets.

**GOVERNMENT SECURITIES:** Securities (bills, discount notes, strips, coupon notes and bonds), issued by the U.S. Treasury or U.S. Government Agencies. Some securities are subject to "call" (redemption before stated final maturity).

**COMMERCIAL PAPER:** Short-term unsecured promissory note that is the obligation of the issuing entity, generally a large corporation (see ratings descriptions below).

**NOTE:** Permitted Bi-State investments are specified in Board Policy 30.040. All investments are shown at cost, unless otherwise noted. Market values shown for government securities or commercial paper are considered "subject to market" and provided for informational use only. Cost or par approximates market for other investments, and some of these may be subject to penalty for early redemption.

## **CREDIT QUALITY RATING DEFINITIONS (also see Page 9)**

### **Standard & Poor's, Moody's Investor Services, Fitch:**

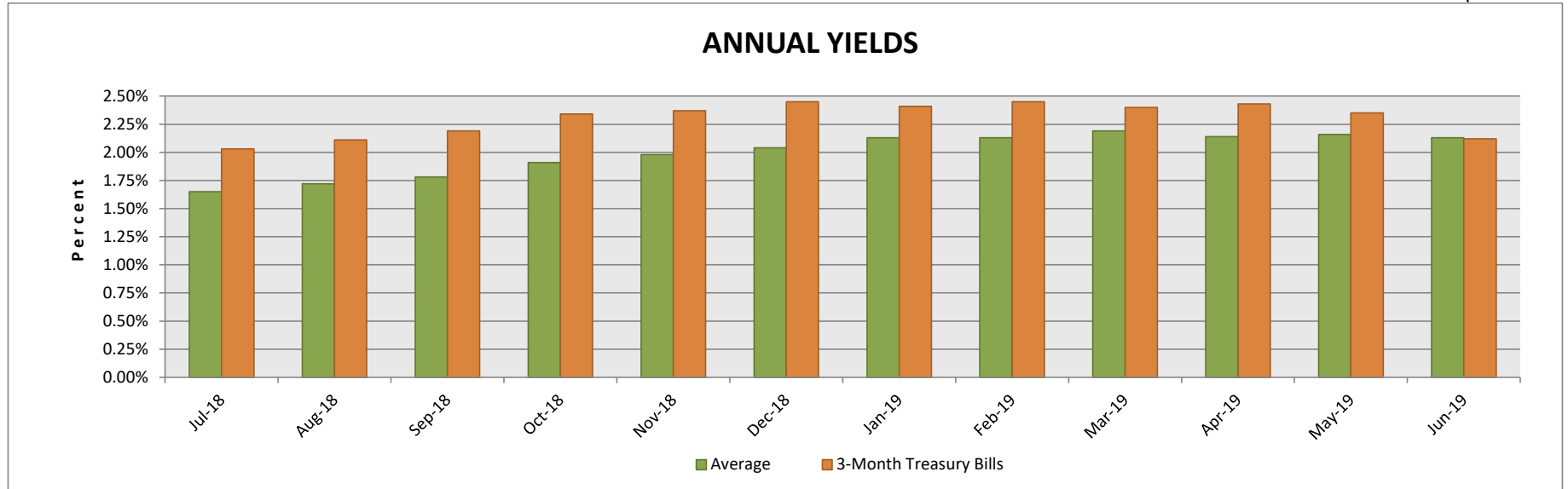
**AAA** Standard & Poor's, Moody's and Fitch rate credit quality on an A to C scale, with A generally regarded as "upper investment grade" and C as "speculative" (D would indicate default). Within each category are different gradients. The triple A rating indicates that the issuer's long term unsecured debt rating or specific investment instrument (such as money market funds) are of the highest credit quality (lowest expectation of risk.) The AAA rating is assigned only when there is exceptionally strong capacity for timely payment of financial commitments.

**A1-P1** Commercial Paper issues rated "A-1 by Standard and Poor's and "P-1" by Moody's have the greatest capacity for timely payment (least risk). Bi-State's investment policy permits purchase of A2-P2 commercial paper from issuers with a business presence in the St. Louis region.

**BI-STATE DEVELOPMENT  
ANNUAL INVESTMENT REPORT  
FOR MOST CURRENT 12 MONTHS**

| <b>Funds (ooo's omitted)</b> | Jul-18  | Aug-18  | Sep-18  | Oct-18  | Nov-18  | Dec-18  | Jan-19  | Feb-19  | Mar-19  | Apr-19  | May-19  | Jun-19         |
|------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| Bi-State Investments         | 164,121 | 147,195 | 139,434 | 179,184 | 172,679 | 172,578 | 183,814 | 181,363 | 183,380 | 186,569 | 169,974 | <b>180,786</b> |
| Bi-State Prop M Investments  | 46,107  | 45,691  | 43,847  | 45,384  | 45,217  | 45,084  | 44,562  | 44,618  | 43,659  | 44,110  | 44,407  | <b>44,968</b>  |
| Total                        | 210,228 | 192,886 | 183,281 | 224,568 | 217,896 | 217,662 | 228,376 | 225,981 | 227,039 | 230,679 | 214,381 | <b>225,754</b> |
| Trustee Investments          | 52,979  | 57,619  | 64,184  | 36,650  | 39,401  | 41,643  | 44,307  | 46,612  | 49,325  | 42,280  | 45,009  | <b>46,816</b>  |

| <b>Yields\Rates Information</b> | Jul-18       | Aug-18       | Sep-18       | Oct-18       | Nov-18       | Dec-18       | Jan-19       | Feb-19       | Mar-19       | Apr-19       | May-19       | Jun-19       |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Bi-State                        | 1.68%        | 1.77%        | 1.80%        | 1.95%        | 2.02%        | 2.07%        | 2.16%        | 2.15%        | 2.19%        | 2.14%        | 2.15%        | <b>2.12%</b> |
| Prop M                          | 1.55%        | 1.56%        | 1.70%        | 1.78%        | 1.83%        | 1.95%        | 2.02%        | 2.07%        | 2.15%        | 2.12%        | 2.19%        | <b>2.17%</b> |
| <b>Average</b>                  | <b>1.65%</b> | <b>1.72%</b> | <b>1.78%</b> | <b>1.91%</b> | <b>1.98%</b> | <b>2.04%</b> | <b>2.13%</b> | <b>2.13%</b> | <b>2.19%</b> | <b>2.14%</b> | <b>2.16%</b> | <b>2.13%</b> |
| Trustee                         | 1.97%        | 2.03%        | 2.24%        | 2.26%        | 2.25%        | 2.33%        | 2.30%        | 2.31%        | 2.33%        | 2.32%        | 2.29%        | <b>2.29%</b> |
| <b>3-Month Treasury Bills</b>   | <b>2.03%</b> | <b>2.11%</b> | <b>2.19%</b> | <b>2.34%</b> | <b>2.37%</b> | <b>2.45%</b> | <b>2.41%</b> | <b>2.45%</b> | <b>2.40%</b> | <b>2.43%</b> | <b>2.35%</b> | <b>2.12%</b> |
| 1 Year Treasury                 | 2.44%        | 2.46%        | 2.59%        | 2.69%        | 2.70%        | 2.63%        | 2.55%        | 2.54%        | 2.40%        | 2.39%        | 2.21%        | <b>1.92%</b> |
| Fed Funds (target)              | 2.00%        | 2.00%        | 2.25%        | 2.25%        | 2.25%        | 2.50%        | 2.50%        | 2.50%        | 2.50%        | 2.50%        | 2.50%        | <b>2.50%</b> |
| 20-Year Municipals              | 3.90%        | 3.96%        | 4.18%        | 4.30%        | 4.22%        | 4.10%        | 4.22%        | 4.22%        | 4.22%        | 3.79%        | 3.51%        | <b>3.50%</b> |
| SIFMA (BMA) Index (month end)   | 1.29%        | 1.56%        | 1.56%        | 1.61%        | 1.69%        | 1.63%        | 1.43%        | 1.74%        | 1.50%        | 2.12%        | 1.42%        | <b>1.90%</b> |



| Diesel Fuel Hedging Program - FY 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                |                    |                                |                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------------|--------------------------------|-----------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Diesel Fuel Budget \ Actual Comparison:</b> | <b>Jun-19</b>      | <b>Year to Date</b>            | <b>Life to Date</b>   |
| a                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Gallons consumed-actual                        | 466,220            | 5,440,014                      | 90,521,257            |
| b=(c/a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Average cost per gallon-actual                 | \$ 1.98            | \$ 2.14                        | \$ 2.10               |
| c                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Total Diesel Fuel Cost-Actual</b>           | <b>\$ 923,908</b>  | <b>\$ 11,626,321</b>           | <b>\$ 190,473,303</b> |
| d                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Gallons consumed- budget                       | 459,893            | 5,564,314                      | 94,528,835            |
| e=(f/d)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Average cost per gallon- budget                | \$ 1.85            | \$ 1.85                        | \$ 2.29               |
| f                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Total Diesel Fuel Cost- Budget</b>          | <b>\$ 850,802</b>  | <b>\$ 10,293,981</b>           | <b>\$ 216,789,386</b> |
| g=(f-c)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Budget Variance (Unfavorable)</b>           | <b>\$ (73,106)</b> | <b>\$ (1,332,340)</b>          | <b>\$ 26,316,083</b>  |
| h                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Realized Futures Gains (Losses)</b>         | <b>\$ 78,028</b>   | <b>\$ 1,584,568</b>            | <b>\$ 435,391</b>     |
| i=(c-h)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Net Cost of Fuel</b>                        | <b>\$ 845,880</b>  | <b>\$ 10,041,753</b>           | <b>\$ 190,037,912</b> |
| j=(i-f)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Net Budget Variance (Unfavorable)</b>       | <b>\$ 4,922</b>    | <b>\$ 252,228</b>              | <b>\$ 26,751,474</b>  |
| j=(i/f)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Net Cost of Fuel, Per Gallon, inc. Hedge       | \$ 1.81            | \$ 1.85                        | \$ 2.10               |
| k=(e-i)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Net Budget Variance Per Gallon                 | \$ 0.04            | \$ 0.00                        | \$ 0.19               |
| <b>Futures Activity:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                |                    | <b>Price of Barrel of Oil:</b> |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Futures Contracts Purchased                    | 18                 | <b>Date</b>                    | <b>Price</b>          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Futures Contracts Sold                         | 16                 | 02/28/2019                     | \$ 57.22              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Futures Contracts Net Change at month end      | 2                  | 03/29/2019                     | \$ 60.14              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Open Futures Contracts, at month end     | 114                | 04/30/2019                     | \$ 63.91              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Futures Contracts Unrealized Gain/(Loss) *     | \$677,922          | 05/31/2019                     | \$ 53.50              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (% of Estimated Future Consumption)            | 82%                | 06/30/2019                     | \$ 58.47              |
| <p>* = At month end</p> <p><b><u>Explanatory Notes:</u></b></p> <p>Consumption budgeted at approximately 120,000 gallons per week.</p> <p>Current diesel contracts: diesel =Platts +10.17 cents per gal.; B2 diesel= Platts + 10.93 cents per gal.</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 Ju 2018 through Jul 2020 (13 months).</p> <p><b><u>Background:</u></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  
Monthly Investment Report  
Report of Term Investment\* Purchases: June 2019**

| Item                                                   | Investment:  | Par Amount | Settled | Maturity Date | Term(days) | Yield | Purchased From | Fund |
|--------------------------------------------------------|--------------|------------|---------|---------------|------------|-------|----------------|------|
| *Note: There were no new investment purchases in June. |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |
|                                                        | <b>Total</b> | \$ -       |         |               |            |       |                |      |
|                                                        |              |            |         |               |            |       |                |      |

**Notes:**

\* Investments with an original term of over 14 days.

**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                                                        |         |       | Fitch Bank Rating |
|----------------------------------------------|------------------------------|----------------|--------------|-------------------------------------------------------------------------------|---------|-------|-------------------|
|                                              | S&P                          | Moody's        | Fitch        | S&P                                                                           | Moody's | Fitch |                   |
| Bank of America, N.A.                        | A+                           | Aa2            | AA           | A-1                                                                           | P-1     | F1+   | NA                |
| Commerce Bank                                | A                            | A2             |              | A-1                                                                           | P-1     |       | NA                |
| PNC Bank                                     | A                            | Aa2            | AA-          | A-1                                                                           | P-1     | F1+   | NA                |
| <b>Trust Companies:</b>                      |                              |                |              |                                                                               |         |       |                   |
| Bank of New York Mellon Trust                | AA-                          | Aa1            | AA+          | A-1+                                                                          | P-1     | F1+   | NA                |
| <b>Money Market Funds:</b>                   | <b>S&amp;P</b>               |                |              | <b>Moody's</b>                                                                |         |       |                   |
| Black Rock Fed Trust                         | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Black Rock Temp                              | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Black Rock T Fund                            | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| FFI Treasury Fund                            | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Columbia (BOA/Merrill) Money Market Reserves | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Columbia (BOA/Merrill) Government            | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Dreyfus Government Cash Management           | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Federated Treasury                           | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Federated Government                         | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Fidelity Government                          | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Fidelity Treasury                            | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Goldman Financial Government                 | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Invesco Government and Agency                | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| Wells Fargo Treasury                         | AAAm                         |                |              | Aaa-mf                                                                        |         |       |                   |
| <b>Other:</b>                                | <b>Long-Term Debt Rating</b> |                |              |                                                                               |         |       |                   |
|                                              | <b>S&amp;P</b>               | <b>Moody's</b> | <b>Fitch</b> |                                                                               |         |       |                   |
| AIG (2001 LRV Lease)                         | A+                           | A2             | A+           | <b>NA = Fitch overall bank ratings or LT debt ratings have been withdrawn</b> |         |       |                   |
| U.S. Treasury                                | AA+                          | Aaa            | AAA          |                                                                               |         |       |                   |
| Federal Home Loan Bank (FHLB)                | AA+                          | Aaa            |              |                                                                               |         |       |                   |
| Federal Farm Credit Bank (FCB)               | AA+                          | Aaa            | AAA          |                                                                               |         |       |                   |



| Bi-State Development                                                                             |                                                       |                                                        |                             |                      |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------|-----------------------------|----------------------|
| Mass Transit Sales Tax Appropriation Cross-County Bonds & St Louis County Loan                   |                                                       |                                                        |                             |                      |
| Series                                                                                           | 2009                                                  | 2013                                                   |                             | Total Cross County   |
|                                                                                                  | Refunding                                             | 2013A Bonds                                            | 2013B Loan                  |                      |
| Issue date                                                                                       | 9-Nov-09                                              | 1-Aug-13                                               | 1-Aug-13                    |                      |
| Principal (original)                                                                             | \$97,220,000                                          | \$381,225,000                                          | \$75,000,000                |                      |
| <b>Principal (currently outstanding)</b>                                                         | <b>\$97,220,000</b>                                   | <b>\$281,805,000</b>                                   | <b>\$135,000,000</b>        | <b>\$514,025,000</b> |
| Lien on 1\4 cent Prop M, Prop M2, Prop A tax                                                     | Senior                                                | Senior                                                 | Subordinate                 |                      |
| Stand alone credit rating (S&P\Moody's)                                                          | AA+\Aa3                                               | AA+\Aa2                                                | NA                          |                      |
| Maturity date(s)                                                                                 | 2023 – 2039                                           | 2048                                                   | 2053                        |                      |
| Optional Call Date                                                                               | 2019                                                  | Various                                                | Anytime                     |                      |
| Optional Put Date                                                                                | NA                                                    | NA                                                     | 2018                        |                      |
| Interest rate mode                                                                               | Fixed                                                 | Fixed                                                  | 1% + SIFMA                  |                      |
| Rate                                                                                             | 4.50%-5.00%                                           | 3.00%-5.00%                                            | 1.02%-1.06%                 |                      |
| Interest pmt. Dates (4/1 &10/1)                                                                  | April, October                                        | April, October                                         | April, October              |                      |
| <b>Annual debt service:</b>                                                                      |                                                       |                                                        |                             |                      |
| <b>Interest - FY 2019</b>                                                                        | <b>\$4,767,975</b>                                    | <b>\$14,027,937</b>                                    | <b>\$1,413,000</b>          | <b>\$20,208,912</b>  |
| <b>Principal - (Previous payment 10/1/18 - \$9,030,000) (next payment 10/1/19 - \$9,630,000)</b> | <b>\$0</b>                                            | <b>\$9,630,000</b>                                     | <b>\$0</b>                  | <b>\$9,630,000</b>   |
| <b>total princ.&amp;int.</b>                                                                     | <b>\$4,767,975</b>                                    | <b>\$23,657,937</b>                                    | <b>\$1,413,000</b>          | <b>\$29,838,912</b>  |
| Debt Service Reserve Fund (DSRF)                                                                 | \$9.1 million in DSRF with bond trustee, BONY-Mellon. | \$23.7 million in DSRF with bond trustee, BONY-Mellon. | NA                          |                      |
| Other                                                                                            | Refunded balance of 2002 A                            | Refunded Series 2002A,B,C, 2007, and Series 2010B      | Refunded Series 2010A Bonds |                      |



# Memorandum

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**To:** Audit, Finance and Administration Committee

**From:** Gregory A. Smith  
Vice President Purchasing, Materials Management and Supplier Diversity

**Date:** July 25, 2019

**Subject:** **Quarterly Procurement Activity Report**  
**Fourth Quarter Fiscal Year 2019**

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BSD Board Policy Chapter 50 Section 010 Paragraph N.3 requires that we provide quarterly reports to the Board relating to procurement activities, which exceed \$100,000, including contract modifications and award of options. The report format that has been used the past several years includes the key sections that are explained below.

**Section 1 – Non-Competitive Procurement Trend**

Federal regulations and Board Policy require that all procurements be conducted in a manner which fosters full and open competition. In certain instances however, competition is not feasible or practical. This section of the report summarizes the trend and relationship of non-competitive spend to total spend. All individual non-competitive contract awards exceeding \$100,000 are presented to the Board of Commissioners for approval prior to award. Other non-competitive expenditures must be approved by the appropriate Division Vice President, the Vice President of Procurement, and the President and CEO prior to award.

**Section 2 – Procurement Contract Awards**

This report lists all major (>\$100,000) contract awards during the reporting period and the relevant contract information for each. Information in this report is now listed in descending contract dollar value as requested previously by the Committee.

### **Section 3 – Contract Modifications**

This report lists all contract modification actions executed during the period where the total revised contract amount exceeds \$100,000. Contract modifications include changes to contract scope, exercise of options and extensions, or other actions effecting the contract term. Information in this report is listed in descending contract dollar value as requested previously by the Committee.

### **Section 4 – Davis Bacon Act Projects**

The Davis Bacon Act requires that all construction contracts financed with Federal assistance contain provisions requiring that all laborers and mechanics employed by the contractors or subcontractors to work on the project must be paid wages not less than those established for the area by the Secretary of Labor. The contractors listed in this section submit weekly “certified payrolls” to BSD, which we monitor in accordance with the regulatory requirements.

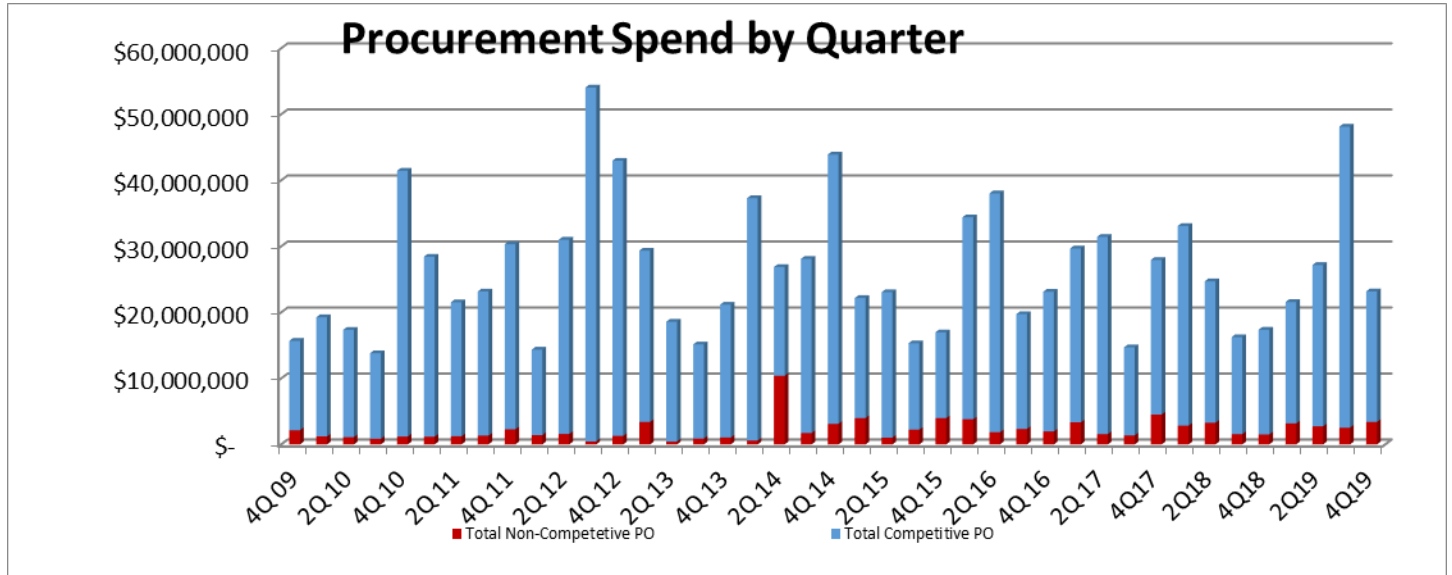
### **Section 5 – Procurement Card Administration**

BSD’s Procurement Department administers a Procurement Card Program, which provides a means for cardholders to procure low-dollar goods and services independently. This program reduces the administrative burden of processing Purchase Orders and Check Requests for small dollar purchases (typically less than \$2500). The report included in this section details the overall volume of transactions and information related to procedural violations and administrative actions on those violations.

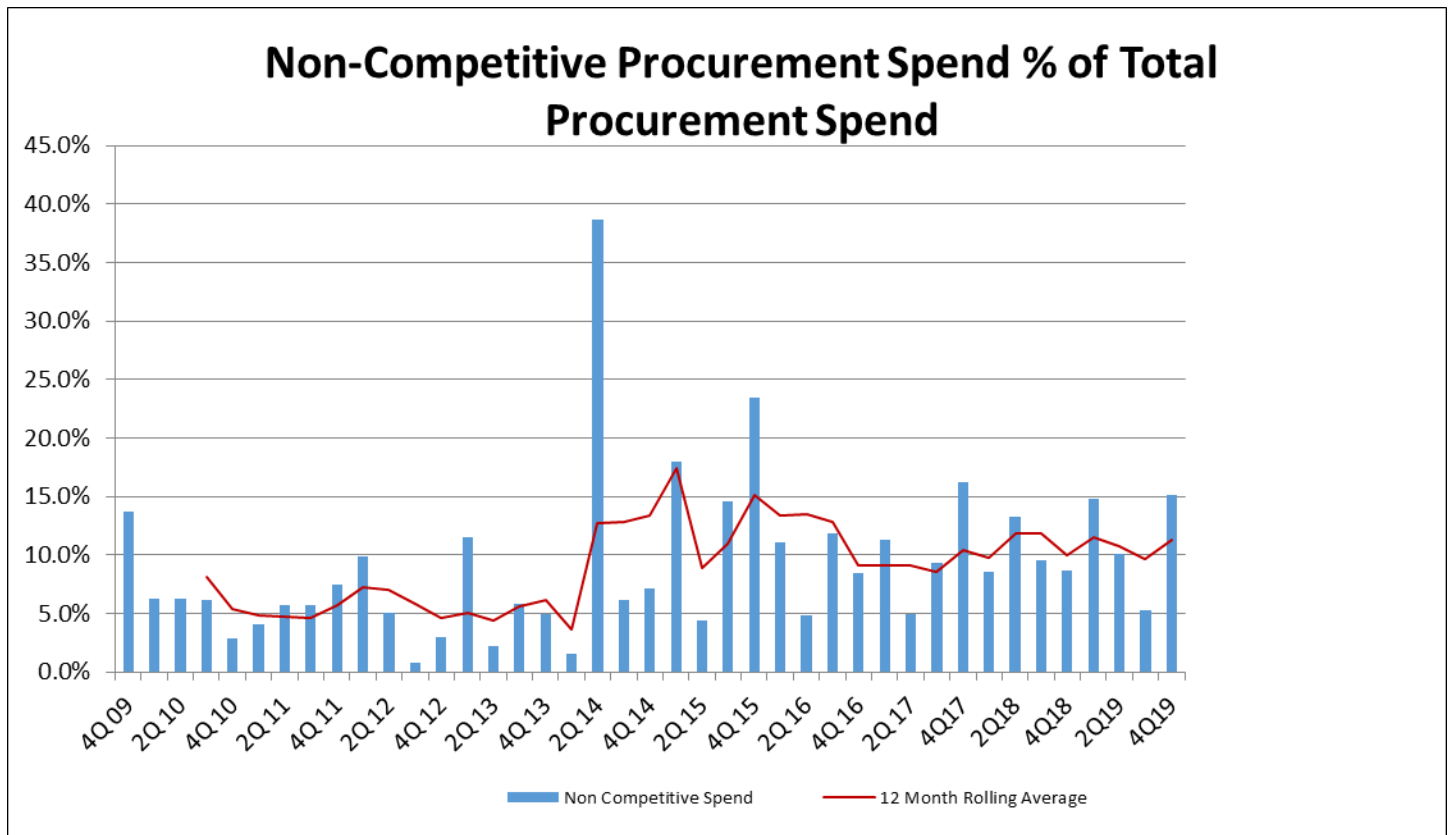
Please feel free to contact me with any suggestions, questions, or information requests that you may have.

**Procurement Activity Report**  
**Non-Competitive Procurement Trend**  
**Fourth Quarter FY2019**

Fourth Quarter 2019 Non-Competitive Procurements totaled \$3,406,119 or 15.1% of total Purchase Order Commitment volume of \$22,565,208.



Rolling last 12 months Non-Competitive Procurements totaled \$11,873,152 or 9.9% of total Purchase Order Commitment volume of \$119,437,807.



**NEW CONTRACT AWARDS EXCEEDING \$100,000  
JULY1, 2018 - JUNE, 30 2018**

| <u>Number</u> | <u>Rev</u> | <u>Description</u>                                                                                                                                                   | <u>Type</u>                 | <u>Order Date</u> | <u>Supplier</u>                       | <u>Amount</u> | <u>Buyer</u>           | <u>Closure Status</u> | <u>DBE Goal</u> |
|---------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------|---------------------------------------|---------------|------------------------|-----------------------|-----------------|
| 60589         | 0          | Sole Source-Scheidt & Bachmann-Fare Collection Software Support- Five Year Contract, Period of Performance August 1, 2018 - July 31, 2023                            | Contract Purchase Agreement | 7/17/18           | SCHEIDT & BACHMANN USA, INC           | \$ 1,648,000  | Johnson, Theresa       | Open                  | 0               |
| 61286         | 0          | 19-SB-105412-MD Switch Replacement/Upgrade, Base Year 1 Period of Performance September, 2018 to September, 2019                                                     | Standard Purchase Order     | 9/20/18           | WORLD WIDE TECHNOLOGY HOLDING, LLC    | \$ 1,223,817  | Dillard, Marian Denise | Open                  | 0               |
| 61379         | 0          | Arch Transportation System Tram Mechanics & Materials - FY19 Period of Performance July, 2018 - June 2019                                                            | Standard Purchase Order     | 9/28/18           | NATIONAL PARK SERVICE                 | \$ 1,135,590  | Dillard, Marian Denise | Open                  | 0               |
| 64120         | 0          | 18-RFP-105125-CB Design & Constrction Phase Services - Downtown Tunnel Repairs, Period of Perforance 330 calendar days                                               | Standard Purchase Order     | 4/29/19           | MODJESKI & MASTERS, INC               | \$ 869,768    | Bonds, Charcita M      | Open                  | 8%              |
| 61538         | 2          | 19-SB-105376-CB MO Ground Maintenance & Landscaping Services, Three Base Years and Two Option Years, Period of Performance October 15, 2018 - October 14, 2021       | Contract Purchase Agreement | 10/10/18          | BLUEGRASS LAWN CARE OF ST. LOUIS, LLC | \$ 861,315    | Bonds, Charcita M      | Open                  | 7%              |
| 63858         | 0          | 19-RFP-105718 MetroLink Stations Enhancements/Design. Period of Performance April 15, 2019 - July 15, 2020                                                           | Contract Purchase Agreement | 4/8/19            | WSP USA CORP                          | \$ 812,893    | Gates, Carol Renee     | Open                  | 11%             |
| 61873         | 0          | 18-SB-105065-CB IL Ground Maintenance & Landscaping Services, Three Base Years and Two Option Years, Period of Performance Nov. 1, 2018 - Oct. 31, 2021              | Contract Purchase Agreement | 11/1/18           | IDEAL LANDSCAPE GROUP                 | \$ 494,193    | Bonds, Charcita M      | Open                  | 7%              |
| 62197         | 0          | 18-RFP-105106-DGR Skinker Bridge Rehabilitation Design, Two Base Years, Period of Performance December, 2018 through December, 2020                                  | Contract Purchase Agreement | 11/29/18          | STV INCORPORATED                      | \$ 491,076    | Ramsay, David George   | Open                  | 14%             |
| 62285         | 2          | 18-RFP-105082-DR - Vision Insurance Services - Period of Performance: Three Base Years and Two Option Years Period of Performance January 1, 2019 - December 3, 2022 | Contract Purchase Agreement | 12/6/18           | EYEMED VISION CARE                    | \$ 422,194    | Rowey, Deborah M       | Open                  | 0               |

**NEW CONTRACT AWARDS EXCEEDING \$100,000  
JULY1, 2018 - JUNE, 30 2018**

| <u>Number</u> | <u>Rev</u> | <u>Description</u>                                                                                                                                                                         | <u>Type</u>                 | <u>Order Date</u> | <u>Supplier</u>                | <u>Amount</u> | <u>Buyer</u>         | <u>Closure Status</u> | <u>DBE Goal</u> |
|---------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------|--------------------------------|---------------|----------------------|-----------------------|-----------------|
| 63407         | 0          | 18-SB-105225-CB Brentwood Oil & Water Separator-<br>Period of Performance March 21, 2019 -<br>November 30, 2019                                                                            | Standard Purchase Order     | 3/11/19           | HARLAN COMPANY (THE)           | \$ 404,800    | Bonds, Charcita M    | Open                  | 8%              |
| 61621         | 0          | 18-RFP-105058-CG Independent Audit Services, Three<br>Base Years and Two Option Years, Period of Performance<br>December 16, 2018 - December 15, 2021                                      | Contract Purchase Agreement | 10/16/18          | RUBIN BROWN LLP                | \$ 387,615    | Gates, Carol Renee   | Open                  | 10%             |
| 61437         | 0          | Chassis, Freightliner 114SD/2019- Bucket / Boom Truck<br>with Rail Gear                                                                                                                    | Standard Purchase Order     | 10/3/18           | CTEC HOLDING CO LLC            | \$ 383,562    | Howard, Bryan L      | Open                  | 0%              |
| 61209         | 0          | Sole Source Transit Master Annual Maintenance<br>Agreement 07 01 18 - 06 30 19                                                                                                             | Contract Purchase Agreement | 9/12/18           | TRAPEZE SOFTWARE GROUP         | \$ 352,217    | Johnson, Theresa     | Open                  | 0               |
| 62916         | 0          | 19-SB-105471-DGR DeBaliviere Facility Masonry Repair<br>Period of Performance Feb, 2019 through Aug, 2019.                                                                                 | Contract Purchase Agreement | 2/4/19            | WESTERN WATERPROOFING CO       | \$ 327,337    | Ramsay, David George | Open                  | 5%              |
| 63743         | 0          | 19-SB-GSAGS5F303DA-CA BSD Storage Refresh                                                                                                                                                  | Standard Purchase Order     | 3/28/19           | SECURE DATA TECHNOLOGIES, INC. | \$ 320,376    | Gates, Carol Renee   | Open                  | 0               |
| 60646         | 0          | 18-SB-105089-CB Feeder Wire Rehabilitation &<br>Substation Watrproofing at MO-05, Period of<br>Performance July 24, 2018 - December 7, 2018                                                | Standard Purchase Order     | 7/23/18           | WISSEHR ELECTRIC, INC          | \$ 318,880    | Bonds, Charcita M    | Open                  | 15%             |
| 63903         | 0          | 19-SB-105591-CB Ultrasonic Rail Testing, Three Base<br>Years and Two Option Years, Period of Performance<br>December 1, 2018 - November 30, 2021                                           | Contract Purchase Agreement | 4/9/19            | SPERRY RAIL SERVICE            | \$ 318,000    | Bonds, Charcita M    | Open                  | 0               |
| 60412         | 0          | 18-RFP-104933-DR Gateway Arch Public Relations /<br>Communication Agency Services, Three Base Years and<br>Two Option Years - Period of Performance October 24,<br>2018 - October 23, 2021 | Contract Purchase Agreement | 7/10/18           | COMMON GROUND PUBLIC RELATIONS | \$ 300,000    | Rowey, Deborah M     | Open                  | 21%             |
| 61557         | 0          | 18-RFQ-105523-BH Winter Storm Supplies                                                                                                                                                     | Standard Purchase Order     | 10/12/18          | KIRKWOOD MATERIAL SUPPLY, INC. | \$ 240,750    | Howard, Bryan L      | Open                  | 0               |

**NEW CONTRACT AWARDS EXCEEDING \$100,000  
JULY1, 2018 - JUNE, 30 2018**

| <u>Number</u> | <u>Rev</u> | <u>Description</u>                                                                                                                                        | <u>Type</u>                 | <u>Order Date</u> | <u>Supplier</u>                          | <u>Amount</u> | <u>Buyer</u>           | <u>Closure Status</u> | <u>DBE Goal</u> |
|---------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------|------------------------------------------|---------------|------------------------|-----------------------|-----------------|
| 64305         | 0          | 19-RFP-105848-CG St. Clair County Transit District (COA) 2019 Period of Performance May 27, 2019 - February 26, 2020                                      | Contract Purchase Agreement | 5/14/19           | TRANSPORTATION MANAGEMENT & DESIGN, INC. | \$ 235,582    | Gates, Carol Renee     | Open                  | 0               |
| 62832         | 0          | 19-RFQ-105638-SG Food, Beverage, Produce, and Supply Items for the Gateway Riverboats/Dock Period of performance January 1, 2019 - December 31, 2019      | Standard Purchase Order     | 1/24/19           | US FOODSERVICE INC                       | \$ 200,500    | Griffin, Sandra P      | Open                  | 0               |
| 64657         | 0          | 19-RFP-105331-TJ Light Rail Digital Signs- 1ST Order For Prototypes Digital Signs For Trains                                                              | Standard Purchase Order     | 6/18/19           | ISC APPLIES SYSTEMS CORP                 | \$ 195,664    | Johnson, Theresa       | Open                  | 0               |
| 62081         | 0          | 18-RFP-105175-CB BSD Facility Pavement Maint & Mgmt Program, Period of Performance Dec. 1, 2018 - Sept. 30, 2019                                          | Standard Purchase Order     | 11/16/18          | THOUVENOT WADE AND MOERCHEN INC          | \$ 194,923    | Bonds, Charcita M      | Open                  | 7%              |
| 64659         | 0          | 19-RFP-105520-MD On-Call Information Technology Consulting Services - Tableau Consultant - Period of Performance July 2, 2019 - July 1, 2020              | Standard Purchase Order     | 6/18/19           | ADVANCED RESOURCES INC                   | \$ 187,200    | Dillard, Marian Denise | Open                  | 0               |
| 62200         | 0          | 19-RFQ-105523-BH Winter Supplies For Year 2018 Period of Performance January 1, 2019 - April 30, 2019                                                     | Standard Purchase Order     | 11/30/18          | GUNTHER SALT COMPANY                     | \$ 172,000    | Howard, Bryan L        | Open                  | 0               |
| 63209         | 0          | 19-SB-105737-CB, Pedestrian Access Control-Period of Performance February 26, 2019 - May 10, 2019                                                         | Standard Purchase Order     | 2/26/19           | RAINERI CONSTRUCTION, LLC                | \$ 142,650    | Bonds, Charcita M      | Open                  | 10%             |
| 62059         | 0          | 19-SB-105616-DH Project 2069 Batteries and Chargers One time buy                                                                                          | Standard Purchase Order     | 11/15/18          | MATTHEW L. NAVARRO                       | \$ 131,600    | Hill, Diana L          | Open                  | 100%            |
| 62787         | 0          | Robert Half Financial Consultant. Period of Performance January 1, 2019 - March 31, 2019                                                                  | Standard Purchase Order     | 1/18/19           | ROBERT HALF INTERNATIONAL INC            | \$ 130,104    | Gates, Carol Renee     | Open                  | 0               |
| 62485         | 0          | 19-RFQ-105763-CB Purchase of Unleaded Gasoline, Performance Period January 1, 2019 - March 31, 2019                                                       | Standard Purchase Order     | 12/20/18          | PETROLEUM TRADERS CORPORATION            | \$ 125,475    | Bonds, Charcita M      | Open                  | 0               |
| 62593         | 0          | 19-SB-105462-TJ Missouri Yards & Shop Facility Cleaning,Three Year Base with Two Option Years , Period of Performance February 4, 2019 - February 5, 2024 | Contract Purchase Agreement | 1/4/19            | STEELO CLEANING LLC                      | \$ 120,000    | Johnson, Theresa       | Open                  | 10%             |



**NEW CONTRACT AWARDS EXCEEDING \$100,000  
JULY1, 2018 - JUNE, 30 2018**

| <u>Number</u> | <u>Rev</u> | <u>Description</u>                                                                                                                                                                 | <u>Type</u>                 | <u>Order Date</u> | <u>Supplier</u>                 | <u>Amount</u> | <u>Buyer</u>           | <u>Closure Status</u> | <u>DBE Goal</u> |
|---------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------|---------------------------------|---------------|------------------------|-----------------------|-----------------|
| 63360         | 0          | 19-RFQ-105901-DR ERP Analyst II - Period of Performance - March 19, 2019 - October 3, 2019                                                                                         | Standard Purchase Order     | 3/6/19            | RANDSTAD NORTH AMERICA, LP      | \$ 119,600    | Dillard, Marian Denise | Open                  | 0               |
| 60538         | 0          | 18-SB-105249-CB Union Station Tunnel Asbestos Abatement, Period of Performance July 16, 2018 - October 12, 2018                                                                    | Standard Purchase Order     | 7/12/18           | MIDWEST ASBESTOS ABATEMENT CORP | \$ 118,880    | Bonds, Charcita M      | Open                  | 0               |
| 64195         | 0          | Microsoft Windows Server 2019 Datacenter-License-2 cores.                                                                                                                          | Contract Purchase Agreement | 5/6/19            | SHI INTERNATIONAL CORP          | \$ 117,149    | Gates, Carol Renee     | Open                  | 0               |
| 64121         | 0          | 19-RFP-105520-MD On-Call Information Technology Consulting Services for the Oracle Application DBA Consultant-Task Order 1 - Period of Performance May 6, 2019 to October 6, 2019. | Standard Purchase Order     | 4/29/19           | RANDSTAD NORTH AMERICA, LP      | \$ 117,000    | Dillard, Marian Denise | Open                  | 0               |
| 64271         | 0          | 19-RFP-105520-MD On-Call IT Consulting Services - Task Order 2 - Period of Performance - May 20, 2019 - November 20, 2019                                                          | Standard Purchase Order     | 5/10/19           | AMITECH SOLUTIONS, INC.         | \$ 114,400    | Dillard, Marian Denise | Open                  | 0               |
| 62833         | 0          | 19-RFQ-105638-SG Food, Beverage, Produce, and Supply Items for the Gateway Riverboats/Dock Period of performance January 1, 2019 - December 31, 2019                               | Standard Purchase Order     | 1/24/19           | SYSCO ST LOUIS LLC              | \$ 114,000    | Griffin, Sandra P      | Open                  | 0               |
| 62678         | 2          | 19-RFQ-105621-FP Conduct Healthcare Internal Audit. Period of Performance January 15, 2019 - January 14, 2020                                                                      | Standard Purchase Order     | 1/10/19           | BROWN SMITH WALLACE LLC         | \$ 111,935    | Paronish, Francis J Jr | Open                  | 0               |
| 63997         | 0          | 19-SS-106093-CG Professional Services for Jefferson National Expansion Memorial, One Base Year, Period of Performance April 1, 2019 - March 31. 2020                               | Contract Purchase Agreement | 4/18/19           | TARA RATH                       | \$ 110,000    | Gates, Carol Renee     | Open                  | 0               |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #        | Task Order | Mod # | Description                                       | Reason for Mod                          | Contractor                                                                               | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount   | Revised Contract Amount | Funding Source                              | # Days Extend | # of Extension to Date |
|-------------------|------------|-------|---------------------------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------|-------|--------------------------|------------------------|----------|--------------|-------------------------|---------------------------------------------|---------------|------------------------|
| 13-RFP-5980-SG    |            | 16    | Security & Fare Enforcement Services              | Additional Funds/180 Day Extension      | Securitas Security Services USA, Inc                                                     | 10%   | \$ 3,235,705             | \$ 23,672,393          | 03/06/19 | \$ 4,971,414 | \$ 31,879,512           | Operations                                  | 180           | 2                      |
| 13-RFP-5980-SG    |            | 15    | Security & Fare Enforcement Services              | Additional Funds Time Extension         | Securitas Security Services USA, Inc                                                     | 10%   | \$ 3,235,705             | \$ 18,700,980          | 08/14/18 | \$ 4,971,414 | \$ 26,908,098           | Operations                                  | 180           | 1                      |
| 13-RFP-5949-DH    |            |       | Communications System Agreement                   | Change Order                            | Motorola Solutions, Inc.                                                                 | 0%    | \$ 13,000,000            | \$ (346,837)           | 01/08/19 | \$ 346,837   | \$ 13,000,000           | MO-05-0028<br>MO-90-X231<br>Prop M<br>SCCTD | 0             | 0                      |
| 18-RFP-103593-DGR |            | 2     | CM/GC for Union Station Tunnel                    | Additional Funds                        | Kiewit Infrastructure Company                                                            | 20%   | \$ 241,944               | \$ 9,935,750           | 02/14/19 | \$ 1,487,000 | \$ 11,664,694           | MO-90-X296 &<br>Prop M                      | 0             | 0                      |
| 18-RFP-103593-DGR |            | 1     | CM/GC for Union Station Tunnel                    | Incorporate Early Work Packages         | Kiewit Infrastructure Company                                                            | 20%   | \$ 241,944               | \$ -                   | 01/24/19 | \$ 9,935,750 | \$ 10,177,694           | MO-90-X296<br>MO-95-X257 &<br>Prop M        | 0             | 0                      |
| 14-SB-99550-SM/CG |            | 6     | MetroLink Station Cleaning                        | Change in Scope                         | Katsam Enterprises                                                                       | 15%   | \$ 5,770,470             | \$ 4,030,078           | 03/26/19 | \$ 143,620   | \$ 9,944,168            | Operations                                  | 0             | 0                      |
| 14-SB-99550-SM/CG |            | 5     | MetroLink Station Cleaning                        | Exercise Option Yr 2<br>Additional work | Katsam Enterprises                                                                       | 15%   | \$ 5,770,470             | \$ 1,981,201           | 09/24/18 | \$ 2,048,878 | \$ 9,800,548            | Operations                                  | 0             | 0                      |
| 14-RFP-99536-DR   |            | 3     | Temporary Help Services<br>Exercise Option Year 2 | Option Year 2                           | Above All,<br>Manpower,<br>Staffing Solutions,<br>Stivers Staffing,<br>Ultimate Staffing | 0%    | \$ 4,305,376             | \$ 1,580,114           | 11/30/18 | \$ 1,502,996 | \$ 7,388,486            | Operations                                  | 0             | 0                      |
| 17-SB-104149-DR   |            | 10    | Boyle Ave/CWE Metrolink Station - Facilities      | Additional Funds /Time Extension        | L Keeley Contruction                                                                     | 14%   | \$ 6,405,349             | \$ 150,767             | 06/13/19 | \$ 54,763    | \$ 6,610,879            | MO-79-X004 &<br>Cortex                      | 60            | 2                      |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #        | Task Order   | Mod # | Description                                                                     | Reason for Mod                      | Contractor                                                  | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount   | Revised Contract Amount | Funding Source        | # Days Extend | # of Extension to Date |
|-------------------|--------------|-------|---------------------------------------------------------------------------------|-------------------------------------|-------------------------------------------------------------|-------|--------------------------|------------------------|----------|--------------|-------------------------|-----------------------|---------------|------------------------|
| 17-SB-104149-DR   |              | 8     | Boyle Ave/CWE Metrolink Station - Facilities                                    | Costs Related to Change Order 6     | L Keeley Construction                                       | 14%   | \$ 6,405,349             | \$ 51,676              | 12/13/18 | \$ 99,091    | \$ 6,556,116            | MO-79-X004 & Cortex   | 0             | 0                      |
| 17-SB-104149-DR   |              | 7     | Boyle Ave/CWE Metrolink Station - Facilities                                    | Additional Funds                    | L Keeley Construction                                       | 14%   | \$ 6,405,349             | \$ 39,459              | 11/19/18 | \$ 12,217    | \$ 6,457,025            | MO-79-X004 & Cortex   | 0             | 0                      |
| 17-SB-104149-DR   |              | 6     | Cortex Sub Platform Box and Conduit Revision                                    | Change in Scope                     | L Keeley Construction                                       | 14%   | \$ 6,405,349             | \$ (32,282)            | 08/21/18 | \$ 70,741    | \$ 6,443,808            | MO-79-X004 & Cortex   | 0             | 0                      |
| 17-SB-104149-DR   |              | 4     | Boyle Ave./CWE MetroLink Station - Facilities                                   | Additional Work Additional Funds    | L. Keeley Construction                                      | 0%    | \$ 6,405,349             | \$ (33,879)            | 07/17/18 | \$ 2,592     | \$ 6,374,062            | MO-79-X004 and Cortex | 0             | 0                      |
| 17-SB-104149-DR   |              | 5     | Boyle Ave./CWE MetroLink Station - Facilities                                   | Correction on Funds Total           | L. Keeley Construction                                      | 0%    | \$ 6,405,349             | \$ (31,287)            | 07/17/18 | \$ -         | \$ 6,374,062            | MO-79-X004 and Cortex | 180           | 1                      |
| 17-SB-104149-DR   | CO 9,12, &13 | 3     | Boyle Ave./CWE MetroLink Station - Facilities                                   | Change in Scope                     | L. Keeley Construction                                      | 0%    | \$ 6,405,349             | \$ (118,910)           | 07/17/18 | \$ 85,036    | \$ 6,371,475            | MO-79-X004 and Cortex | 0             | 0                      |
| 16-SB-101846-DGR  |              | 5     | Spruce Street Bridge Replacement                                                | Change Orders and Credit Adjustment | Kozeny Wagner, Inc..                                        | 8%    | \$ 5,283,793             | \$ 263,096             | 10/29/18 | \$ 49,739    | \$ 5,596,628            | MO-54-0001/Prop M     | 0             | 0                      |
| 15-RFP-101355-DR  |              | 2     | Medical ASO & Stop Loss Coverage (Employment Assistance Program (EAP) Services) | Option Year 1                       | Cigna Health and Life Insurance and Cigna Behavioral Health | 0%    | \$ 3,721,760             | \$ 1,000               | 03/08/19 | \$ 1,349,191 | \$ 5,071,951            | Operations            | 0             | 0                      |
| 17-RFP-103314-DGR |              | 2     | Union Station Tunnel Rehabilitation Design                                      | Change in Scope                     | Modjeski & Masters, Inc.                                    | 10%   | \$ 4,432,067             | \$ 71,203              | 01/30/19 | \$ 99,233    | \$ 4,602,503            | MO 54-0001 and Prop M | 0             | 0                      |
| 14-RFP-100998-DR  |              | 12    | Metro Operator Uniforms                                                         | Option Year 2                       | Leon Uniform Company                                        | 0%    | \$ 2,986,444             | \$ 865,000             | 05/10/19 | \$ 750,000   | \$ 4,601,444            | Uniform Budget        | 0             | 0                      |

Contract Modifications FY 2019

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| Contract #        | Task Order | Mod # | Description                                                                                            | Reason for Mod                        | Contractor                    | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount   | Revised Contract Amount | Funding Source                                       | # Days Extend | # of Extension to Date |
|-------------------|------------|-------|--------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------|-------|--------------------------|------------------------|----------|--------------|-------------------------|------------------------------------------------------|---------------|------------------------|
| 17-RFP-103314-DGR |            | 1     | Union Station Tunnel Rehabilitation Design                                                             | Change in Scope                       | Modjeski & Masters, Inc.      | 10%   | \$ 4,432,067             | \$ -                   | 11/20/18 | \$ 71,203    | \$ 4,503,270            | MO 54-0001 and Prop M                                | 0             | 0                      |
| 15-101402-TJ      |            | 4     | Missouri & Illinois Railcar Cleaning                                                                   | Exercise Option Yr 2                  | MERS Goodwill                 | 15%   | \$ 1,221,569             | \$ 1,344,420           | 08/24/18 | \$ 976,967   | \$ 3,542,957            | Operations                                           | 0             | 0                      |
| 16-SB-101807-DGR  |            | 4     | JNEM Gateway Arch Exhibit Rehabilitation                                                               | Additional Funds                      | Conference Technologies, Inc. | 0%    | \$ 2,244,420             | \$ 743,424             | 06/10/19 | \$ 46,210    | \$ 3,034,054            | JNEM Beneficial Fund                                 | 180           | 2                      |
| 13-RFP-5975-SS/MD |            | 4     | Rebranding the Gateway Arch Riverfront CityArchRiver(CAR) Jefferson National Expansion Memorial (JNEM) | Additional Funds/180 Day Extension    | Dovetail Inc.                 | 15%   | \$ 993,750               | \$ 1,386,500           | 03/19/19 | \$ 208,618   | \$ 2,588,868            | Jefferson National Expansion Memorial (JNEM)         | 180           | 1                      |
| 16-RFP-102111-CG  |            | 3     | On Call GEC Services/Multiple Disciplines                                                              | Additional Funds                      | Jacobs Engineering            | 0%    | \$ 500,000               | \$ 1,000,000           | 05/09/19 | \$ 1,000,000 | \$ 2,500,000            | Capital Projects Local Funding, FTA, Operating Funds | 0             | 0                      |
| 17-SB-103545-CB   |            | 1     | Elevator Rehab - 6 Units - MO                                                                          | Additional Expenses                   | The Harlan Company            | 0%    | \$ 2,145,450             | \$ -                   | 12/10/18 | \$ 258,119   | \$ 2,403,569            | FTA: MO-05-0028, MO-54-0001, & MO-90-X204            | 0             | 0                      |
| 16-RFP-102633-CB  |            | 2     | Track Maintenance Services                                                                             | Base Yr 3                             | Ironhorse, Inc.               | 0%    | \$ 489,944               | \$ 779,557             | 08/03/18 | \$ 780,252   | \$ 2,049,752            | Operations                                           | 0             | 0                      |
| 14-RFP-99256-DAB  |            | 3     | Brentwood Facility Cleaning                                                                            | Exercise Option Yr 3                  | ISS Facility Services, Inc.   | 25%   | \$ 791,168               | \$ 791,168             | 07/02/18 | \$ 395,584   | \$ 1,977,919            | Operations                                           | 0             | 0                      |
| 14-SB-99459-TJ    |            | 3     | DeBaliviere Center Cleaning                                                                            | Exercise Option Yr 3 Additional Funds | ISS Facility Cleaning         | 15%   | \$ 739,359               | \$ 739,680             | 08/09/18 | \$ 370,000   | \$ 1,849,039            | Operations                                           | 0             | 0                      |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #          | Task Order  | Mod # | Description                                               | Reason for Mod                    | Contractor                       | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source                    | # Days Extend | # of Extension to Date |
|---------------------|-------------|-------|-----------------------------------------------------------|-----------------------------------|----------------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|-----------------------------------|---------------|------------------------|
| 15-SB-101528-CG     | Sole Source | 2     | Oracle Annual Maintnace E-Business Suite                  | Exercise Option Yr 2              | Mythics, Inc.                    | 0%    | \$ 894,867               | \$ 465,419             | 07/02/18 | \$ 479,382 | \$ 1,839,668            | Operations                        | 0             | 0                      |
| 17-SB-104151-DGR    |             | 1     | Boyle Avenue Station & CWE Platform Extension Package 2   | Additional Work Time Extension    | Railworks Track Services, Inc.   | 0%    | \$ 1,808,394             | \$ -                   | 08/08/18 | \$ -       | \$ 1,808,394            | MO-79-X004 Cortex                 | 180           | 1                      |
| 15-SB-101602-CG     |             | 2     | Tree Maintenance Services                                 | Exercise Option Yr 1              | Happy Tree Service, LLC          | 0%    | \$ 918,000               | \$ 225,000             | 07/26/18 | \$ 306,000 | \$ 1,449,000            | JNEM Beneficial Fund              | 0             | 0                      |
| 13-SB-5989-CB       |             | 6     | Missouri Ground Maintenance & Landscaping Services        | Time Extension                    | Ideal Landscape Management, Inc. | 17%   | \$ 465,948               | \$ 728,459             | 07/13/18 | \$ 105,000 | \$ 1,299,407            | Operations                        | 180           | 2                      |
| 13-SB-5990-CB       |             | 5     | Illinois Ground Maintenance & Landscaping                 | Additional Funds                  | Ideal Landscape Management, Inc. | 15%   | \$ 386,710               | \$ 663,541             | 07/13/18 | \$ 100,000 | \$ 1,150,251            | Operations                        | 90            | 1                      |
| 12-RFP-5919-MM      |             | 9     | Downtown Transfer Center                                  | Adminstrative Services            | Arcturis                         | 15%   | \$ 558,657               | \$ 518,744             | 01/16/19 | \$ 44,451  | \$ 1,121,852            | FTA Grant # MO-90-X296 and Prop M | 0             | 0                      |
| 14-RFP-99505-DR     |             | 2     | Voluntary Critical Illness and Accident Insurance Program | Option Year 2                     | Allstate Benefits                | 0%    | \$ 541,453               | \$ 28,000              | 01/14/19 | \$ 482,500 | \$ 1,051,953            | Operations                        | 0             | 0                      |
| 18-SB-104724-BH     |             | 1     | DeBaliviere Bus Cleaning Service                          | Option Year 1                     | MERS Goodwill                    | 10%   | \$ 517,148               | \$ -                   | 03/29/19 | \$ 517,148 | \$ 1,034,296            | Operations                        | 0             | 0                      |
| 15-RFP-101101-VH-MD |             | 2     | Metro Cell Phone Services                                 | Additional Funds/90 Day Extension | Sprint Solutions                 | 0%    | \$ 432,000               | \$ 432,000             | 03/15/19 | \$ 54,000  | \$ 918,000              | Operations                        | 90            | 0                      |
| 15-RFP-101101-VH-MD |             | 3     | Metro Cell Phone Services                                 | Time Extension                    | Sprint Solutions                 | 0%    | \$ 432,000               | \$ 486,000             | 05/21/19 | \$ -       | \$ 918,000              | Operations                        | 90            | 0                      |

Contract Modifications FY 2019

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| Contract #       | Task Order | Mod # | Description                                                  | Reason for Mod                        | Contractor                      | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount  | Revised Contract Amount | Funding Source           | # Days Extend | # of Extension to Date |
|------------------|------------|-------|--------------------------------------------------------------|---------------------------------------|---------------------------------|-------|--------------------------|------------------------|----------|-------------|-------------------------|--------------------------|---------------|------------------------|
| 17-SB-104152-CB  |            | 4     | Boyle Avenue & Central West End Signals                      | Change in Scope                       | Wissenhr Electrical Contractors | 0%    | \$ 726,787               | \$ 87,121              | 03/01/19 | \$ 101,540  | \$ 915,448              | FTA: MO-79-X004 & CORTEX | 0             | 0                      |
| 17-SB-104164-BH  |            | 2     | Brentwood Bus Cleaning                                       | Additional Funds                      | Inex Services Inc.              | 11%   | \$ 598,712               | \$ 224,202             | 07/17/18 | \$ 36,400   | \$ 859,314              | Operations               | 0             | 0                      |
| 16-RFP-103082-DR |            | 1     | Budget & Capital Planning Software System and Implementation | Time Extension                        | Tagetik North America, LLC      | 0%    | \$ 856,763               | \$ -                   | 05/16/19 | \$ -        | \$ 856,763              | MO-90-X296 & Prop M      | 180           | 1                      |
| 17-SB-104152-CB  |            | 5     | Boyle Avenue & Central West End Signals                      | Contingency Allowance Credit          | Wissenhr Electrical Contractors | 0%    | \$ 726,787               | \$ 188,661             | 05/16/19 | \$ (83,387) | \$ 832,061              | FTA: MO-79-X004 & CORTEX | 0             | 0                      |
| 17-SB-104152-CB  |            | 3     | Boyle Avenue & Central West End Signals                      | Incorporate PCRs                      | Wissenhr Electrical Contractors | 0%    | \$ 726,787               | \$ 70,702              | 01/17/19 | \$ 16,418   | \$ 813,907              | FTA: MO-79-X004 & CORTEX | 0             | 0                      |
| 17-SB-103880-DAB |            | 1     | Call-A-Ride Van Cleaning Service                             | Option Year 1                         | MERS Goodwill                   | 12%   | \$ 523,932               | \$ -                   | 03/08/19 | \$ 261,966  | \$ 785,898              | Operations               | 0             | 0                      |
| 14-RFP-98761-DR  |            | 3     | Health & Welfare Consultant Services                         | Option Year 2                         | Arthur J. Gallagher & Co.       | 0%    | \$ 427,000               | \$ 160,934             | 11/05/18 | \$ 142,000  | \$ 729,934              | Operations               | 0             | 0                      |
| 17-SB-103489-DAB |            | 2     | Central Main Facilities Cleaning Svcs                        | Exercise Option Yr 1 Additional Funds | LRL Commercial Cleaning         | 12%   | \$ 443,026               | \$ 56,400              | 09/24/18 | \$ 221,060  | \$ 720,486              | Operations               | 0             | 0                      |
| 18-SB-105002-BH  |            | 1     | Illinois Bus Cleaning Services                               | Option Year 1                         | Innex Service company, Inc.     | 10%   | \$ 348,046               | \$ -                   | 05/22/19 | \$ 348,046  | \$ 696,092              | Operations               | 0             | 0                      |
| 18-SB-104767-CG  |            | 2     | Fire Extinguisher Services                                   | Additional Funds                      | Weber Fire & Safety             | 0%    | \$ 592,296               | \$ 47,915              | 03/20/19 | \$ 15,970   | \$ 656,181              | Operations               | 0             | 0                      |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #        | Task Order | Mod # | Description                                                                | Reason for Mod                       | Contractor                    | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source         | # Days Extend | # of Extension to Date |
|-------------------|------------|-------|----------------------------------------------------------------------------|--------------------------------------|-------------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|------------------------|---------------|------------------------|
| 18-SB-104767-CG   |            | 1     | Fire Extinguisher Services                                                 | Additional Funds Base Year 1         | Weber Fire & Safety           | 0%    | \$ 592,296               | \$ -                   | 11/15/18 | \$ 47,915  | \$ 640,211              | Operations             | 0             | 0                      |
| 13-SB-6013-TJ     |            | 1     | Missouri Yards & Shop Facility Cleaning                                    | 2nd 90 Day Extension                 | World Management              | 17%   | \$ 333,542               | \$ 249,361             | 11/02/18 | \$ 27,000  | \$ 609,903              | Operations             | 90            | 0                      |
| 13-SB-6013-TJ     |            | 3     | Missouri Yards & Shop Facility Cleaning                                    | Additional Funds Time Extension      | World Management              | 17%   | \$ 333,542               | \$ 222,361             | 08/22/18 | \$ 27,000  | \$ 582,903              | Operations             | 90            | 1                      |
| 16-SB-102814-TJ   |            | 4     | North County Transit Center Cleaning                                       | Additional Funds                     | MERS Goodwill                 | 10%   | \$ 140,483               | \$ 397,065             | 02/26/19 | \$ 34,728  | \$ 572,276              | Operations             | 90            | 0                      |
| 17-SB-104153-CG   |            | 3     | Boyle Avenue Station and CWE Platform Extension Package 4 - Communications | Time Extension                       | Sachs Electric Company        | 9%    | \$ 540,645               | \$ -                   | 07/19/18 | \$ -       | \$ 540,645              | FTA MO-79-X004 Cortex  | 180           | 2                      |
| 16-SB-102814-TJ   |            | 3     | North County Transit Center Cleaning                                       | Exercise Option Yr 2 Change in Scope | MERS Goodwill                 | 10%   | \$ 140,483               | \$ 153,283             | 07/27/18 | \$ 243,782 | \$ 537,548              | Operations             | 90            | 1                      |
| 18-RFP-105106-DGR |            | 1     | Skinker Bridge Rehabilitation Design                                       | Change in Scope                      | STV, Inc.                     | 14%   | \$ 491,076               | \$ -                   | 04/02/19 | \$ 27,394  | \$ 518,470              | MO-54-0001 and Prop M  | 0             | 0                      |
| 16-RFP-102014-DR  |            | 1     | Risk Management Information System                                         | Option Year 1                        | Computer Sciences Corporation | 0%    | \$ 357,789               | \$ -                   | 05/15/19 | \$ 71,824  | \$ 429,613              | Operations             | 0             | 0                      |
| 16-RFP-102791-CG  |            | 1     | On Call GEC Services/Traction Power Engineering Services                   | Option Year 1                        | STV, Inc.                     | 0%    | \$ 300,000               | \$ -                   | 03/22/19 | \$ 100,000 | \$ 400,000              | Various per Task Order | 0             | 0                      |
| 17-RFP-103834-CG  |            | 3     | e-Builder Software                                                         | Option Year 2                        | e-Builder, Inc.               | 0%    | \$ 206,605               | \$ 116,585             | 02/16/19 | \$ 75,835  | \$ 399,025              | Operations             | 0             | 0                      |

Contract Modifications FY 2019

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| Contract #           | Task Order | Mod # | Description                                                    | Reason for Mod                  | Contractor                      | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source          | # Days Extend | # of Extension to Date |
|----------------------|------------|-------|----------------------------------------------------------------|---------------------------------|---------------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|-------------------------|---------------|------------------------|
| 18-SB-104863-TJ      |            | 1     | Civic Center Facility Cleaning                                 | Option Year 1                   | Katsam LLC                      | 9%    | \$ 198,856               | \$ -                   | 04/17/19 | \$ 198,856 | \$ 397,712              | Operations              | 0             | 0                      |
| 18-SB-104776-DGR     |            | 2     | JNEM Site Signage                                              | Additional Funds                | The Harlan Company              | 0%    | \$ 316,900               | \$ -                   | 03/25/19 | \$ 69,084  | \$ 385,984              | JNEM Beneficial Fund    | 0             | 0                      |
| 18-RFP-104845-DR     |            | 1     | Northside-Southside Corridor TOD Planning Study                | Additional Funds/Time Extension | Farr Associates                 | 10%   | \$ 375,000               | \$ -                   | 05/15/19 | \$ 5,000   | \$ 380,000              | FTA, SLDC               | 30            | 1                      |
| 18-RFP-104576-SG     |            | 1     | Passenger Counting & Surveying                                 | Exercise 2 Option Years         | Above All Personnel             | 10%   | \$ 165,800               | \$ -                   | 10/01/18 | \$ 165,755 | \$ 331,555              | Operations              | 0             | 0                      |
| 18-RFP-105185-DW/DGR |            | 1     | NPS John Rippy Contract                                        | Additional Funds/ Option Year 1 | John Rippy                      | 0%    | \$ 150,000               | \$ -                   | 05/15/19 | \$ 180,000 | \$ 330,000              | JNEM Operations         | 0             | 0                      |
| 18-SB-105089-CB      |            | 2     | Feeder Wire Rehabilitation & Substation Waterproofing at MO-05 | Remove Underground Obstruction  | Wissenhr Electrical Contractors | 15%   | \$ 318,800               | \$ -                   | 01/28/19 | \$ 10,557  | \$ 329,357              | FTA MO-05-0028 & Prop M | 90            | 1                      |
| 18-SB-105089-CB      |            | 3     | Feeder Wire Rehabilitation & Substation Waterproofing at MO-05 | Time Extension                  | Wissenhr Electrical Contractors | 15%   | \$ 318,800               | \$ 10,557              | 03/06/19 | \$ -       | \$ 329,357              | FTA MO-05-0028 & Prop M | 90            | 1                      |
| 18-SB-105089-CB      |            | 1     | Feeder Wire Rehabilitation & Substation Waterproofing at MO-05 | Time Extension                  | Wissenhr Electrical Contractors | 15%   | \$ 318,800               | \$ -                   | 12/16/18 | \$ -       | \$ 318,800              | FTA MO-05-0028 & Prop M | 90            | 1                      |
| 18-SB-104776-DGR     |            | 1     | JNEM Site Signage                                              | Time Extension                  | The Harlan Company              | 0%    | \$ 316,900               | \$ -                   | 07/25/18 | \$ -       | \$ 316,900              | JNEM Beneficial Fund    | 106           | 1                      |



**Contract Modifications FY 2019**

July 1, 2018 - June 30, 2019

| Contract #           | Task Order | Mod # | Description                                                           | Reason for Mod                  | Contractor                            | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source | # Days Extend | # of Extension to Date |
|----------------------|------------|-------|-----------------------------------------------------------------------|---------------------------------|---------------------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|----------------|---------------|------------------------|
| 15-RFP-101423-SG     |            | 5     | Temporary Employee Services for Quality Control Observation (Spotter) | Additional Funds                | Above All Personnel                   | 0%    | \$ 50,650                | \$ 245,950             | 03/19/19 | \$ 19,350  | \$ 315,950              | Operations     | 0             | 0                      |
| 16-SB-102491-TJ      |            | 2     | Uniform Rental & Cleaning Services                                    | Exercise Option Yr 1            | Aramark                               | 0%    | \$ 167,773               | \$ 35,000              | 08/14/18 | \$ 107,297 | \$ 310,070              | Operations     | 1             | 0                      |
| 17-SB-103729-CG      |            | 2     | Oracle Analytics Software/ Maintenance                                | Annual Maintenance              | Mythics, Inc.                         | 0%    | \$ 198,851               | \$ 36,935              | 10/30/18 | \$ 38,042  | \$ 273,828              | Operations     | 1             | 0                      |
| 16-RFP-102859-DR     |            | 4     | Pre-Employment Background Investigation Services                      | Option Year 2                   | AccuSource, Inc.                      | 0%    | \$ 75,000                | \$ 107,000             | 11/27/18 | \$ 75,000  | \$ 257,000              | Operations     | 1             | 0                      |
| 16-SB-102788-CB      |            | 6     | Refuse Removal Services                                               | Option Year 2                   | Allied Waste Services                 | 0%    | \$ 76,347                | \$ 96,458              | 05/29/19 | \$ 82,542  | \$ 255,347              | Operations     | 0             | 0                      |
| 13-RFP-5991-DR/VH/MD | 7a         | 1     | On Call Information Technology Consulting Services                    | Additional Funds/Time Extension | Randstad Technologies                 | 0%    | \$ 150,000               | \$ -                   | 03/05/19 | \$ 97,440  | \$ 247,440              | Operations     | 180           | 1                      |
| 15-RFP-101423-SG     |            | 4     | Temporary Employee Services for Quality Control Observation (Spotter) | Exercise Option Yr 1            | Above All Personnel                   | 0%    | \$ 50,650                | \$ 195,300             | 07/02/18 | \$ 50,650  | \$ 296,600              | Operations     | 0             | 0                      |
| 17-SB-104294-TJ      |            | 1     | St. Clair Yards & Shops                                               | Additional Work                 | MERS Goodwill                         | 10%   | \$ 219,963               | \$ -                   | 09/18/18 | \$ 15,000  | \$ 234,963              | Operations     | 0             | 0                      |
| 16-RFP-102703-SG     |            | 3     | Testing of Fire Protection Systems                                    | Option Year 2                   | Gateway Fire Protection Systems, Inc. | 0%    | \$ 43,732                | \$ 119,617             | 06/04/19 | \$ 54,276  | \$ 217,625              | Operations     | 0             | 0                      |
| 17-RFP-103939-SG     |            | 1     | Bi-State Development Broker of Record Service                         | Base Year 2/ Additional Funding | McGriff, Seibels & Williams           | 0%    | \$ 199,500               | \$ -                   | 11/15/18 | \$ 14,000  | \$ 213,500              | Operations     | 0             | 0                      |
| 15-RFQ-101635-TJ     |            | 2     | Fuel Price Risk Management Consulting Services                        | Option Year 2                   | Linwood Capital LLC                   | 0%    | \$ 126,000               | \$ 42,000              | 06/17/19 | \$ 42,000  | \$ 210,000              | Operations     | 0             | 0                      |
| 17-RFP-103340-MD     |            | 1     | On Call Public Relations and Community Engagement Support             | Exercise Option Yr 1            | The Hauser Group, Inc.                | 0%    | \$ 66,667                | \$ -                   | 09/25/18 | \$ 120,000 | \$ 186,667              | Operations     | 0             | 0                      |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #         | Task Order | Mod # | Description                                                                                            | Reason for Mod                         | Contractor                       | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source     | # Days Extend | # of Extension to Date |
|--------------------|------------|-------|--------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|--------------------|---------------|------------------------|
| 14-RFQ-99354-DR    |            | 9     | Metro TSM,OCC, Training Instructors and Metro Group Uniforms                                           | Time Extension                         | BlueSky Apparel & Promotions LLC | 0%    | \$ 114,741               | \$ 71,218              | 05/06/19 | \$ -       | \$ 185,959              | Uniform Allowance  | 90            | 1                      |
| 16-RFP-102859-DR   |            | 3     | Pre-Employment Background Investigation Services                                                       | Additional Funds                       | AccuSource, Inc.                 | 0%    | \$ 75,000                | \$ 75,000              | 07/31/18 | \$ 32,000  | \$ 182,000              | Operations         | 0             | 0                      |
| 15-RFQ-101636-TJ   |            | 1     | Fuel Price Risk Management Consulting Services                                                         | Exercise Option Yr 1                   | Linwood Capital LLC              | 0%    | \$ 126,000               | \$ -                   | 08/10/18 | \$ 42,000  | \$ 168,000              | Operations         | 0             | 0                      |
| 16-RFP-102703-SG   |            | 2     | Testing of Fire Protection Systems                                                                     | Exercise Option Yr 1                   | Gateway Fire Protection Systems  | 0%    | \$ 43,732                | \$ 69,565              | 07/02/18 | \$ 50,052  | \$ 163,349              | Operations         | 0             | 0                      |
| 16-RFP-102111-CG   | 14         | 2     | On Call GEC Services/Multiple Disciplines - Union Station Asbestos Inspections and Monitoring Services | Additional Funds                       | Jacobs Engineering               | 0%    | \$ 500,000               | \$ (400,000)           | 11/15/18 | \$ 55,536  | \$ 155,536              | MO-54-001 Prop M   | 0             | 0                      |
| 18-SB-104566-TJ/BH |            | 1     | Alternate Transit Service Van Cleaning                                                                 | Correction on Original Contract Amount | World Management                 | 10%   | \$ 69,960                | \$ -                   | 05/29/19 | \$ 69,960  | \$ 139,920              | Operations         | 0             | 0                      |
| 18-SB-105249-CB    |            | 1     | Union Station Tunnel Asbestos Abatement                                                                | Change in Scope                        | Midwest Service Group            | 0%    | \$ 118,880               | \$ -                   | 11/05/18 | \$ 7,274   | \$ 126,154              | Operations         | 0             | 0                      |
| 17-RFP-104212-CG   |            | 2     | Consulting and Design Service for BSD 2018 Annual Report                                               | Additional Funds                       | Falk Harrison, Inc.              | 0%    | \$ 63,024                | \$ 49,999              | 03/18/19 | \$ 8,716   | \$ 121,740              | Operations         | 0             | 0                      |
| 18-RFQ-105059-MD   |            | 1     | Emerson and Fairview Heights Track Z-Crossing                                                          | Change in Scope                        | The Harlan Company               | 0%    | \$ 111,700               | \$ -                   | 10/19/18 | \$ 6,968   | \$ 118,668              | MO-54-0001 & SCCTD | 0             | 0                      |

Contract Modifications FY 2019

July 1, 2018 - June 30, 2019

| Contract #       | Task Order | Mod # | Description                                               | Reason for Mod                   | Contractor               | DBE % | Original Contract Amount | Value of Previous Mods | Mod Date | Mod Amount | Revised Contract Amount | Funding Source | # Days Extend | # of Extension to Date |
|------------------|------------|-------|-----------------------------------------------------------|----------------------------------|--------------------------|-------|--------------------------|------------------------|----------|------------|-------------------------|----------------|---------------|------------------------|
| 17-RFP-103340-MD |            | 1     | On Call Public Relations and Community Engagement Support | Additional Funds Additional Work | The Vandiver Group, Inc. | 0%    | \$ 66,667                | \$ 49,999              | 08/02/18 | \$ 51,000  | \$ 117,667              | Operations     | 0             | 0                      |
| 18-SS-104906-CB  |            | 1     | Emergency Temporary Shoring of Union Station Tunnel       | Change in Scope                  | L. Keeley Construction   | 0%    | \$ 100,000               | \$ 49,999              | 04/04/19 | \$ 5,000   | \$ 105,000              | Operations     | 0             | 0                      |
| 18-RFQ-105025-MD | 6          | 1     | Treasury Application and Process Specialist               | Additional Funds/Time Extension  | Nexgen Consulting Inc.   | 0%    | \$ 90,000                | \$ -                   | 11/05/18 | \$ 14,400  | \$ 104,400              | Operations     | 0             | 0                      |



## Prevailing Wage Report Fiscal Year 2019 April 1, 2019 - June 30, 2019

**Project:** 16-SB-102360-CB METRO DOWNTOWN TRANSIT CENTER - FTA GRANT NO# MO-04-0013; MO-90-X296; MO-95-X261

**Project Control ID:** Is Community Hiring Goal a Requirement: No

| Prime Contractor | Subcontractor | Sub Subcontractor | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
|------------------|---------------|-------------------|-----------------------|---------------------------|
|------------------|---------------|-------------------|-----------------------|---------------------------|

3148948888

KCI Construction

Start Date: 04/13/2016 End 10/03/2017  
Contract Amount: \$7,267,000.00

10315 Lake Bluff Drive ,  
St. Louis , MO 63123

314.535.6063

Acme Glass

Start Date: 02/15/2017

6369490605

ACOUSTICAL CEILINGS INC

Start Date: 05/01/2017

3147766686

Allied Waterproofing Company, Inc.

Start Date: 03/01/2017

636-937-7500

Blakely Sheet Metal, LLC

Start Date: 02/01/2017

6362835031

C2 Service Group

Start Date: 05/01/2018

3142925069

Coatings Unlimited

Start Date: 09/28/2018

314-741-1637

Control Line, Inc.

Start Date: 07/01/2017

636-343-5769

CR Painting and More, Inc

Start Date: 06/15/2017

|              |                                             |                               |
|--------------|---------------------------------------------|-------------------------------|
| 3144862038   | D&L Painting and Drywall, LLC               | Start Date: <b>03/01/2017</b> |
| 3145341030   | David Mason & Associates                    | Start Date: <b>05/01/2018</b> |
| 3142003550   | Enterprise Industrial Construction          | Start Date: <b>07/15/2016</b> |
| 314-329-9300 | Flooring Systems                            | Start Date: <b>06/01/2017</b> |
| 314-892-7622 | Gateway Fire Protection Systems, Inc        | Start Date: <b>05/01/2017</b> |
| 3149977440   | GEOTECHNOLOGY, INC.                         | Start Date: <b>06/01/2016</b> |
| 6364091115   | Hawkins Construction & Flatwork Contracting | Start Date: <b>07/21/2017</b> |
| 3145346664   | ICS CONSTRUCTION SERVICES                   | Start Date: <b>06/01/2017</b> |
| 314-658-5203 | Kaemmerlen Electric Company                 | Start Date: <b>04/25/2016</b> |
| 3148723400   | KMEIER Roof Systems, Inc                    | Start Date: <b>01/02/2017</b> |
| 618-277-4280 | MAYER LANDSCPAING INC                       | Start Date: <b>06/01/2016</b> |
| 3148431000   |                                             |                               |

|                       |                        |
|-----------------------|------------------------|
| Merlo Plumbing Co Inc | Start Date: 09/19/2016 |
| 3143618090            |                        |
| MISSOURI TERRAZZO     | Start Date: 12/01/2016 |
| 8477053863            |                        |
| Penn Services LLC     | Start Date: 11/01/2016 |
| 6363494990            |                        |
| RF MEEH CO            | Start Date: 04/15/2017 |
| 3146441666            |                        |
| Sally Waterproofing   | Start Date: 11/20/2016 |
| 5733925554            |                        |
| SURECUT LAWN CARE LLC | Start Date: 03/01/2017 |
| (636) 970-2710        |                        |
| XL Contracting Inc.   | Start Date: 07/01/2016 |

|                     |                        |
|---------------------|------------------------|
| 314-534-1030        |                        |
| DAVID MASON & ASSOC | Start Date: 08/01/2016 |

Contract Amount: \$0.00

Project: 17-SB-103454-CB ELEVATOR REHAB - 8 UNITS - MO (FTA GRANTS MO-05-0028, MO-54-0001 AND PROP M)

Project Control ID: Is Community Hiring Goal a Requirement: No

| Prime Contractor             | Subcontractor | Sub Subcontractor               | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
|------------------------------|---------------|---------------------------------|-----------------------|---------------------------|
| 3148902351                   |               |                                 |                       |                           |
| THE HARLAN COMPANY           |               | Start Date: 05/26/2017          | End                   | 07/31/2018                |
|                              |               | Contract Amount: \$2,145,450.00 |                       |                           |
| 1515 PAGE INDUSTRIAL BLVD. , |               |                                 |                       |                           |
| ST. LOUIS , MO 63132         |               |                                 |                       |                           |

|                               |                              |           |            |
|-------------------------------|------------------------------|-----------|------------|
| 314-522-9400                  |                              |           |            |
| All American Painting Company | Start Date: 02/19/2018       | End Date: | 09/06/2018 |
|                               | Contract Amount: \$23,694.00 |           |            |
| 6363431211                    |                              |           |            |

|                                    |                                 |                      |
|------------------------------------|---------------------------------|----------------------|
| Aschinger Electric                 | Start Date: 02/19/2018          | End Date: 09/06/2018 |
| 3147710868                         | Contract Amount: \$179,920.00   |                      |
| BEETZ PLUMBING                     | Start Date: 04/16/2018          |                      |
| 3146311554                         |                                 |                      |
| Degenhardt Heating & Cooling, Inc. | Start Date: 02/19/2018          | End Date: 09/06/2018 |
|                                    | Contract Amount: \$184,695.00   |                      |
| 9729635273                         |                                 |                      |
| ThyssenKrupp Elevator Corp.        | Start Date: 02/14/2018          | End Date: 09/06/2018 |
|                                    | Contract Amount: \$1,100,246.00 |                      |
| 3149910800                         |                                 |                      |
| THYSSENKRUPP ELEVATOR CORPORATION  | Start Date: 02/14/2018          | End Date: 09/06/2018 |
|                                    | Contract Amount: \$1,100,246.00 |                      |

|                                                                                                                     |                          |                                 |                               |                           |
|---------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------|-------------------------------|---------------------------|
| Project: 17-SB-104149-DR - BOYLE - CENTRAL WEST END METROLINK STATION - FACILITIES (FTA GRANT MO-79-X004 AND CORTEX |                          |                                 |                               |                           |
| Project Control ID: Is Community Hiring Goal a Requirement: No                                                      |                          |                                 |                               |                           |
| Prime Contractor                                                                                                    | Subcontractor            | Sub Subcontractor               | Sub Sub Subcontractor         | Sub Sub Sub Subcontractor |
| 3144215933                                                                                                          |                          |                                 |                               |                           |
| L. Keeley                                                                                                           |                          | Start Date: 06/29/2017          | End                           | 10/31/2018                |
|                                                                                                                     |                          | Contract Amount: \$6,405,349.00 |                               |                           |
| 500 South Ewing Avenue , Suite G                                                                                    |                          |                                 |                               |                           |
| St. Louis , MO 63103                                                                                                |                          |                                 |                               |                           |
| 3147850078                                                                                                          |                          |                                 |                               |                           |
| BRK ELECTRICAL CONTRACTORS LLC                                                                                      |                          | Start Date: 07/03/2017          |                               |                           |
|                                                                                                                     | 6363524818               |                                 | Contract ID: 17020-03         |                           |
|                                                                                                                     | Brandt Contracting, Inc. |                                 | Start Date: 07/01/2017        | End Date: 08/01/2017      |
|                                                                                                                     |                          |                                 | Contract Amount: \$75,789.00  |                           |
|                                                                                                                     | 6363495999               |                                 | Contract ID: SC#17020-01      |                           |
|                                                                                                                     | GERSTNER ELECTRIC        |                                 | Start Date: 06/23/2017        | End Date: 05/31/2018      |
|                                                                                                                     |                          |                                 | Contract Amount: \$377,037.00 |                           |
|                                                                                                                     | 3148927550               |                                 | Contract ID: 17020-03         |                           |
|                                                                                                                     | Sager & Son              |                                 | Start Date: 07/01/2017        | End Date: 08/01/2017      |
|                                                                                                                     |                          |                                 | Contract Amount: \$9,460.00   |                           |
| 618-274-0105                                                                                                        |                          |                                 |                               |                           |
| BUMPY'S STEEL ERECTION LLC                                                                                          |                          | Start Date: 07/03/2017          |                               |                           |
| 3147716200                                                                                                          |                          |                                 |                               |                           |

Corrigan Company Mechanical Contractors

Start Date: **05/02/2018**

6369378300

D & S FENCING CO INC

Start Date: **07/03/2017**

LC9738124

D&S Fencing Co., Inc

Start Date: **07/03/2017**

314-291-1111

DRILLING SERVICE CO

Start Date: **02/20/2018**

3148436030

Kupferer Brothers Ironworks, Inc.

Start Date: **03/02/2018**

3142802800

St. Louis Steel

Start Date: **02/08/2018**

3144233338

Lorenz and Associates, Inc.

Start Date: **03/02/2018**

618-277-4280

MAYER LANDSCPAING INC

Start Date: **07/03/2017**

3147739954

Mechanical Solutions

Start Date: **11/01/2017**

636-257-3701

Precision Daylighting, Inc.

Start Date: **05/02/2018**

End Date: **05/02/2018**

6365197770

ROSCH Co

Start Date: **06/20/2018**

(636) 978-7770

ROSCH COMPANY

Start Date: **03/26/2018**



|            |                                  |                        |
|------------|----------------------------------|------------------------|
| 6036214090 | SPAN SYSTEMS, INC.               | Start Date: 07/03/2017 |
| 636332889  | ST. CHARLES GLASS & GLAZING      | Start Date: 07/09/2018 |
| 6364753500 | THOMAS INDUSTRIAL COATINGS, INC. | Start Date: 03/05/2018 |
| 6362257800 | Traffic Control Company          | Start Date: 07/03/2017 |
| 3142976968 | Trinity Masonry                  | Start Date: 01/10/2018 |

**Project:** 17-SB-104151-DGR BOYLE AVE. STATION & CWE PLATFORM EXTENSION PACKAGE 2 - TRACK (MO-79-X004 AND CORTEX)

**Project Control ID:** Is Community Hiring Goal a Requirement: No

| Prime Contractor                                               | Subcontractor | Sub Subcontractor               | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
|----------------------------------------------------------------|---------------|---------------------------------|-----------------------|---------------------------|
| 3142912233                                                     |               |                                 |                       |                           |
| RAILWORKS TRACK SERVICES                                       |               | Start Date: 10/12/2017          | End                   | 06/30/2018                |
|                                                                |               | Contract Amount: \$1,808,394.00 |                       |                           |
| 4301 BRIDGETON INDUSTRIAL DRIVE ,<br>BRIDGETON , MO 63044-1204 |               |                                 |                       |                           |

|            |                            |                        |
|------------|----------------------------|------------------------|
| 3144215933 | L. Keeley                  | Start Date: 03/26/2018 |
| 3143812277 | N & J RAILROAD CONTRACTING | Start Date: 05/07/2018 |

**Project:** 17-SB-104152-CB BOYLE AVE STN AND CWE PLATFORM EXT PACKAGE 3 -SIGNALS FTA GRANT MO-79-X004 AND CORTEX

**Project Control ID:** Is Community Hiring Goal a Requirement: No

| Prime Contractor | Subcontractor | Sub Subcontractor | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
|------------------|---------------|-------------------|-----------------------|---------------------------|
| 6183987575       |               |                   |                       |                           |

|                                                                                                                 |               |                                            |                       |                           |
|-----------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------|-----------------------|---------------------------|
| WISSEHR ELECTRICAL CONTRACTORS                                                                                  |               | Start Date: 07/30/2017                     | End                   | 07/31/2018                |
|                                                                                                                 |               | Contract Amount: \$726,787.03              |                       |                           |
| P.O. BOX 23798 ,<br>BELLEVILLE , IL 62223                                                                       |               |                                            |                       |                           |
| Project: 17-SB-104153-CG BOYLE AVE STN AND CWE PLATFORM EXT PKG 4 - COMMUNICATIONS FTA GRANT MO-79-X004 & CORTE |               |                                            |                       |                           |
| Project Control ID:                                                                                             |               | Is Community Hiring Goal a Requirement: No |                       |                           |
| Prime Contractor                                                                                                | Subcontractor | Sub Subcontractor                          | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3145322000                                                                                                      |               |                                            |                       |                           |
| SACHS ELECTRIC                                                                                                  |               | Start Date: 08/23/2017                     | End<br>Date:          | 03/01/2018                |
| PO BOX 96 ,<br>ST. LOUIS , MO 63166                                                                             |               |                                            |                       |                           |
| 3144205550<br>Pearl Street Electric                                                                             |               | Start Date: 08/18/2017                     |                       |                           |
| Project: 17-SB-104494-CB, REPAIR & REPLACE CONCRETE AT DEBALIVIERE BUS FACILITY FTA GRANT MO-90-X296 & PROP M   |               |                                            |                       |                           |
| Project Control ID:                                                                                             |               | Is Community Hiring Goal a Requirement: No |                       |                           |
| Prime Contractor                                                                                                | Subcontractor | Sub Subcontractor                          | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 6183379494                                                                                                      |               |                                            |                       |                           |
| L. KEELEY CONSTRUCTION, INC.                                                                                    |               | Start Date: 08/16/2017                     | End                   | 12/31/2017                |
|                                                                                                                 |               | Contract Amount: \$287,927.75              |                       |                           |
| 2901 FALLING SPRINGS RD ,<br>SAUGET , IL 62206                                                                  |               |                                            |                       |                           |
| 3144215933                                                                                                      |               |                                            |                       |                           |
| L. Keeley                                                                                                       |               | Start Date: 08/28/2017                     | End                   | 12/31/2017                |
|                                                                                                                 |               | Contract Amount: \$287,927.75              |                       |                           |
| 500 South Ewing Avenue , Suite G<br>St. Louis , MO 63103                                                        |               |                                            |                       |                           |
| 3145962311<br>JR CONCRETE SERVICES LLC                                                                          |               | Start Date: 08/21/2017                     |                       |                           |
| Project: 18-RFP-103593-DGR CM/GC for Union Station Tunnel                                                       |               |                                            |                       |                           |
| Project Control ID:                                                                                             |               | Is Community Hiring Goal a Requirement: No |                       |                           |

| Prime Contractor                               | Subcontractor                                      | Sub Subcontractor                          | Sub Sub Subcontractor  | Sub Sub Sub Subcontractor |  |
|------------------------------------------------|----------------------------------------------------|--------------------------------------------|------------------------|---------------------------|--|
| 5313657619                                     |                                                    |                                            |                        |                           |  |
| Kiewit Corporation                             |                                                    |                                            | Start Date: 02/01/2019 |                           |  |
| 12720 I Street , Suite 200<br>Omaha , NE 68137 |                                                    |                                            |                        |                           |  |
|                                                | 20040815<br>CMT,LLC                                |                                            | Start Date: 03/13/2019 |                           |  |
|                                                | 20050765<br>Crossroads Construction Services, Inc. |                                            | Start Date: 03/06/2019 |                           |  |
|                                                | 6369378300<br>D & S FENCING CO INC                 |                                            | Start Date: 03/04/2019 |                           |  |
|                                                | 636-225-0017<br>Elastizell of St. Louis, Inc.      |                                            | Start Date: 05/14/2019 |                           |  |
|                                                | 6362962012<br>KOZENY WAGNER                        |                                            | Start Date: 03/01/2019 |                           |  |
|                                                |                                                    | 3149391701<br>D&K Welding                  |                        | Start Date: 03/13/2019    |  |
|                                                |                                                    | 3142911111<br>Drilling Service Co.         |                        | Start Date: 03/01/2019    |  |
|                                                |                                                    | 314-291-1111<br>DRILLING SERVICE CO        |                        | Start Date: 03/06/2019    |  |
|                                                |                                                    | 5738932335<br>Meyer Electric Compnay, Inc. |                        | Start Date: 03/01/2019    |  |
|                                                | 573-893-2335<br>Meyer Electric Company, Inc.       |                                            | Start Date: 03/19/2019 |                           |  |
|                                                | 3146455566                                         |                                            |                        |                           |  |

|                                |                        |
|--------------------------------|------------------------|
| Premier Demolition, Inc        | Start Date: 04/01/2019 |
| LC9865431                      |                        |
| Strick & Legit,LLC             | Start Date: 03/28/2019 |
| 6183987575                     |                        |
| WISSEHR ELECTRICAL CONTRACTORS | Start Date: 06/03/2019 |
| LC9863821                      |                        |
| ZOIE,LLC                       | Start Date: 05/01/2019 |

|                                                                                                        |               |                                            |                       |                           |
|--------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------|-----------------------|---------------------------|
| Project: 18-RFQ-105059-MD EMERSON PARK AND FAIRVIEW HEIGHTS - Z CROSSING GATES (MO-57-X006 and PROP M) |               |                                            |                       |                           |
| Project Control ID:                                                                                    |               | Is Community Hiring Goal a Requirement: No |                       |                           |
| Prime Contractor                                                                                       | Subcontractor | Sub Subcontractor                          | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3148902351                                                                                             |               |                                            |                       |                           |
| THE HARLAN COMPANY                                                                                     |               | Start Date: 05/01/2018                     | End                   | 08/01/2018                |
|                                                                                                        |               | Contract Amount: \$111,700.00              |                       |                           |
| 1515 PAGE INDUSTRIAL BLVD. ,                                                                           |               |                                            |                       |                           |
| ST. LOUIS , MO 63132                                                                                   |               |                                            |                       |                           |
| 6363431211                                                                                             |               |                                            |                       |                           |
| Aschinger Electric                                                                                     |               | Start Date: 05/01/2018                     | End Date:             | 08/01/2018                |
|                                                                                                        |               | Contract Amount: \$22,981.00               |                       |                           |

|                                                                                                                 |               |                                            |                       |                           |
|-----------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------|-----------------------|---------------------------|
| Project: 18-SB-104831-MD PHASE 5 ADA MISSOURI METROBUS STOP ENHANCEMENT PROJECT - FTA GRANT FUNDED - MO-57-X006 |               |                                            |                       |                           |
| Project Control ID:                                                                                             |               | Is Community Hiring Goal a Requirement: No |                       |                           |
| Prime Contractor                                                                                                | Subcontractor | Sub Subcontractor                          | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3146675913                                                                                                      |               |                                            |                       |                           |
| RAINERI CONSTRUCTION                                                                                            |               | Start Date: 04/05/2018                     | End                   | 07/31/2018                |
|                                                                                                                 |               | Contract Amount: \$143,336.00              |                       |                           |
| 1300 Hampton Avenue Ste 200 ,                                                                                   |               |                                            |                       |                           |
| ST. LOUIS , MO 63109                                                                                            |               |                                            |                       |                           |

|                                                                                                          |               |                                            |                       |                           |
|----------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------|-----------------------|---------------------------|
| Project: 18-SB-104938-CB ELECTRICAL INSTALLATION - ILLINOIS SECURITY GUARD SHACKS (MO-90-X296 AND SCCTD) |               |                                            |                       |                           |
| Project Control ID:                                                                                      |               | Is Community Hiring Goal a Requirement: No |                       |                           |
| Prime Contractor                                                                                         | Subcontractor | Sub Subcontractor                          | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |

|                                                                                                             |                                    |                                                        |                       |                           |
|-------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------|-----------------------|---------------------------|
| 6183987575                                                                                                  |                                    |                                                        |                       |                           |
| WISSEHR ELECTRICAL CONTRACTORS                                                                              |                                    | Start Date: 03/26/2018                                 | End                   | 06/26/2018                |
|                                                                                                             |                                    | Contract Amount: \$66,860.00                           |                       |                           |
| P.O. BOX 23798 ,<br>BELLEVILLE , IL 62223                                                                   |                                    |                                                        |                       |                           |
| Project: 18-SB-105089-CB FEEDER WIRE REHABILITATION AND SUBSTATION WATERPROOFING AT MO-05                   |                                    |                                                        |                       |                           |
| Project Control ID:                                                                                         |                                    | Is Community Hiring Goal a Requirement: No             |                       |                           |
| Prime Contractor                                                                                            | Subcontractor                      | Sub Subcontractor                                      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 6183987575                                                                                                  |                                    |                                                        |                       |                           |
| WISSEHR ELECTRICAL CONTRACTORS                                                                              |                                    | Start Date: 07/24/2018                                 | End                   | 12/07/2018                |
|                                                                                                             |                                    | Contract Amount: \$318,800.00                          |                       |                           |
| P.O. BOX 23798 ,<br>BELLEVILLE , IL 62223                                                                   |                                    |                                                        |                       |                           |
|                                                                                                             |                                    |                                                        |                       |                           |
|                                                                                                             | 6369378300<br>D & S FENCING CO INC | Start Date: 10/01/2018<br>Contract Amount: \$26,420.00 |                       |                           |
|                                                                                                             | LC9738124<br>D&S Fencing Co., Inc  | Start Date: 10/07/2018<br>Contract Amount: \$26,420.00 | End Date:             | 06/01/2019                |
|                                                                                                             | 3146675913<br>RAINERI CONSTRUCTION | Start Date: 04/01/2019                                 | End Date:             | 06/02/2019                |
|                                                                                                             |                                    | Contract Amount: \$8,520.00                            |                       |                           |
| Project: 18-SB-105153-CG Rehab & Overlay Repair Illinois Bus Facility Training Lot - FTA Funding MO-90-X296 |                                    |                                                        |                       |                           |
| Project Control ID:                                                                                         |                                    | Is Community Hiring Goal a Requirement: No             |                       |                           |
| Prime Contractor                                                                                            | Subcontractor                      | Sub Subcontractor                                      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3145677997                                                                                                  |                                    |                                                        |                       |                           |
| BYRNE & JONES CONSTRUCTION INC.                                                                             |                                    | Start Date: 06/25/2018                                 | End                   | 10/01/2018                |
|                                                                                                             |                                    | Contract Amount: \$211,900.00                          |                       |                           |
| 11745 REAR LACKLAND ,<br>ST. LOUIS , MO 63146                                                               |                                    |                                                        |                       |                           |
| Project: 18-SB-105225-CB BRENTWOOD OIL AND WATER SEPARATOR                                                  |                                    |                                                        |                       |                           |
| Project Control ID:                                                                                         |                                    | Is Community Hiring Goal a Requirement: No             |                       |                           |
| Prime Contractor                                                                                            | Subcontractor                      | Sub Subcontractor                                      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3148902351                                                                                                  |                                    |                                                        |                       |                           |
| THE HARLAN COMPANY                                                                                          |                                    | Start Date: 03/21/2019                                 | End                   | 10/31/2019                |

|                                                                                          |               |                        |                       |                           |
|------------------------------------------------------------------------------------------|---------------|------------------------|-----------------------|---------------------------|
| Contract Amount: \$404,800.00                                                            |               |                        |                       |                           |
| 1515 PAGE INDUSTRIAL BLVD. ,<br>ST. LOUIS , MO 63132                                     |               |                        |                       |                           |
| Project: 18-SS-104906-CB Emergency Temporary Shoring of Union Station Tunnel             |               |                        |                       |                           |
| Project Control ID: Is Community Hiring Goal a Requirement: No                           |               |                        |                       |                           |
| Prime Contractor                                                                         | Subcontractor | Sub Subcontractor      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 6183379494                                                                               |               |                        |                       |                           |
| L. KEELEY CONSTRUCTION, INC.                                                             |               |                        |                       |                           |
|                                                                                          |               | Start Date: 01/06/2018 | End                   | 04/30/2018                |
| Contract Amount: \$100,000.00                                                            |               |                        |                       |                           |
| 2901 FALLING SPRINGS RD ,<br>SAUGET , IL 62206                                           |               |                        |                       |                           |
| Project: 18-SS-104908-CB Temporary Shoring & Barrier Curbs at Delmar Station             |               |                        |                       |                           |
| Project Control ID: Is Community Hiring Goal a Requirement: No                           |               |                        |                       |                           |
| Prime Contractor                                                                         | Subcontractor | Sub Subcontractor      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 3148902351                                                                               |               |                        |                       |                           |
| THE HARLAN COMPANY                                                                       |               |                        |                       |                           |
|                                                                                          |               | Start Date: 01/06/2018 | End                   | 03/31/2018                |
| Contract Amount: \$50,000.00                                                             |               |                        |                       |                           |
| 1515 PAGE INDUSTRIAL BLVD. ,<br>ST. LOUIS , MO 63132                                     |               |                        |                       |                           |
| Project: 18-SS-105288-CB CROSS COUNTY HANLEY BRIDGE - STEEL REPAIR (OPERATIONAL FUNDING) |               |                        |                       |                           |
| Project Control ID: Is Community Hiring Goal a Requirement: No                           |               |                        |                       |                           |
| Prime Contractor                                                                         | Subcontractor | Sub Subcontractor      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 6362963300                                                                               |               |                        |                       |                           |
| ST. LOUIS BRIDGE COMPANY                                                                 |               |                        |                       |                           |
|                                                                                          |               | Start Date: 05/23/2018 | End<br>Date:          | 07/31/2018                |
| 655 LANDMARK DRIVE ,<br>ARNOLD , MO 63010                                                |               |                        |                       |                           |
| Project: 19-RFQ -105558-FP Feeder Cables at MO-25 Substation                             |               |                        |                       |                           |
| Project Control ID: Is Community Hiring Goal a Requirement: No                           |               |                        |                       |                           |
| Prime Contractor                                                                         | Subcontractor | Sub Subcontractor      | Sub Sub Subcontractor | Sub Sub Sub Subcontractor |
| 618-398-7575                                                                             |               |                        |                       |                           |
| Wissehr Electrical Contractor                                                            |               |                        |                       |                           |
| Start Date: 11/15/2018                                                                   |               |                        |                       |                           |

5801 W. State Route 161 ,  
Belleville , IL 62223

**Project:** 19-RFQ-105651-CB FURNISH & INSTALL SECURITY FENCES @ 3 METROLINK SIGNAL HOUSES

**Project Control ID:** Is Community Hiring Goal a Requirement: No

**Prime Contractor**      **Subcontractor**      **Sub Subcontractor**      **Sub Sub Subcontractor**      **Sub Sub Sub Subcontractor**

314/869-8000  
Collins & Hermann, Inc.  
Start Date: 03/26/2019      End Date: 06/30/2019

1215 Dunn Road ,  
St. Louis , MO 63138

**Project:** 19-RFQ-106189-CG Install New Fiber Optic Cable - BSD Central Facility PBX Room to Server Room FTA MO-2016-026

**Project Control ID:** Is Community Hiring Goal a Requirement: No

**Prime Contractor**      **Subcontractor**      **Sub Subcontractor**      **Sub Sub Subcontractor**      **Sub Sub Sub Subcontractor**

3143932903  
L'Rae Industries LLC dba Arden Technologies  
Start Date: 06/05/2019      End Date: 08/30/2019  
Contract Amount: \$4,500.00

4285 River Oaks Drive ,  
Florissant , MO 63034

**Project:** 19-SB-105737-CB PEDESRIAN ACCESS CONTROL

**Project Control ID:** Is Community Hiring Goal a Requirement: No

**Prime Contractor**      **Subcontractor**      **Sub Subcontractor**      **Sub Sub Subcontractor**      **Sub Sub Sub Subcontractor**

3146675913  
RAINERI CONSTRUCTION  
Start Date: 02/26/2019      End Date: 06/30/2019  
Contract Amount: \$142,650.00

1300 Hampton Avenue Ste 200 ,  
ST. LOUIS , MO 63109

**PROCUREMENT CARD PROGRAM  
ADMINISTRATIVE REVIEW STATISTICS  
JULY 1, 2018 - JUNE 30, 2019**

|                                                    | 1ST QUARTER FY19       |                       | 2nd QUARTER FY19       |                       | 3rd QUARTER FY19       |                       | 4th QUARTER FY19       |                       | FY2019 YTD TOTAL       |                       |
|----------------------------------------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|
|                                                    | TRANSACTION<br>COUNT   | TRANSACTION<br>AMOUNT | TRANSACTION<br>COUNT   | TRANSACTION<br>AMOUNT | TRANSACTION<br>COUNT   | TRANSACTION<br>AMOUNT | TRANSACTION<br>COUNT   | TRANSACTION<br>AMOUNT | TRANSACTION<br>COUNT   | TRANSACTION<br>AMOUNT |
| TOTAL TRANSACTIONS                                 | 4067                   | \$ 1,393,988          | 3931                   | \$ 1,379,514          | 4421                   | \$ 1,551,374          | 4297                   | \$ 1,539,973          | 16,716                 | \$ 5,864,847          |
| TRANSACTIONS REVIEWED                              | 4067                   | \$ 1,393,988          | 3931                   | \$ 1,379,514          | 4421                   | \$ 1,551,374          | 4297                   | \$ 1,539,973          | 16,716                 | \$ 5,864,847          |
| PERCENTAGE REVIEWED                                | 100%                   | 100%                  | 100%                   | 100%                  | 100%                   | 100%                  | 100%                   | 100%                  | 100%                   | 100%                  |
| TRANSACTIONS INVESTIGATED                          | 11                     | \$ 17,679             | 27                     | \$ 33,239             | 64                     | \$ 611,451            | 97                     | \$ 85,935             | 199                    | \$ 748,303            |
| PERCENTAGE OF TOTAL<br>INVESTIGATED                | 0.3%                   | 1.3%                  | 0.7%                   | 2.4%                  | 1.4%                   | 39.4%                 | 2.3%                   | 5.6%                  | 1.2%                   | 12.8%                 |
| CONFIRMED PROCEDURAL<br>VIOLATIONS                 | 0 TRANS<br>0 INCIDENTS | \$ -                  | 0 TRANS<br>0 INCIDENTS | \$ -                  | 14 TRANS<br>1 INCIDENT | \$ 641                | 7 TRANS<br>2 INCIDENTS | \$ 9,214              | 21 TRANS<br>3 INCIDENT | \$ 9,855              |
| CONFIRMED VIOLATION<br>PERCENTAGE OF TOTAL         | 0.0%                   | 0.0%                  | 0.0%                   | 0.0%                  | 0.0%                   | 0.0%                  | 0.0%                   | 0.6%                  | 0.0%                   | 0.2%                  |
| TRANSACTIONS WITH SALES TAX                        | 36                     | \$ 387                | 26                     | \$ 206                | 27                     | \$ 454                | 16                     | \$ 490                | 105                    | \$ 1,537              |
| SALES TAX CHARGED                                  | 22                     | \$ 152                | 21                     | \$ 141                | 15                     | \$ 173                | 12                     | \$ 101                | 70                     | \$ 567                |
| PERCENTAGE OF TOTAL<br>TRANSACTIONS WITH SALES TAX | 0.9%                   | 0.0%                  | 0.7%                   | 0.0%                  | 0.6%                   | 0.0%                  | 0.4%                   | 0.0%                  | 0.6%                   | 0.0%                  |
| REFUNDED SALES TAX                                 | 14                     | \$ 235                | 5                      | \$ 65                 | 12                     | \$ 281                | 4                      | \$ 388                | 35                     | \$ 969                |





**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA  
Chief Audit Executive  
**Subject:** **Internal Audit Follow-Up Summary – 4th Quarter FY2019**  
Briefing Paper No. 19-40  
**Disposition:** Information  
**Presentation:** James J. Cali, 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) 2019.

**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-FY2019 Audit Follow-Up  
Executive Summary**

| <b>Report Name</b>                                          | <b>Number of<br/>Recommendations</b> | <b>Completed</b> | <b>Outstanding –<br/>Not Overdue</b> | <b>Overdue</b> |
|-------------------------------------------------------------|--------------------------------------|------------------|--------------------------------------|----------------|
| Fare Collection System Project Audit                        | 2                                    | 2                | 0                                    | 0              |
| Small Purchase Requisition Audit                            | 7                                    | 1                | 6                                    | 0              |
| Accounts Receivables Core Credits Audit                     | 3                                    | 0                | 3                                    | 0              |
| Passenger Revenue-Working Funds Count Audit                 | 5                                    | 5                | 0                                    | 0              |
| Casualty Claims Audit                                       | 19                                   | 8                | 11                                   | 0              |
| Contract Services - Vehicle Maintenance Audit               | 3                                    | 3                | 0                                    | 0              |
| Travel Card Audit                                           | 5                                    | 5                | 0                                    | 0              |
| Benefits in Arrears Audit                                   | 12                                   | 9                | 3                                    | 0              |
| Payroll Hours of Service Audit                              | 14                                   | 11               | 3                                    | 0              |
| Contract Services – Track Maintenance Audit                 | 2                                    | 2                | 0                                    | 0              |
| Contract Services – Facility Maintenance Audit              | 6                                    | 6                | 0                                    | 0              |
| Accounts Receivables Audit                                  | 5                                    | 5                | 0                                    | 0              |
| Drug and Alcohol Program Testing Audit - FY2017             | 11                                   | 10               | 1                                    | 0              |
| AP/Vendor Payment Audit                                     | 4                                    | 4                | 0                                    | 0              |
| ID Badge Access Audit                                       | 19                                   | 19               | 0                                    | 0              |
| Fuel Inventory Audit                                        | 6                                    | 4                | 2                                    | 0              |
| SSO-Safety Data Collection & Analysis Audit                 | 3                                    | 3                | 0                                    | 0              |
| SSO-Compliance, Federal, State and Local Requirements Audit | 5                                    | 3                | 2                                    | 0              |
| SSO-Drug & Alcohol Testing Audit                            | 15                                   | 14               | 1                                    | 0              |
| <b>TOTAL</b>                                                | <b>146</b>                           | <b>114</b>       | <b>32</b>                            | <b>0</b>       |

**COMPLETED FOLLOW-UP AUDIT REPORTS:**

1. Accounts Payable/Vendor Payments Audit-Closed 2<sup>nd</sup> Quarter-FY2019
2. Contract Services Facility Maintenance Audit-Closed 2<sup>nd</sup> Quarter-FY2019
3. Travel Card Audit-Closed 2<sup>nd</sup> Quarter-FY2019
4. Contract Services-Vehicle Maintenance-Closed 3<sup>rd</sup> Quarter-FY2019
5. Accounts Receivables Audit-Closed 3<sup>rd</sup> Quarter-FY2019
6. SSO-Safety Data Collection & Analysis Audit- Closed 4<sup>th</sup> Quarter-FY2019
7. SSO-Safety Policy Audit-Closed 4<sup>th</sup> Quarter-FY2019
8. SSO-Safety Goals and Objectives Audit- Closed 4<sup>th</sup> Quarter-FY2019
9. Passenger Revenue-Working Funds Count Audit- Closed 4<sup>th</sup> Quarter-FY2019
10. Fare Collection System Project 1279 Audit- Closed 4<sup>th</sup> Quarter-FY2019
11. ID Badge Access Audit- Closed 4<sup>th</sup> Quarter-FY2019



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA, CFF, CGMA  
Chief Audit Executive  
**Subject:** **Internal Audit Status Report – 4th Quarter FY2019**  
Briefing Paper No. 19-41  
**Disposition:** Information  
**Presentation:** James J. Cali, Chief Audit Executive

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**Objective:**

To present to the Committee, the Internal Audit Department's (**IAD**) Status Report for the 4th Quarter Fiscal Year (**FY**) 2019.

**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.

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. The IAD highlights for the 4th Quarter FY2019 are as follows:

- IAD issued a solicitation for the audit of the Bi-State Development Fuel Hedging Program to all of the Internal Audit firms that participate in the On-Call Internal Audit Services Contract. Unfortunately, we received no proposals; therefore, IAD began working with Procurement to issue a new Request For Proposal (**RFP**) for this engagement.
- The Chief Audit Executive served as a member of the selection committee for the General Manager of Public Safety and the Director of Public Safety positions.
- The Chief Audit Executive worked with the General Counsel, the Director of Workforce Diversity and EEO Administration, and outside legal counsel on matters pertaining to the ongoing ADA litigation.

**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 FY2019
2. Internal Audit Status Report – Special Projects – 4th Quarter FY2019

**Open Session Item 29**  
**Attachment 1**



| Revised Fiscal Year 2019 - Audit Plan                              | Start Date    | Completion Date | Status      | Completion Rate (Percentage) | Budget   | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|--------------------------------------------------------------------|---------------|-----------------|-------------|------------------------------|----------|------------------------|--------------------|-------------|-----------------|
| Audit Follow - Up                                                  | July 2018     |                 | Ongoing     | 60.48%                       | 620.00   | 257.50                 | 117.50             | 375.00      | 245.00          |
| Quarterly IAD Status Report                                        | July 2018     |                 | Ongoing     | 40.42%                       | 240.00   | 73.00                  | 24.00              | 97.00       | 143.00          |
| Quarterly Treasury Safekeeping Audit                               | July 2018     |                 | Ongoing     | 30.42%                       | 240.00   | 57.00                  | 16.00              | 73.00       | 167.00          |
| Smart Card - Passenger Revenue Testing of Internal Controls        | March 2015    | June 2019       | Complete    | 100.00%                      | 800.00   | 489.75                 | 12.75              | 502.50      | 297.50          |
| On-Call Bi-State Research Institute Consulting Services - IAD Time | December 2016 |                 | In Progress | 69.58%                       | 240.00   | 160.00                 | 7.00               | 167.00      | 73.00           |
| Contract Services - Vehicle Maintenance                            | October 2017  | August 2018     | Complete    | 100.00%                      | 300.00   | 280.50                 | 0.00               | 280.50      | 19.50           |
| Passenger Revenue - Pass Unit                                      | February 2018 |                 | In Progress | 91.65%                       | 1,000.00 | 755.25                 | 161.25             | 916.50      | 83.50           |
| Human Resources Compensation Review                                | January 2018  | July 2018       | Complete    | 100.00%                      | 380.00   | 324.25                 | 0.00               | 324.25      | 55.75           |
| Travel Card Audit                                                  | April 2018    | August 2018     | Complete    | 100.00%                      | 360.00   | 141.75                 | 0.00               | 141.75      | 218.25          |
| Casualty Claims Audit                                              | June 2018     | January 2019    | Complete    | 100.00%                      | 600.00   | 482.00                 | 0.00               | 482.00      | 118.00          |
| Shaw Park Garage Audit                                             | June 2018     | August 2018     | Complete    | 100.00%                      | 80.00    | 14.25                  | 0.00               | 14.25       | 65.75           |
| Accounts Receivable - Core Credits Audit                           | August 2018   | May 2019        | Complete    | 100.00%                      | 420.00   | 374.50                 | 36.50              | 411.00      | 9.00            |
| Overtime Analysis                                                  | October 2018  |                 | In Progress | 19.86%                       | 360.00   | 71.50                  | 0.00               | 71.50       | 288.50          |
| Customer Service Audit                                             |               |                 |             | 0.00%                        | 360.00   | 0.00                   | 0.00               | 0.00        | 360.00          |
| Grants Audit                                                       |               |                 |             | 0.00%                        | 360.00   | 0.00                   | 0.00               | 0.00        | 360.00          |
| Subtotal Audit Hours                                               |               |                 |             |                              | 6,360.00 | 3,481.25               | 375.00             | 3,856.25    | 2,503.75        |

| Revised Fiscal Year 2019 - Audit Plan                            | Start Date    | Completion Date | Status      | Completion Rate (Percentage) | Budget   | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|------------------------------------------------------------------|---------------|-----------------|-------------|------------------------------|----------|------------------------|--------------------|-------------|-----------------|
| Small Purchase Requisition Audit                                 | December 2018 | March 2019      | Complete    | 100.00%                      | 240.00   | 167.25                 | 2.00               | 169.25      | 70.75           |
| Disadvantaged Business Enterprise (DBE) - "Mock" Triennial Audit | June 2019     |                 | In Progress | 45.21%                       | 240.00   | 0.00                   | 108.50             | 108.50      | 131.50          |
| Compliance & Fraud Helpline Audit                                | March 2019    |                 | In Progress | 95.42%                       | 240.00   | 70.00                  | 159.00             | 229.00      | 11.00           |
| Due To and Due From Inter-Company Account Balance Audit          | December 2018 |                 | In Progress | 82.55%                       | 480.00   | 222.75                 | 173.50             | 396.25      | 83.75           |
| Passenger Revenue - Fare Box Audit                               | June 2019     |                 | In Progress | 27.19%                       | 240.00   | 0.00                   | 65.25              | 65.25       | 174.75          |
| Bi-State Research Institute Audit                                | May 2019      |                 | In Progress | 22.92%                       | 120.00   | 0.00                   | 27.50              | 27.50       | 92.50           |
| Freightway USDOL Grant - Truck Driver Apprentice Program         |               |                 |             | 0.00%                        | 160.00   | 0.00                   | 0.00               | 0.00        | 160.00          |
| Cortex Metrolink Station Construction Audit                      |               |                 |             | 0.00%                        | 360.00   | 0.00                   | 0.00               | 0.00        | 360.00          |
| Non-Revenue Vehicle Audit                                        |               |                 |             | 0.00%                        | 240.00   | 0.00                   | 0.00               | 0.00        | 240.00          |
| Procurement Card Audit                                           |               |                 |             | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| Office Supply Program Audit                                      | June 2019     |                 | In Progress | 47.50%                       | 120.00   | 0.00                   | 57.00              | 57.00       | 63.00           |
| Facility Lost & Found Audit                                      |               |                 |             | 0.00%                        | 240.00   | 0.00                   | 0.00               | 0.00        | 240.00          |
| ADA "No Show Policy" Audit                                       | June 2019     |                 | In Progress | 35.10%                       | 240.00   | 0.00                   | 84.25              | 84.25       | 155.75          |
| FY 2020 Annual Audit Plan & Risk Assessment                      | April 2019    | May 2019        | Complete    | 100.00%                      | 120.00   | 0.00                   | 12.75              | 12.75       | 107.25          |
| Self-Funded Insurance Medical Claims Audit - IAD Time            | July 2018     |                 | In Progress | 42.50%                       | 120.00   | 47.50                  | 3.50               | 51.00       | 69.00           |
| Subtotal Audit Hours                                             |               |                 |             |                              | 3,280.00 | 507.50                 | 693.25             | 1,200.75    | 2,079.25        |

| Revised Fiscal Year 2019 - Audit Plan   | Start Date    | Completion Date | Status      | Completion Rate (Percentage) | Budget   | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|-----------------------------------------|---------------|-----------------|-------------|------------------------------|----------|------------------------|--------------------|-------------|-----------------|
| Fuel Hedging Program Audit - IAD Time   | January 2019  |                 | In Progress | 39.06%                       | 80.00    | 16.50                  | 14.75              | 31.25       | 48.75           |
| ADA Compliance Website Audit - IAD Time | February 2019 |                 | In Progress | 19.38%                       | 80.00    | 15.50                  | 0.00               | 15.50       | 64.50           |
| Grand Total Annual Audit Plan           |               |                 |             |                              | 9,800.00 | 4,020.75               | 1,083.00           | 5,103.75    | 4,696.25        |

| Revised Fiscal Year 2019 - Audit Plan<br>Summary On-Call Contract Audit<br>Hours | Start Date       | Completion<br>Date | Status      | Completion<br>Rate<br>(Percentage) | Budget   | Hours<br>Previous<br>Periods | Hours This<br>Quarter | Total Hours | Hours<br>Remaining |
|----------------------------------------------------------------------------------|------------------|--------------------|-------------|------------------------------------|----------|------------------------------|-----------------------|-------------|--------------------|
| Fuel Hedging Program Audit - On-Call<br>Contract                                 |                  |                    |             | 0.00%                              | 480.00   | 0.00                         | 0.00                  | 0.00        | 480.00             |
| Research Institute Consulting - On-Call<br>Contract                              | April<br>2017    |                    | In Progress | 67.42%                             | 480.00   | 300.80                       | 22.80                 | 323.60      | 156.40             |
| Self-Funded Insurance Medical Claims<br>Audit - On-Call Contract                 | February<br>2019 |                    | In Progress | 46.73%                             | 620.00   | 109.25                       | 180.50                | 289.75      | 330.25             |
| Total On-Call Contract Audit Hours                                               |                  |                    |             |                                    | 1,580.00 | 410.05                       | 203.30                | 613.35      | 966.65             |

**Open Session Item 29**  
**Attachment 2**

| Fiscal Year 2019 Special Projects                         | Start Date | Completion Date | Status  | Completion Rate (Percentage) | Budget | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|-----------------------------------------------------------|------------|-----------------|---------|------------------------------|--------|------------------------|--------------------|-------------|-----------------|
| Auditor Recruitment / Intern Recruitment                  |            |                 | Ongoing |                              |        | 17.25                  | 0.00               | 17.25       |                 |
| Board Meeting / Audit Committee Preparations and Meetings |            |                 | Ongoing |                              |        | 279.25                 | 119.25             | 398.50      |                 |
| CEO Meetings/Projects                                     |            |                 | Ongoing |                              |        | 5.00                   | 17.00              | 22.00       |                 |
| DBE Application Review                                    |            |                 | Ongoing |                              |        | 3.00                   | 0.00               | 3.00        |                 |
| EEO/Ethics Point (Fraud Hotline)                          |            |                 | Ongoing |                              |        | 100.00                 | 16.50              | 116.50      |                 |
| Freedom of Information Act                                |            |                 | Ongoing |                              |        | 0.00                   | 0.00               | 0.00        |                 |
| IAD Audit Research / Reading                              |            |                 | Ongoing |                              |        | 128.25                 | 38.50              | 166.75      |                 |
| IAD Oracle Procard Procurement                            |            |                 | Ongoing |                              |        | 28.50                  | 13.50              | 42.00       |                 |
| Records Retention                                         |            |                 | Ongoing |                              |        | 191.75                 | 45.50              | 237.25      |                 |
| SSO Meetings                                              |            |                 | Ongoing |                              |        | 22.00                  | 0.00               | 22.00       |                 |
| Training & Professional Development                       |            |                 | Ongoing |                              |        | 370.25                 | 53.25              | 423.50      |                 |
| Total Special Projects Hours                              |            |                 |         |                              | 0.00   | 1,145.25               | 303.50             | 1,448.75    | 0.00            |



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA  
Chief Audit Executive  
**Subject:** **Internal Audit State Safety Oversight Status Report – 2nd Quarter Calendar Year 2019**  
Briefing Paper No. 19-42  
**Disposition:** Information  
**Presentation:** James J. Cali, 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 2019.

**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, 2019 - SSO Audit Work Plan.

This status report tracks all current SSO Audits and special projects completed during the 2nd Quarter. The following Audits were completed by SSO Internal Auditor, Gary Smith, during the 2nd Quarter.

- SSO-Security Training and Certification Audit
- SSO-Accident and Incident Investigations Audit

During this 2nd Quarter, Mr. Smith also attended and completed two (2) Transportation Safety Institute (TSI) Training Classes towards obtaining his required "Transit Safety and Security Program" (TSSP) Certification. To date, Mr. Smith has completed four (4) TSI Training Classes, out of the total of six (6) required to obtain the TSSP Certification.

During this 2nd Quarter, Mr. Smith assisted the Bi-State Development (BSD) Safety Department by reviewing different components of the Public Transportation Agency Safety Plan (PTASP) and providing feedback based on new legislation passed by the Federal Transportation Administration (FTA). Mr. Smith was also instrumental in assisting the Safety Department in preparing documentation and scheduling monthly meetings for the BSD Executive Safety and Security Committee (ESSC).



**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 SSO Status Report – 2nd Quarter Calendar Year 2019



| Calendar Year 2019 - Audit Plan                                                 | Start Date   | Completion Date | Status      | Completion Rate (Percentage) | Budget   | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|---------------------------------------------------------------------------------|--------------|-----------------|-------------|------------------------------|----------|------------------------|--------------------|-------------|-----------------|
| SSO Audit Follow - Up                                                           | January 2019 |                 | Ongoing     | 1.25%                        | 240.00   | 3.00                   | 0.00               | 3.00        | 237.00          |
| SSO Audit Plans                                                                 | January 2019 |                 | Ongoing     | 72.19%                       | 320.00   | 231.00                 | 0.00               | 231.00      | 89.00           |
| SSO Meetings / Executive Safety & Security Committee Meetings                   | January 2019 |                 | Ongoing     | 73.13%                       | 80.00    | 4.75                   | 53.75              | 58.50       | 21.50           |
| Training & Professional Development                                             | January 2019 |                 | Ongoing     | 37.50%                       | 320.00   | 40.00                  | 80.00              | 120.00      | 200.00          |
| FTA Required Rail Security Audit - Security Training & Certifications           | January 2019 |                 | In Progress | 75.83%                       | 240.00   | 30.75                  | 151.25             | 182.00      | 58.00           |
| FTA Required Rail Safety Audit - Safety Policy                                  | January 2019 | March 2019      | Complete    | 80.94%                       | 160.00   | 120.75                 | 8.75               | 129.50      | 30.50           |
| FTA Required Rail Safety Audit - Safety Goals & Objectives                      | January 2019 | March 2019      | Complete    | 69.58%                       | 120.00   | 76.25                  | 7.25               | 83.50       | 36.50           |
| FTA Required Rail Safety Audit - Accident & Incident Investigations             | April 2019   |                 | In Progress | 68.91%                       | 160.00   | 0.00                   | 110.25             | 110.25      | 49.75           |
| FTA Required Rail Security Audit - Security Data Collection & Analysis          |              |                 |             | 0.00%                        | 160.00   | 0.00                   | 0.00               | 0.00        | 160.00          |
| FTA Required Rail Safety Audit - Security Incident Notification & Investigation |              |                 |             | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Safety Audit - Control, Review & Approval of SSPP             |              |                 |             | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Safety Audit - System Modification Review & Approval          |              |                 |             | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Security Audit - Management Structure                         |              |                 |             | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Safety Audit - Emergency Management Program                   |              |                 |             | 0.00%                        | 80.00    | 0.00                   | 0.00               | 0.00        | 80.00           |
| Subtotal Audit Hours                                                            |              |                 |             |                              | 2,360.00 | 506.50                 | 411.25             | 917.75      | 1,442.25        |

| Calendar Year 2019 - Audit Plan                                          | Start Date | Completion Date | Status | Completion Rate (Percentage) | Budget   | Hours Previous Periods | Hours This Quarter | Total Hours | Hours Remaining |
|--------------------------------------------------------------------------|------------|-----------------|--------|------------------------------|----------|------------------------|--------------------|-------------|-----------------|
| FTA Required Rail Safety Audit - Rules Compliance                        |            |                 |        | 0.00%                        | 100.00   | 0.00                   | 0.00               | 0.00        | 100.00          |
| FTA Required Rail Safety Audit - Facility & Equipment Safety Inspections |            |                 |        | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Security Audit - Configuration Management              |            |                 |        | 0.00%                        | 120.00   | 0.00                   | 0.00               | 0.00        | 120.00          |
| FTA Required Rail Safety Audit - Drug & Alcohol Program                  |            |                 |        | 0.00%                        | 320.00   | 0.00                   | 0.00               | 0.00        | 320.00          |
| FTA Required Rail Safety Audit - Procurement Process                     |            |                 |        | 0.00%                        | 80.00    | 0.00                   | 0.00               | 0.00        | 80.00           |
| Grand Total Annual Audit Plan                                            |            |                 |        |                              | 3,100.00 | 506.50                 | 411.25             | 917.75      | 2,182.25        |



**Bi-State Development Agency  
Combined Operations Committee and  
Audit, Finance & Administration Committee  
Agenda Item  
August 20, 2019**

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**From:** James J. Cali, CPA  
Chief Audit Executive  
**Subject:** **Treasury-Safekeeping Quarterly Accounts Audit–Ending June 30, 2019**  
Briefing Paper No. 19-39  
**Disposition:** Information  
**Presentation:** James J. Cali, Chief Audit Executive

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**Objective:**

To provide the Committee with the results of the Treasury - Safekeeping Quarterly Accounts Audit, ending June 30, 2019.

**Background:**

In accordance with the FY2019 Internal Audit Plan and the requirements of the Board Policy, the Internal Audit Department (**IAD**) performed a quarterly audit of the Treasury Safekeeping Accounts.

IAD reviewed the Treasurer's Report, as of June 30, 2019, to identify the Securities classified under the Safekeeping Accounts criteria. Each bank custodian, where the Safekeeping Accounts are held, was contacted to verify the existence of the Securities and to confirm the account balances.

For financial statements issued after June 15, 2015, the Government Accounting Standards Board (**GASB**) Statement No. 72 *Fair Value Measurement and Application* requires investments to be measured at fair value. GASB defines fair value to be the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

**Analysis:**

In applying the new 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 June 30, 2019.

As of June 30, 2019, BSD had approximately \$70 million in US Treasury and Government Agency Securities. Sales tax capital represented \$54 million, Self-Insurance funds consisted of approximately \$2.5 million, internally restricted funds represented \$2 million, FTA funds represented \$10.5 million, and the remaining \$1 million was held for Tower Leases. It is important to note that due to a system glitch on the part of Bank of America, the account holder of our safekeeping accounts, approximately \$6 million in FCB bonds were shown as FHLB bonds incorrectly on our safekeeping statements. The securities were called in July 2019, and Bank of America is working to understand and explain why this error occurred.

**Conclusion:**

IAD has determined that the Safekeeping Accounts exist, and the respective balances have been fairly presented. A summary of our findings is presented in the attached table.

**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. Safekeeping Quarterly Accounts Audit – Ending June 30, 2019.

**Open Session Item 31**  
**Attachment 1**



Internal Audit Department  
**INDEPENDENT VERIFICATION for SAFEKEEPING ACCOUNTS**  
**June 30, 2019**

**ATTACHMENT**

The Treasurer's Report as of June 30, 2019, indicates the following U. S. Securities held in Agency Safekeeping Accounts:

| Issuer-Investment<br>(Bank Safekeeping Agent)      | Treasurer's Report<br>Balance Stated At<br>Market Value | Confirmed Balance Per<br>Bank Agent<br>Stated At Fair Value | Variance        | Description/Disposition                                                                                    |
|----------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------------|
| Farm Credit Bank<br>(Bank of America)              | \$29,926,357.00                                         | \$23,924,094.00                                             | -\$6,002,263.00 | Three \$2MM FCB bonds (CUSIP 3133EKHM1, Maturity 7/22/20) are mistakenly listed as FHLB on BOA statements. |
| Federal Home Loan<br>(Bank of America)             | \$23,515,018.00                                         | \$29,517,279.50                                             | \$6,002,261.50  | See above.                                                                                                 |
| U.S. Treasury Bills<br>(Bank of America)           | \$14,452,873.00                                         | \$14,452,873.00                                             | \$0.00          |                                                                                                            |
| U.S. Treasury Bills<br>(Jefferson Bank &<br>Trust) | \$2,398,203.00                                          | \$2,398,203.00                                              | \$0.00          |                                                                                                            |
| <b>Total</b>                                       | <b>\$70,292,451.00</b>                                  | <b>\$70,292,449.50</b>                                      | <b>-\$1.50</b>  |                                                                                                            |

**GASB No. 72** = For financial statements issued after June 15, 2015, the Government Accounting Standards Board (**GASB**) Statement No. 72 *Fair Value Measurement and Application* requires investments measured at fair value. GASB defines fair value to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.