



Combined Meeting of the
Operations Committee &
Audit, Finance and
Administration Committee
January 24, 2020
8:30 AM

Open Session Agenda

Notice of Meeting and Agenda

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee Meeting
Friday, January 24, 2020 at 8:30 a.m.
Headquarters - Board Room, 6th 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.

Agenda	Disposition	Presentation
1. Call to Order	Approval	Chair Holman
2. Roll Call	Quorum	M. Bennett
3. Public Comment	Information	Chair Holman
4. Approval of the Minutes of the October 18, 2019 Combined Operations and Audit, Finance & Administration Committees, Open Meeting	Approval	Chair Holman
5. Loop Trolley – Approval of Sustainability Plan and Management Agreement	Approval	T. Roach / Mokhtee Ahmad, FTA Regional Administrator for Region VII
6. Contract Award – Microtransit Pilot Project	Approval	J. Mefford-Miller / L. Jackson / J. Gershman
7. Contract Award – Gillig, To Purchase 4 Battery Electric Buses	Approval	J. Mefford-Miller / L. Jackson / D. Curry
8. Contract Award – Construction of Charging Infrastructure for Battery Electric Buses	Approval	C. Poehler / G. Smith
9. Contract Award – Transit and MetroLink Station Advertising Services	Approval	T. Zimmerman
10. Bi-State Development Research Institute Pilot Food Kiosks Donation	Approval	J. Langa
11. Contract Award – Design Services for Repurposing of Tucker Theater at the Gateway Arch	Approval	L. Jackson / C. Baragary / G. Smith
12. Police Assistance Services Agreement with the St. Louis City Metropolitan Police Department	Approval	T. Roach / S. Berry
13. Sole Source Contract for Temporary Financial Consultant	Approval	M. Vago
14. Appointment of Successor Trustee for Light Rail Vehicle Lease Transactions	Approval	M. Vago / T. Fulbright / J. Terry
15. Contract Modification – Extension of Contract with Arthur J. Gallagher	Approval	C. Stewart / D. Toben / G. Smith

Agenda	Disposition	Presentation
16. Operations Report	Information	J. Mefford-Miller
17. 2019 Pension Valuations Update	Information	C. Stewart
18. 401(k) Plan Audit Update	Information	C. Stewart
19. Financial Statements	Information	M. Vago
20. Treasurers Report	Information	T. Fulbright
21. Procurement Report 1 st Quarter – FY20	Information	G. Smith
22. SSO-Accident & Incident Investigations Audit	Information	J. Cali
23. Treasury Safekeeping Report 09/30/2019	Information	J. Cali
24. IAD Follow-Up 2 nd Quarter FY 2020	Information	J. Cali
25. IAD Status Report 2 nd Quarter FY 2020	Information	J. Cali
26. IAD SSO Status Report 4 th Quarter Calendar Year 2019	Information	J. Cali
27. President/CEO Report	Information	T. Roach
28. Unscheduled Business	Approval	Chair Holman
29. Call for the Dates of Future Board & Committee Meetings	Information	M. Bennett
30. Adjournment to Executive Session**	Approval	Chair Holman
31. Reconvene to Open Session	Approval	Chair Holman
32. Adjournment	Approval	Chair Holman
<p><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 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 Board.

Open Session Item

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**BI-STATE DEVELOPMENT
COMBINED OPERATIONS / AUDIT, FINANCE & ADMINISTRATION
COMMITTEE MEETING
OPEN SESSION MINUTES
October 18, 2019**

Operations Committee Members in Attendance

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

Audit, Finance & Administration Committee Members in Attendance

Aliah Holman, Chair
Justin Zimmerman – via phone
Herbert Simmons – via phone (8:10 am)
Fred Pestello
Constance Gully – absent

Staff in Attendance

Taulby Roach, President and Chief Executive Officer
Barbara Enneking, General Counsel and Deputy Secretary
Myra Bennett, Manager of Board Administration
Jim Cali, Chief Audit Executive
Mark Vago, Sr. VP Chief Financial Officer
Brenda Deertz, Administrator & Executive Assistant
Jessica Mefford-Miller, Executive Director Metro Transit
Larry Jackson, Executive Vice President Administration
John Langa, Vice President Economic Development
Patti Beck, Director Communications
Mary Lamie, Executive Director Multi Modal Enterprises
Diana Bentz, Vice President Talent Management
Kathy Brittin, Director Risk Management Safety & Claims
Chris Poehler, Asst. Executive Director Engineering Systems
Matthew Hibbard, Social Media Communications Manager
Kent Swagler, Director Corporate Compliance & Ethics
Tamara Fulbright, Sr. Director Financial Planning & Treasury
Angela Staicoff, Sr. Internal Auditor
Kelli Fitzpatrick, Sr. Internal Auditor/PT
David Toben, Director of Benefits
Trenise Winters, General Manager MetroBus

Kerry Kinkade, VP Chief Information Officer
Darren Curry, Chief Mechanical Officer
Geoffrey Bullock, Superintendent Signal Maintenance
Michael Gibbs, Manager Financial Operations-Admin & Business Operations
Jeff Braun, Director of Real Estate
Carmen Brothers, Retirement Plan Manager
Anita Dunn, Health & Welfare Plan Manager
Ted Zimmerman, Vice President Marketing & Communications
Vicki Potter, Controller
Tim Nittler, Director Capital Projects
Amy Parker, ADA Coordinator
Andrew Ghiassi, Director Safety/Chief Safety Officer
Stephen Berry, General Manager Public Safety
Virgie Chaffen, Director Labor Relations

Others in Attendance

Renita Duncan, Rubin Brown
Kaleb Lilly, Rubin Brown

1. **Open Session Call to Order**
8:00 a.m. Chairman Holman called the Open Session of the Combined Operations / Audit, Finance & 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**
8:01 a.m. Chair Holman noted that no speaker cards were submitted for today's meeting.
4. **Minutes of the August 20, 2019 Combined Operations Committee and Audit, Finance & Administration Committee, Open Meeting**
8:01 a.m. The minutes of the August 20, 2019, Combined Operations Committee and Audit, Finance & Administration Committee, Open Meeting were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Windmiller and seconded by Commissioner Buehlhorn. **The motion passed unanimously.**
5. **Amended Agreement between Saint Louis County and Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Metro) d/b/a Transportation Management Association**
8:01 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request to renew the annual, Intergovernmental Agreement with Saint Louis County on behalf of its Department of Human Services Office of Family and Community Services Veterans Program and Bi-State Development Agency of the

Missouri-Illinois Metropolitan District (Metro) d\b\ Transportation Management Association. Jessica Mefford-Miller, Executive Director Metro Transit, provided an overview of this issue.

A motion to approve this agenda item, as presented, was made by Commissioner Pestello and seconded by Commissioner Brown. **The motion passed unanimously.**

6. Parkway Interlocking / Richmond Heights Turnout Design Services

8:03 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request to enter into a contract with STV Inc. dba STV Engineers, Inc. to provide Parkway Interlocking/Richmond Heights Turnout Design Services. Chris Poehler, Assistant Executive Director Engineering Systems, provided an overview of this issue. He noted that Metro Transit has determined that the construction of an additional power crossover and turnout is necessary to achieve reliable levels of service during the future rehabilitation of the Skinker Tunnel and Big Bend Tunnel. The additional power crossover will be added to the existing single crossover Parkway Interlocking, located west of the Forest Park – DeBaliviere Passenger Station, near the Cross County MetroLink line. The new Richmond Heights Turnout will be located adjacent to the existing Richmond Heights Passenger Station, near Cross County. The turnout will consist of roughly 300 feet of unelectrified storage track, and will allow for the storage of work trains and equipment during revenue service near the respective tunnels. Mr. Poehler noted that this will be a negotiated contract, and those negotiations are ongoing. Final numbers will be presented to the Board of Commissioners at the November meeting. Commissioner Cox asked for clarification of the funding source for this project, and it was noted that the project is funded by a grant.

A motion to approve this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Buehlhorn. **The motion passed unanimously.**

7. Contract Award: New Flyer, for the Purchase of 14 Battery Electric Articulated Buses

8:06 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, an authorization to award a contract to New Flyer for the purchase of fourteen (14) Battery Electric Articulated buses, to replace the Diesel Articulated buses currently in operation on the Grand Line. Jessica Mefford-Miller, Executive Director Metro Transit, provided an overview of this issue. Board of Commissioner discussion was held relating to the number of buses being purchased, future of the previously used buses, and the number of miles the battery electric buses would be capable of traveling per day. It was noted that the previously used buses would be retired and not refurbished, due to the fact that they are at the end of their useful life; the new buses will be capable of traveling 200 miles per day. Commissioner Golliday stated that she is excited to see this change. Commissioner Simmons noted that the Agency may see an increase in the cost on the front end; however, there will be a cost savings over time with the use of electric buses.

A motion to approve this agenda item, as presented, was made by Commissioner Buehlhorn and seconded by Commissioner Pestello. **The motion passed unanimously.**

8. Airport Terminal Rehabilitation / Replacement

8:14 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request for an internal loan, in an amount not to exceed \$850,000, from Bi-State Development (BSD) Executive Services to the St. Louis Downtown Airport (Airport) for the rehabilitation or replacement of the Airport Terminal. Mary Lamie, Executive Director Multi Modal Enterprises, provided an overview of this issue, noting that the St. Louis Downtown Airport Terminal Building (Terminal), which was constructed in 1982, has had consistent ceiling and wall water leaks. The leakage is attributed to several factors that include faulty windows, porous plaster siding, and/or exposed wood under the eaves. Improvements to repair the leakage have included crack and roof repair, structural changes, and caulking. Past repairs have provided temporary relief but have been unsuccessful in correcting the problems beyond a few years. The leakage has resulted in damage to walls, damage to ceiling tiles, and flooring problems; it is imperative that the leak issues be properly addressed, in order to maintain the building and prevent additional safety issues.

Ms. Lamie stated that the desired approach for repair is to conduct a Request for Proposals (RFP) from engineering/construction firms to enter into a Design/Build contract for the total repair of the Terminal. If during the building assessment, which will require portions of the roof and siding to be removed, it is determined a total replacement is more economical, the rehabilitation contract would be terminated and a new option would be developed. It was noted that up to \$850,000 will come from BSD Executive Services funds, which shall be offset by an increase in the Fuel Flow Fee of \$0.05 to \$0.15 from \$0.10. In addition to this increased fee, an additional Terminal Facility Fee shall be assessed, which will be \$10.00 for all aircraft using the East Apron at the Airport Terminal. It is anticipated that the increased fees will generate an additional \$80,000 in fuel flow fees and \$28,000 in Airport Terminal Facility Fee. The Airport has not increased the fuel flow fee for five years, and it is expected that increasing the fee as described above is not expected to cause the Airport to be less competitive than other Airports in the region. If current economic conditions continue, the loan will be paid off within 10 years. However, the Airport shall monitor fuel flow fees, total fuel flow, and Airport operations and may suggest a possible decrease in fees if needed in the future in order to meet market demands, which may extend the loan payback period.

Board discussion was held relating to the loan structure, time frame for repayment of the loan, and current financial standing of the Airport. Commissioner Holman requested that additional financial information be provided to the Board regarding these issues, prior to a decision being made at the November Board meeting.

A motion to forward this agenda item to the Board of Commissioners for consideration and approval at the November meeting, was made by Commissioner Buehlhorn and seconded by Commissioner Windmiller. **The motion passed. Commissioner Pestello abstained from the vote.**

9. St. Louis Downtown Airport Surplus Property Holdings

8:25 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, the report reaffirming and declaring that the properties located at the St. Louis Downtown Airport (Airport) as portions of property identified by locator

numbers 07-06.0-300-045, 07-06.0-300-043 and 07-06.0-400-033, as indicated in the briefing paper, are not required for BSD purposes and may, therefore, be declared surplus and conveyed to a successful offeror, selected through a competitive process. Mary Lamie, Executive Vice President - Multi Modal Enterprises, and John Langa, Vice President - Economic Development, provided an overview of this issue. Ms. Lamie referred to Exhibit 1, included with the briefing paper, and noted that at present, there is development interest from Sauget Properties (Developer) to acquire Property A in conjunction with a commercial development for a truck stop. It was noted that the next steps would be to conduct a survey and appraisal of the property, and accept bids. Mr. Langa noted that the approximate costs for the next steps is estimated to be approximately \$27,000. Commissioner Buehlhorn asked if Bi-State Development would attempt to recoup those costs, and Mr. Langa stated that the Agency would ask for reimbursement of those expenses. Commissioner Cox asked if Bi-State Development has any plans for the use of the property, and Ms. Lamie replied that it does not.

A motion to approve this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Buehlhorn. **The motion passed unanimously.**

10. 2019 Annual Surplus Property Holdings

8:28 a.m. A briefing paper and supplemental items were provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, the report reaffirming and approving that the properties included in Table 1 are not required for BSD purposes, and may, therefore, be declared surplus and subject to sale, lease, or the grant of other property rights. John Langa, Vice President - Economic Development, and Jeff Braun, Director of Real Estate, provided an overview of this issue. Mr. Langa noted that an update is given annually, regarding Bi-State Development surplus property holdings. This year, there are 94 surplus properties noted, which are outline in Table 1. Commissioner Windmiller asked if the properties are marketed. Mr. Langa noted that they are; however, some of the properties are only remnant parcels. Commissioner Buehlhorn commended John Langa and Jeff Braun for their work on compiling these annual reports.

A motion to approve the agenda item, as presented, was made by Commissioner Simmons and seconded by Commissioner Brown. **The motion passed unanimously.**

11. North Hanley MetroLink Station Development Proposal

8:34 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, the updated North Hanley Transit Oriented Development (TOD) project, to reconfirm: (1) conveyance of properties via lease, sale, joint development buyout, or other alternative acceptable to BSD, the Federal Transit Administration (FTA) and Bywater Development (Developer) based on the Developer's TOD proposal (Proposal) - conditioned upon St. Louis County (County) and other approvals as needed for development; (2) declare the BSD property in question as an incidental, non-transit use (as described in FTA Circular C 7050.1) and declare the BSD property, proposed for development, as excess property (BSD Board Policy Section 40.050); and, (3) herein authorize, BSD's President and CEO to finalize and execute documents and agreements in support of the project. John Langa, Vice President - Economic Development, provided an overview of this issue, noting that this item was previously approved by the Board of Commissioners; however, the Developer has

submitted a revised request, to increase the size of the development area. The project is moving through the zoning process with St. Louis County, and staff is asking that the Board reaffirm the project, to include the new acreage.

A motion to approve this agenda item, as presented, was made by Commissioner Pestello and seconded by Commissioner Holman. **The motion passed. Commissioner Buehlhorn abstained from the vote.**

12. On-Call Real Estate Brokerage Services

8:36 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, an authorization to hire CBRE for on-call real estate brokerage services. John Langa, Vice President - Economic Development, provided an overview of this issue, noting that BSD's Economic Development Department uses on-call real estate brokerage services, as needed, to support BSD's overall operations and requirements. He stated that currently, BSD is contracted with the firm Avison Young for these services, and that contract expires on January 19, 2020. Given Avison Young's upcoming contract expiration, in July, BSD Procurement sent RFP's to 11 area brokerage firms for on-call brokerage services and undertook an evaluation process in August to review the qualifications of the responding firms. From that overall effort, three (3) firms responded and BSD staff is recommending CBRE's hiring. The term would be for two-years, starting in January 2020, with one-option year. CBRE, the largest brokerage firm in the world, has a full service office in St. Louis with expertise in office, industrial and retail property in Missouri and Illinois. President and CEO Roach noted that he asked that Avison Young be excluded from consideration, due to the fact that his daughter is an employee of that company in North Carolina.

A motion to approve this agenda item, as presented, was made by Commissioner Buehlhorn and seconded by Commissioner Windmiller. **The motion passed unanimously.**

13. Contract Modification: Additional Funds for Broker of Record Services

8:39 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, an authorization to a request for additional funding for the current McGriff, Seibels & Williams Broker of Record Services contract #17-RFP-103939-SG. Kathy Brittin, Director – Risk and Absence Management, provided an overview of this issue, noting that on February 27, 2017, Bi-State Development (BSD) awarded a three (3) year contract, with two (2) option years, to McGriff, Seibels & Williams to provide insurance brokerage services, where they secure insurance coverage on behalf of BSD. The period of performance includes three (3) base years and two (2) option years (February 2017– February 2022), for an amount of \$498,750. Bi-state Development is in the final year of the base years; however, a contract modification has been executed to include three (3) new/additional coverages (law enforcement legal, environmental and management liability). Ms. Brittin stated that since additional coverages were secured, the contract will exceed \$500,000 for a competitive negotiation procurements, which will require Board approval. Additional funding in the amount of \$56,000 is needed to complete Contract Year 5. Commissioner Buehlhorn asked if there is money in the operating funds to cover this cost. Ms. Brittin indicated that funds are available.

A motion to approve this agenda item, as presented, was made by Commissioner Buehlhorn and seconded by Commissioner Holman. **The motion passed unanimously.**

14. Update on Drug & Alcohol Policy & Plan

8:41 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request to authorize the President & CEO to approve the Drug & Alcohol Policy & Plan (Policy & Plan) revisions. Kathy Brittin, Director Risk & Absence Management, provided an overview of this issue. She noted that the primary Policy & Plan revisions being implemented are as follows:

- The Policy & Plan will be signed by President & CEO, and the Board of Commissioners will be notified of any major revisions; and
- 49 CFR 655.45 which requires BSD to random test 50% of safety sensitive employees in lieu of 25% per calendar year; and
- 49 CFR 655.33 (b) which deals with alcohol consumption while on call and allows the employee to acknowledge use and be excused from the on call duty; and
- Updated Supervisor Testing Authorization form which will help in the proper selection of the a DOT or Non-DOT test; and
- Implementation of oral rapid (saliva) test devices for Non-DOT test screening.

Ms. Brittin commended Ed Kramer, Drug & Alcohol Program Manager, for his work on the proposed revisions to the Policy & Plan.

Commissioner Buehlhorn asked if the differences in Missouri and Illinois regarding the legalization of cannabis would affect the Policy. Ms. Brittin indicated that it would not have an impact, due to the fact that these policies fall under Federal guidelines.

A motion to approve this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Windmiller. **Motion passed unanimously.**

***** Commissioner Simmons, who had been participating in the meeting via phone, arrived at the meeting at approximately 8:43 a.m.**

15. Brentwood Bus Garage, Surplus Property

8:44 a.m. A briefing paper was provided in the Committee packet as an information update on the Brentwood Bus Garage Surplus Property Project. John Langa, Vice President Economic Development, provided a brief overview of this issue. He stated that, in March 2019, Ameren put the Ameren Property under contract ((0.69 +/- acres at \$1.57 per square foot, (based on the most recent appraisal), or \$47,100)). In addition to this acreage, Ameren will have to acquire access easements as noted in the contract (likely in the 0.20 +/- acreage range). It is likely Ameren may close on the Ameren Property this fall after gaining all necessary site development permits. In recent conversations with the City (City Administrator), the City is indicating that at some time in 2020 it could be interested in acquiring a portion or all of the remainder Surplus Property (Remainder Property), estimated at some 6.5 +/- acres, with recently enacted City sales-tax funds for a conservation and park area that would be created in conjunction with Great Rivers Greenway and the Deer Creek Watershed Alliance. Mr. Langa stated that, if, as the Remainder

Property is reappraised and is determined to be approximately \$1.57 per square foot, that sale could be in the \$440,000 range, a disposition amount higher than either the BSD President and CEO or BSD Vice President, Economic Development may approve; however, given the Board's November 2018, Resolution, the BSD President and CEO would be able to negotiate and finalize the documents to convey this Property on their behalf. Mr. Langa noted that, as with the Ameren Property, if there is an offer on the Remainder Property, BSD would advertise for competing interests, re-appraise the Remainder Property and work with the Federal Transit Administration to gain its approval on this disposition. This item was presented for information only.

16. Operations Report

8:46 a.m. An operations report for Metro Transit was included in the Committee packet. Jessica Mefford-Miller, Executive Director of Metro Transit provided a summary of the report for the Committee. This item was submitted as information only, and no action is needed by the Committee. Ms. Mefford-Miller noted that Metro Transit continues to suffer a work force shortage and unauthorized absences have increased. With regard to MetroReimagined and the changes that were made to bus routes, evaluation of the changes is an ongoing process with minor adjustments to the routes being made based upon input from front-line staff and from riders. Metro will continue to collect input from customers and additional modifications will be made in March, 2020. Metro will also be working to bring service levels back up in St. Louis County. She further noted that a limited pilot program is being implemented with Lyft, in order to look at options supplying the right size of service to meet the needs of the ridership. Commissioner Holman asked how the feedback process is being explained to customers. Ms. Mefford-Miller stated that this is being accomplished through communications with Metro Customer Service, operators and other front-line staff, and the Communications Department. Commissioner Windmiller posed questions regarding the Lyft pilot program. Ms. Mefford-Miller stated that the current pilot program is very limited; however, Metro is planning a larger program to be implemented later this month. She noted that Metro has only a limited partnership with Lyft at this point. Commissioner Buehlhorn asked for an update regarding Route #80, and the issues that were brought to the Combined Committee meeting by the public in September. An update will be provided at the next Operations Committee meeting.

***** 9:00 a.m. Commissioner Zimmerman, who was participating via phone, left the meeting.**

17. Pension Audit Updates

9:04 a.m. A briefing paper was provided in the Committee packet, providing an informational update on the results of the 2019 audits for all pension plans. David Toben, Director of Benefits, and Carmen Brothers, Retirement Plan Manager, provided a brief overview of this issue. It was noted that the Pension Data Audit, issued by Bi-State Development's Internal Audit Department in March 2012, identified policy, procedure, recordkeeping and internal control deficiencies that affected both financial reporting and the general administration of the pension plans. A major recommendation made by Internal Audit was for the pension trustees to engage an independent certified public accounting firm to perform an annual financial statement audit. It was noted that the recommendation was implemented, and the audit reports referenced reflect compliance through the most recent plan year. Ms. Brothers noted that all three pension plans received unmodified, "clean" audit opinions for plan years ended 2019.

18. IAD Follow-Up Summary – 1st Quarter FY 2020

19. IAD Status Report – 1st Quarter FY2020

20. IAD SSO Status Report – 3rd Quarter CY2019

9:06 a.m. Briefing papers were provided in the Committee packet, regarding Items #18, #19, and #20. These items were presented for information only. Chair Holman asked Jim Cali, Chief Audit Executive, if he had any additional comments regarding these items, and asked if there were any questions from the Committee regarding these reports. Being no questions, Chair Holman moved to the next agenda item.

21. President/CEO Report

9:08 a.m. Bi-State Development President and Chief Executive Officer, Taulby Roach, addressed the Committee, noting that a partial budget has been approved by the St. Louis County Council, on an amended basis. He noted that additional approval would be sought in December, 2019, and would be dependent upon the Agency's submittal to the County Council of a joint security plan and modifications to the MetroReimagined plan. Mr. Roach noted that he would like to receive input from the Board of Commissioners regarding the security plan, at the upcoming Security Sub-Committee meeting. Commissioner Cox thanked Mr. Roach for his continued work with St. Louis County regarding these issues.

22. Unscheduled Business

9:10 a.m. A briefing paper was provided to the Committee, regarding a request to accept, and refer to the Board of Commissioners for approval, authorization of the President and CEO to award a sole source contract to Raineri Construction, LLC, to provide the necessary work required to remove and replace the existing concrete sidewalks, installation of concrete bus deployed wheel chair ramp pads, concrete bus shelter pads, ADA curb ramps, site restoration, and other miscellaneous items to improve St. Clair County Transit District bus shelters at nine locations, in an amount not to exceed **\$128,691.50**.

Jessica Mefford-Miller, Executive Director Metro Transit, and Chris Poehler, Assistant Executive Director Engineering Systems, provided an overview of this issue.

A motion to accept this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Buehlhorn. Commissioner Simmons and Commissioner Cox abstained from the vote. **Motion passed.**

23. 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).

9:13 a.m. Committee Chair Holman requested a motion to allow the Committee to move into closed session as permitted under Bi-State Development Board Policy, Chapter 10, Section 10.080, (D) (1) - Legal and (D) (10) – Audit.

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

Aliah Holman – Yea
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed unanimously, and the Committee moved into Executive Session at 9:13 a.m.

24. Reconvene to Open Session

10:14 a.m. The Committee reconvened to the Regular Meeting at approximately 10:14 a.m. Chair Holman noted that, per recent changes to Board Policy, no final action votes will be taken in a closed meeting or closed, executive session. She noted that, for items requiring final action, a roll call vote shall be taken in Open Session.

Commissioner Simmons made a motion to approve the minutes from the August 20, 2019 Executive Session of the Combined Operations & Audit, Finance, and Administration Committee meeting, and that these minutes shall remain a closed record of the Agency. The motion was seconded by Commissioner Brown.

Aliah Holman – Yea
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

The motion passed.

Commissioner Buehlhorn made a motion to accept, and forward to the Board of Commissioners for approval, the Draft Financial Audit for Fiscal Year ended June 30, 2019. The motion was seconded by Commissioner Brown.

Aliah Holman – Yea
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

The motion passed.

Commissioner Simmons made a motion to accept, and forward to the Board of Commissioners for approval, the Draft ADA No-Show Policy Audit, as presented. The motion was seconded by Commissioner Windmiller.

Aliah Holman – Yea
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

The motion passed.

25. Adjournment

10:16 a.m. Chair Holman asked if there was any further business. Being no further business, Commissioner Windmiller made a motion to adjourn the meeting. The motion was seconded by Commissioner Buehlhorn. Unanimous vote in favor was taken. The motion passed, and the meeting was adjourned at approximately 10:16 a.m.

Deputy Secretary to the Board of Commissioners
Bi-State Development

Open Session Item 5
Attachment 1

Bi State Development Plan Loop Trolley Stabilization

- Enter into a management agreement with Loop TDD to manage Loop Trolley for four years
- Complete financial support provisions for Federal funds (operating support \$1.1 million Reserve capital \$800,000)
- Narrow budget parameters aimed towards sustainable financial trajectory
- Expand Trolley hours and service aimed at increasing ridership and sustained impact
- Evaluate and complete renovation & maintenance standards to operate a reliable and robust system performance

1. Management Agreement

In order to limit long term liability and to complete a fair analysis of the capabilities of this asset within these parameters, the best course of action is to enter into a Management Agreement with the TDD to operate the system for four years. This would simply keep the obligation of the grant within the hands of the TDD and limit liability to BSD. The FTA region 7 is in concurrence with this plan and has agreed to this provision provided that the Management Agreement is formalized. A draft of an expanded Management Agreement is attached under Exhibit #2.

2. Financial Support

A preliminary plan has been negotiated with the FTA which includes the recategorization of uncommitted federal legacy funds. These are residual funds left from already completed projects which have been packaged to support Trolley operations. It is highly unusual for the FTA to agree to recategorize these funds to support operating funds. Currently there are two separate tranches which have been established to support operations as follows:

- \$1,100,000 operating support to be used to fund the current operating deficit
- \$800,000 capital reserve support to be used to fund Metro equipment standards

A key step towards completion of this Federal allocation is requesting a revision to the regional Transportation Investment Plan (TIP) which is administered through East West Gateway Coordinating Council (EWG). Assuming Board approval for the Management Agreement, this is the next step for finalization of the FTA fund transfer.

3. Narrow Budget Parameters

A preliminary budget has been drafted and is attached hereto under Exhibit #1. This budget shows an annual operating deficit of approximately \$240,000. The goal is to narrow and stabilize this budget over four years by using the efficiencies of Metro transit existing operating capacities and increase the revenues created by the existing TDD.

- A. Metro Transit currently holds several structural capacities in operations that should allow us to add expertise and costs saving associated with Trolley operations. This includes existing talents in safety oversight, rail operations, and managerial capacity.
- B. TDD revenues have been growing at a greater rate than the regional economic growth. Additionally, there are several projects in construction or nearing construction that will further drive TDD revenue up. This includes the Building complex at Skinker and Delmar (which includes a CVS) and the Transit Oriented Development by Pearl along DeBaliviere Avenue from Forest Park to Waterman.

This could leave the Trolley in a situation where the revenues are very close to covering budgeted expenses within the proposed four year period of stabilization.

4. Expand Service hours and consistency

Transit principals demand minimum concepts of consistent service and integration with a comprehensive system. The current operating profile of the Trolley does little to address either of these principals. In order to have a reasonable opportunity for success and sustainability, ridership and application to these transit principals must be developed. Initially, this would mean incorporating this asset into the detailed plan of Metro Transit and relaunch the asset to incorporate these issues. There are other details which would need to be worked through including fare media and ridership targeting. Imperfect as the current alignment may be for transit operations, the key to success is to maximize every aspect of ridership. This should be confronted on several levels including the following:

- a) Incorporation into existing transit network, therefore driving ridership through existing transit pass holders (especially WU pass program)
- b) Develop a pass program using TDD revenue to provide existing Loop business owners who would sponsor (require?) employees to hold monthly transit passes designed to park remotely from the Loop and take the Trolley to/from their shifts.
- c) Incorporate the Trolley into a pass system which will include the Zoo-Museum Taxing District (ZMD). Especially in the summer months, employment at the Zoo represents a strong ridership potential from youth employed at seasonal positions at the Zoo. These are important aspects of interconnected economic opportunities for all involved – most critically, it builds ridership. All aspects of strengthening the value of these public assets should be exploited to help Trolley operations.
- d) Develop a “City Pass” for tourists which includes access to all of the various St. Louis attractions including the Trolley, MetroLink, Zoo, Museums, Science Center, the Arch, etc. Again, perhaps requiring the CVCC to financially and logistically support such an idea is a reasonable request given the nature of public support for these ventures. Developing strong ties between these publicly supported assets is a strong indication of regional policy goal setting and cooperation.

5. Evaluate Trolley stock and bring to Metro Operating standard

A sound operating budget as designed is dependent on the condition of the existing rolling stock. Unfortunately, we cannot be assured that this assumption is correct due to age and lack of information available at this time relative to the condition of the trolley’s major components. Our initial assessment team has included Scott Grott, General Manager – MetroLink; Darren Curry, Chief Mechanical Officer, and Marc Cruz, Superintendent of LRV Maintenance among others. This group has made inquiries about the current condition of the trolleys and associated infrastructure with existing Loop Trolley Company staff as well as Mike Collins of WSP who has been assisting the LTC and the District with trolley refurbishment decisions.

Two trolleys were delivered and put into revenue service approximately one year ago and the third trolley is not yet available due to compatibility issues between the trolley wheels and track. The responsibility of correcting the wheel issue of the third trolley rests with the rebuild facility but there is concern whether they will be able to effectuate a proper remedy.

Therefore, although staff has evaluated the rolling stock on a preliminary basis, a thorough ramp up period for further study and subsequent repair is critical. At a minimum this should be 60 days.

Conclusion

This memo and the attached exhibits are an attempt to put a difficult policy decision in front of the Board of Commissioners. Unquestionably, this is a troubled project in need of a major reevaluation. I am hopeful that I have provided the Board with adequate information to decide a path forward. There are additional considerations of risk, reputation, and public perception that are not fully addressed. I would share in the uncertainty of the outcome and effect of these factors. I stand by the plan set forth as a reasonable chance for success, and therefore, respectfully ask your approval to move forward.

Respectfully Submitted,

Taulby Roach
President and Chief Executive Officer

Board Questions Regarding Loop Trolley from the December 10, 2019 Special Meeting

- 1. Buehlhorn – What are the “elected’s” position on this issue? Mayor, County Executive, Councilmen Trakas and Fitch (Doesn’t want us to be “penalized” for our involvement with this project.)**

Before proceeding on this project, I consulted with each elected to be sure that they were in support of BSD looking at the project. Each agreed to working on this solution, however, each has expressed concern about the viability of the project. It would also be accurate to say that County Executive Page stressed to find a solution that did not require any additional County funding. (The current negotiated plan does accomplish this goal (of no additional local dollars) for the 4 years.)

- 2. Buehlhorn – Will the Board get to vote at a later meeting on any agreements/plans?**

Yes, the December 10th meeting request was to allow BSD to enter into negotiations for a Management Agreement with the Loop TDD. Today, we are asking for the Board’s authorization to execute this Agreement. Subsequently, a request will go to EWGCC to endorse the revision to the regional transportation investment plan (TIP) to complete the regulatory requirements which allows for the federal supporting dollars to be properly allocated.

- 3. Golliday – Three cars to run on Trolley? Possible expansion of the current 2.2 mile system? Can it be integrated into transit system?**

- A. Ideally three cars are required to run the system. Complete analysis of the cars is incomplete, however, preliminary analysis has been performed by Metro staff. Based on this analysis I have negotiated the \$800,000 capital reserve which can be used for necessary repairs and/or improvements to rolling stock to bring the assets to Metro’s standard of operating minimums. (This is more thoroughly highlighted in memo Exhibit #4.)
- B. Expansion of the system is not realistic at this time, however an inherent weakness of the system is a diminished operating reach – especially when considering the potential represented by the Forest Park institutions.
- C. Integration into the greater transit system is a key component to success, other comparable trolley systems across the country illustrate that incorporation into the greater transit system is critical to successful ridership.

- 4. Windmiller – Who is responsible in case of a “debt default”? Grant default, other debt? Specific terms of a recapture provision? Time frame?**

Current grant default would be the responsibility of the TDD. The current grant obligation runs through 2046. The current plan proposed does not include the formal transfer of assets, and the

FTA has agreed to this concept. Consequently, BSD/Metro would only manage this asset for a period of four years.

- 5. Pestello – Potential consequence for tax payers if this does not move forward? What are the consequences to tax payers if it does move forward?**
- A. If there were to be a default on this grant, it could have dangerous reputational damage on our region's capacity to cooperate and complete a difficult project. "Institutional or structural capacity" is a point of evaluation on federal assessment criteria for a wide variety of competitive grant requests. A default is a discernable and unavoidable mark against our regional reputation.
 - B. The consequence to the tax payers would be to evaluate the merit of the project after the four year BSD management plan. At that time the same debate and decision will be upon us as a region, however, hopefully we will have a better indication of the success of this course of action.
- 6. Cox – Do you have any information to back up that the FTA would withhold future funding, if trolley fails? Can't FTA decide to not give funds for a number of reasons? How is this a "transit" issue? Numbers do not show people are riding it. Can "real money" be brought in by the trolley? TDD is currently "on the hook" financially if the trolley fails. Would BSD be "on the hook" if there is a takeover that fails? Can the issue of the TDD be placed back on the ballot at any time? Can TDD dissolve? Costs to get the project up and running, \$800,000?**

I have provided the opinion of our Washington Lobbyist to support the concern I have for the region should a default occur. For clarity, I do want to restate that this is my professional opinion, I cannot point to a specific statutory reference about default. I have asked the FTA regional administrator to attend the meeting on the 24th if you require further clarity from him, however, I believe the focus is on avoiding default not diving into the possibilities. Technically, I believe that the administrator is required to declare a grant default and report the default to the justice department to analyze the legal ramifications of such.

The current management plan does avoid making BSD liable for the grant. It is entirely possible and a laudable goal to have the Trolley find more private sector support through sponsorship or other marketing cross benefits. The obstacle to pursuing private sector funds is the lack of reasonable operating success. This four year management could stabilize the operations and make such solicitations possible.

- 7. Zimmerman – Any evidence or prior information regarding FTA withholding funds for an area for a previously failed project? Have we seen the budgets for the Trolley? Are salaries, liability insurance, etc., included in the proposed budget figures by Bi-State? Are we charging the Trolley for our staff time? By what means will the maintenance costs for the Trolley be paid... could be quite costly? Have inspections been conducted? Future ridership estimates, whose are they, how calculated? Overhead? Not only on direct wages but BSD staff time and**

expenses. Liability issues – insurance, operational exposure, trolley debt, TDD debt? What is the time frame for the “recapture” period? What level of service will be considered “satisfactory”? More due diligence, what responsibility is BSD taking on?

I have no written evidence of FTA withholding funds as referenced, but I stand by my concerns and reference back to the earlier answers provided herein. However, please continue to reference the email provided by our colleague and lobbyist Jim Brown highlighting the Fort Worth example.

The current budget projection is based on review of financials from Loop Trolley Company (LTC) and have been reviewed and analyzed by BSD staff from both an operating and accounting side. (Exhibit #1)

This budget does not include the normal charges for staff overhead as I approached this project as an emergency assignment from our regional partners aimed at saving a critically troubled asset. Should we gain financial stability, normal overhead and staff charges should be applied.

The maintenance costs are to be covered through the normal operating budget along with the special capital funding (\$800,000) negotiated for such purposes through the FTA. The projected operating deficit of \$240,000 would be covered by the \$1,100,000 negotiated with the FTA.

- 8. Windmill – Confirmation of number of service hours projected...61 hours per week? Would like specifics regarding budget figures, hours of service. Can hours of service be expanded for more ridership? What are the associated costs for more hours?**

The proposed service hours (projected at 61) is a preliminary estimate based on BSD operating professionals estimating a minimum to achieve functional efficiency within a transit based criteria. After making a more thorough analysis of integration into the Metro system this may need periodic review and adjustment. Service hours could be further expanded if we can assure the rolling stock performance capabilities and show the associated market need.

- 9. Pestello – Are you confident that the Trolley could run at “break even” or better, after the initial 4 years?**

I think that the current plan gives the Trolley the best opportunity for success, however, I would stress that the management of this asset needs to be responsive to changes within the community and market shifts. (This is similar to the changes associated with Metro Reimagined.)

- 10. Holman – We have not been asked by the public, at large, to support this project; however, the public has asked that Bi-State address other issues, such as bus routes and security. Obviously we have ability to move money around. If we can get creative with this project, can we get creative in some of the other areas? If project moves forward, would need Bi-State to focus on social equity issues throughout the transit system.**

While I concede that it is true that the public at large has not necessarily called for us to take this on, there are impacts to the region that demand that we at least address this issue. Additionally, as the region's professional organization to provide public transportation, it makes sense to bring our expertise to bear. However, there are impacts of this proposed plan, and they should be analyzed within the context of the organization and the community we serve. I have done my best to give the BOC an assessment and path forward, but I defer to your judgement as to the adequacy of the effort.

Our partners at FTA are also cognizant of the short falls of the Trolley and problems associated with early start up. Therefore to avoid default, they are willing to take the extraordinary step to allow for additional operating dollars. These dollars are restricted to specific use and cannot be transferred to other operating uses. However, from a public perception standpoint this is a difficult distinction to explain. Therefore, the public animus towards this project is a relevant and important consideration towards the acceptance of the proposal.

11. Zimmerman – Public support of Bi-State is important, and we are dealing with some important issues such as the budget and union negotiations. This project does not fit where we are going. What do budget projections look like for the coming fiscal year? Isn't this a burden to place on staff/operating departments when their budgets are cut or no-growth?

See answer to #10. Yes, this project will add burden and additional work for staff. Currently, I do think we have adequate resources budgeted to handle this load with existing staffing and budget. However, once a more stable operating profile is developed additional financial support of overhead costs should be considered (ideally after the four year trial period).

BSD is in the middle of the FY2021 budget process. It is accurate to say that we are working hard to keep transit expenses level from FY2020 – this is a significant challenge. As of today, our current FY2021 operating increase is 2%. This is largely due to the new labor rates associated with the new three year ATU contract.

12. Cox – Trolley is not a transit issue, why would FTA hold it against BSD? At best efforts, Bi-State looks to lose \$250,000 per year?

Just to clarify, under the negotiated plan for Federal support, there are no negative impacts within the proposed four year Management Agreement. The \$1,100,000 of re-categorized funds would be used as operating support to fill the operating deficit and the separate \$800,000 capital funding would support capital items should they be needed.

13. Windmiller – Will there be a period of the time that the Trolley will not run, while these issues are being looked into? What is timetable to provide agreements/documents for consideration? Implementation of takeover, trolley up and running again?

Provided that the BOC authorizes the Management Agreement, the next necessary step is revision of the TIP through EWGCC. Subsequently, the necessary federal dollars would be available. Therefore, a spring reopening of March or April would be realistic, however, that is BSD's position and needs to be clarified with the FTA.

Open Session Item 5
Attachment 3

12 month Projected Budget**61 Hours of Service**

<u>Income</u>	
Sales Tax less TDD Administration	\$ 790,000
Farebox Income	\$ 50,000
Total Income	\$ 840,000
<u>Expense</u>	
Wages	
Dir. of Operations (FT)	81,800
2 Serv. Mgr./Dispatcher (PT) & FT	78,720
Maint. Leader (FT)	64,418
Trolley Op. 2 Cars (PT)	166,086
	\$ 391,024
FICA/Insurance/Benefits/Taxes	\$ 156,410
Professional Services	
Marketing and Public Relations	10,000
	\$ 10,000
General Operations	
Security	67,890
Payment Processing & Cash Collection	1,200
Communication Fees/Licenses	2,312
Shop Supplies	3,000
Cleaning Contract: Facilities & Trolleys	10,000
Trash Removal	1,200
Grounds Maintenance	1,200
Uniforms & Tools	1,200
Utilities for Building (includes Traction Power)	60,000
Telephone/Internet	7,632
Building Maintenance	1,836
General Office Supplies	1,200
Computer Hardware & Software	1,200
Travel & Recruitment (Allowance)	1,000
Postage & Printing	1,200
	\$ 162,070
System Maintenance	
Maint. Contracts (Vehicles, OCS, Track)	\$ 38,800
Motor Vehicle Maintenance	1,800
Vehicle Parts	40,000
System Parts	25,000
Pay station Parts & Maintenance	2,500
Fare Collections System	12,000
	\$ 120,100
Insurance	
Workers' Compensation/Premiums/Losses	248,480
	\$ 248,480
Total Expense	\$ 1,088,083
Income/(Loss)	\$ (248,083)

Open Session Item

6

**Bi-State Development
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From:	Jessica Mefford-Miller, Executive Director, Metro Transit
Subject:	Contract Award – Microtransit Pilot Project
Disposition:	Approval
Presentation:	Jessica Mefford-Miller, Executive Director Metro Transit; Larry Jackson, Executive Vice President of Administration; Jessica Gershman, Assistant Executive Director for Planning & System Development

Objective:

To present to the Operations Committee, for discussion and referral to the Board of Commissioners, a request for approval to enter into a contract with the most advantageous proposer to operate a new microtransit service that complements Metro’s existing fixed route service in the St. Louis region. A 12-month pilot project is anticipated, and it would consist of one base year and three option years for Bi-State Development (BSD) to renew, at its discretion.

Background:

Metro Transit recently implemented a bus network and service redesign in the Missouri portion of its service area, which focused on increasing frequency to make fixed route service more attractive and productive. Within Metro’s constrained fiscal resources for service, this involved a tradeoff that resulted in less coverage in some residential neighborhoods and suburban areas to: (a) avoid deviating buses from the main streets where fixed route transit is most productive, and (b) make bus routes more direct and intuitive for current and potential riders, while also making trips faster.

As part of this system redesign, Metro identified geographic areas that have proven more difficult to serve productively – both from the customer experience and the BSD budgetary perspectives – with fixed route service options, and for which a different mobility model should be an improved fit. Metro is now striving to better match the mobility service to the market demand by exploring new transportation technologies in the St. Louis region.

A new form of public transportation that is being tested and operated across the country is referred to as “microtransit,” both because this service is often for shorter-length trips in defined zones, and it utilizes vehicles that are smaller than traditional fixed-route buses. Microtransit service hinges on a demand-responsive technology platform that allows for vehicles to be summoned on-call when/where the customer desires, but also benefits from dynamic routing, to create shared rides and yield the efficiencies of public transit.

Based on costs, changing demographics, and increasing numbers of mobility/transportation options available, Metro sees microtransit service as a potential innovative solution for a variety of use cases, including:

- First-/last-mile trips to connect passengers to the core transit network, as well as to other nearby destinations such as employment centers, educational institutions, retail/recreational locations, or medical facilities;
- Service within low-density areas, or areas with dispersed destinations, not along a linear corridor;

- Late night/weekend, coverage timed to shifts, or other special coverage.

Metro's Microtransit Pilot Project will start by testing this service in two specific geographic areas in St. Louis County. Metro views this pilot project as part of the agency's commitment to innovation and exploration of new ways to improve mobility and efficiency, as well as in response to increasing demand from both funding partners and customers for improved service.

A Request for Proposals was released in January 2020, soliciting proposals from qualified firms to provide the necessary services for the Microtransit Pilot Project. The solicitation materials included a scope of work with service expectations, project goals, topics that Metro intends to gain knowledge on through the pilot phase, and metrics for measuring success. The solicitation follows normal BSD procurement procedures, with proposals due February 5, 2020.

Analysis:

There are limited vendors today capable of the full-service "turnkey" solution to design, operate, and iterate microtransit service for the variety of use cases that Metro is testing; in fact, Metro is only aware of one company that fully meets the constraints of this particular pilot project. Nevertheless, in an abundance of caution, prompted by the newness of this transit service type in the St. Louis region and the estimated project cost, BSD did not pursue sole-source procurement, and instead elected to issue a full and open solicitation. Staff anticipates conducting review of these proposals and providing an updated paper seeking approval to contract with the selected party for a specific amount, for consideration at the Board of Commissioners meeting on February 21, 2020.

BSD management would like to advance this project swiftly, maintaining a timeline to launch microtransit in Spring 2020, which reflects the necessity of demonstrating these new transit services as more efficient than fixed route service in key markets.

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 most advantageous proposer that does not exceed the project budget, to operate a new microtransit pilot service in the St. Louis region.

Funding Source:

Funding is accommodated within the Operating Budget.

Open Session Item

7

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee
Agenda Item
January 24, 2020**

From:	Jessica Mefford-Miller –Executive Director Metro Transit
Subject:	Contract Award: Gillig, To Purchase 4 Battery Electric Buses
Disposition:	Approval
Presentation:	Jessica Mefford-Miller–Executive Director Metro Transit; Larry Jackson, Executive Vice President of Administration; Darren Curry, Chief Mechanical Officer

Objective:

To present to the Operations Committee, for discussion and referral to the Board of Commissioners, a request for authorization to award a contract to Gillig, LLC, for the purchase of four (4) 40' Battery Electric buses to replace Diesel buses currently operation at the Brentwood division.

Background:

Looking ahead, Metro recognizes that current emissions requirements will make it difficult to operate diesel engines for as long as we have in the past. To continue to operate a reliable fleet within emissions standards, while minimizing operating costs, Metro will begin to shift our fleet to electric propulsion systems. Metro's planned transition from diesel to electric-powered vehicles is a monumental stride towards creating a more sustainable region, by selecting equipment and energy sources that will reduce greenhouse gas emissions. This will also improve the long-term financial outlook of the transit system, by reducing equipment maintenance expenses. The introduction of electric buses in the Metro fleet has been carefully planned and coordinated with vehicle manufacturers, Metro and Bi-State personnel, and regional partners to ensure a successful beginning of a more sustainable MetroBus system.

Analysis:

In 2018, Metro Transit, the Center for Transportation and the Environment (CTE), Ameren and Gillig, LLC, successfully partnered on a Federal LoNo (**low or no emissions**) grant. The purpose of this LoNo grant was to seek funding that helps to support the integration of battery electric buses into transit fleets across the country. This partnership and the LoNo award satisfies the Federal Transportation Administration (FTA) requirement of a fair and open competition.

Gillig has history and experience in the design and manufacture of transit buses and a proven record of advancing technology and innovation in the transportation industry. Gillig is an ideal partner in supporting deployment of FTA Low-No programs for electric buses.

CTE will provide technical assistance through the first phase of the project to perform technical route evaluation and technology recommendations to Metro based on the evaluation results. CTE has assisted transit agencies with the successful deployment of battery electric, hydrogen fuel cell, and series hybrid technologies, and has managed bus demonstration and

deployments under multiple FTA programs, including Low and No Emission, TIGGER, Livability, Clean Fuels, and the National Fuel Cell Bus Program.

Ameren has committed \$1,000,000 for electrical supply investments and construction of a system that would directly support Bi-State's bus charging infrastructure, including a redundant power feed for increased grid reliability at the Brentwood garage.

Committee Action Requested:

Management recommends that the Operations Committee accept, and forward to the Board of Commissioners for approval, this request to award a contract to Gillig, LLC, for the purchase of four (4) 40' Battery electric buses, at a cost not to exceed \$950,000 per bus.

Funding Source:

Funding for this purchase is provided through a combination of FTA grants (80%) and local sales tax sources (20%).

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee
Open Session Agenda Item
January 24, 2020**

From:	Jessica Mefford-Miller, Executive Director - Metro Transit
Subject:	Contract Award – Construction of Charging Infrastructure for Battery Electric Buses
Disposition:	Approval
Presentation:	Christopher Poehler, Asst. Exec. Director Engineering Systems; Gregory Smith, Vice President - Procurement & Inventory Management

Objective:

To present to the Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request to contract with the party selected in solicitation 20-RFP-106534-DGR for Construction of Charging Infrastructure for Battery Electric Buses.

Background:

Bi-State Development / Metro is in the process of procuring an initial fleet of battery electric buses, to partially replace diesel buses currently in operation. This initial fleet will consist of fourteen (14) New Flyer, sixty foot articulated battery electric buses and four (4) Gillig forty foot battery electric buses. Gradual implementation of this fleet is expected to commence in late fall 2020 and continue into spring 2021. To enable operation of this initial battery electric fleet, charging infrastructure is necessary at the Brentwood MetroBus Maintenance Facility and at the Broadway-Taylor Transit Center. This charging infrastructure will consist of charging units themselves, new dedicated power supplies, and mounting structures to enable safe operation. The chargers at Brentwood will provide overnight charging capability, and the chargers at Broadway-Taylor will enable on-route charging as necessary to maintain sufficient state of charge to complete scheduled operations.

Metro worked with the Center for Transportation and the Environment (CTE) to fully understand the needed charging capacity and configuration, and to develop a solicitation package. The charging systems sought will be compatible with both the New Flyer buses on order, and the Gillig buses, for which authorization is being requested from the Board of Commissioners. This infrastructure and equipment configuration will allow for expansion of the charging system to accommodate a growing fleet. To request proposals for the necessary infrastructure, Metro issued solicitation 20-RFP-106534-DGR E-Bus Infrastructure on October 21, 2019.

Analysis:

In response to solicitation 20-RFP 106534-DGR E-Bus Infrastructure, two (2) proposals were received from New Flyer Infrastructure Solutions and Trillium Transportation Fuels, LLC. Review of these proposals and negotiations with the apparent highest scoring team are underway. An updated paper, seeking approval to contract with the selected party for a specific amount, will be provided for consideration at the Board of Commissioners meeting on February 21, 2020.

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 a contract with the selected respondent to solicitation 20-RFP-106534-DGR E-Bus Infrastructure.

Funding Source:

This project is supported by federal funds, which are section 5339, and matching local Prop M funds.

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee
Open Session Agenda Item
January 24, 2020**

From: Ted Zimmerman - Vice President, Marketing and Communications
Subject: **Contract Award – Transit and MetroLink Station Advertising Services**
Disposition: Approval
Presentation: Ted Zimmerman - Vice President, Marketing and Communications

Objective:

To present to the Bi-State Development Operations Committee, for discussion and referral to the Board of Commissioners for approval, a request for authorization to award Contract 20-RFP-106478-SG for Transit and MetroLink Station Advertising Services to Vector Media for a three-year period, commencing April 1, 2020 and ending March 31, 2023, with two one-year options for renewal at Metro's discretion, extending the contract to March 31, 2025.

Background:

Metro Transit generates revenue through advertising placements on MetroBus (Missouri only), bus shelters, and the MetroLink system.

The current advertising services contract is held by Vector Media and expires March 31, 2020.

Metro issued Request for Proposal 20-RFP-106478-SG on October 8, 2019, seeking proposals from qualified parties interested in providing transit advertising sales & services. Proposals were due on November 8, 2019. The solicitation was advertised on Metro's website and sent to companies identified as being qualified to provide transit advertising services. Three industry leading transit advertising companies requested and received copies of the solicitation.

The objectives in the RFP included revenue in the form of a minimum guaranteed dollar amount, which increases annually or by a percentage of gross advertising sales revenues, whichever is greater. The technical evaluation criteria for the RFP included a company's experience and capabilities, as well as the experience and qualifications of staff to be assigned to the contract. A DBE goal was not established because, to our knowledge, there are no certified DBE's in the transit advertising business; however, bidders were encouraged to seek out diverse suppliers for outside services not performed on an internal basis.

Analysis:

Although three organizations expressed interest in the RFP, only one firm (Vector Media) chose to submit a proposal. The evaluation process was adhered to in accordance with the criteria set forth in the Request for Proposal. The evaluation committee consisted of staff from various departments including Transit Planning & System Development, Quality Assurance, and Marketing. The Vector Media proposal was deemed both responsive and responsible by the evaluation committee.

The cost & technical evaluation scores of the proposal are as follows:

Evaluation Criteria Scoring

Firm	Cost Score	Technical Score	Total Score
Vector Media	175.00	392.50	567.50

Minimum Revenue Guarantee:

2020 = \$1,550,000
2021 = \$1,600,000
2022 = \$1,650,000
2023 = \$1,700,000
2024 = \$1,750,000

Total = \$8,250,000

The committee determined that an agreement with Vector Media offered favorable terms and revenue potential for the period of the contract and continues the trend of positive revenue growth for the transit advertising program.

Committee Action Requested:

Management recommends that the Operations Committee accept, and forward to the Board of Commissioners for approval, this request to award Contract 20-RFP-106478-SG – Transit and MetroLink Station Advertising Services to Vector Media.

Funding Source:

Not Applicable. This is a revenue generating contract.

Vector Media proposes guaranteed revenue for the three-year period of \$4,800,000, with additional guaranteed revenue of \$1,700,000 in Option Year 1, and \$1,750,000 in Option Year 2. Total guaranteed revenue for all 5 years (including 2 option years) will be \$8,250,000.

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee
Open Session Agenda Item
January 24, 2020**

From: John Langa, Vice President, Economic Development
Subject: **Bi-State Development Research Institute Pilot Food Kiosks Donation**
Disposition: Approval
Presentation: John Langa, Vice President, Economic Development

Objective:

To present to the Bi-State Development Operations Committee, for discussion and referral to the BSD Board of Commissioners for approval, the Bi-State Development Research Institute's (**Institute**) approval action for the donation of two (2) kiosks to The Link Market (**TLM**).

Background:

Beginning in 2017, the Institute and TLM began working together on a pilot project to improve food security and access in two food deserts, located along BSD's MetroLink alignment. Through a now completed grant from the Missouri Foundation for Health, the Institute acquired two kiosks, and TLM undertook food sales operations. The Institute still owns the two kiosks, which are personal property.

The original 18-month program period has been extended over time, and the Institute has been working with TLM on a possible donation of the two food project pilot kiosks to TLM, so that they are able to continue the pilot project in some fashion, and which could involve the continued operation of the kiosks at the original North Hanley and Wellston MetroLink station locations. In addition, the Institute and TLM have been working with St. Louis County (**County**) regarding the continuation of the program.

As of the December 2019 board meeting, the Institute approved the donation of the two (2) kiosks, as-is, to TLM conditioned upon: BSD Board approval of the Institute's action; the Institute and TLM reaching an agreement on the terms of the donation; and, BSD and TLM approving a license or other agreement in support of TLM's kiosk operations at the North Hanley and Wellston MetroLink stations.

*For a complete overview of the possible donation which could take place this spring, please refer to the Background section of the attached (**Attachment A**) December 2019 Institute meeting briefing paper.*

Analysis

As a bona fide 501 c 3, and with an updated business plan, TLM believes the project can be a success through its ownership of the kiosks. Should they take ownership, all program and kiosk responsibilities would be TLM's, and BSD's role would be reduced to a licensor role, in the event TLM operates at a BSD location. All responsibilities, costs and liabilities would be TLM's, and should TLM choose to relocate a kiosk from, or sell a kiosk at, either the North Hanley or Wellston MetroLink station, they would need the County's prior written acknowledgment, and their license or use agreement with BSD would become null and void.

For a complete overview, please refer to the Analysis section of the attached, Attachment A, December 2019 Institute meeting briefing paper.

Committee Action Requested:

Management recommends that the Committee accept, and refer to the Board of Commissioners for approval, the Institute's approval action for the donation of two (2) kiosks to The Link Market (TLM).

Funding Source:

There are no additional funds, but for staff time, to be expended as part of this consideration, although the Institute may find it necessary to have legal review of any final donation agreement. That possible cost is estimated in the \$2,500 range.

Attachments:

Attachment A	Bi-State Development Research Institute Briefing Paper and Exhibits, December 2019
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Open Session Item 10
Attachment A

**Bi-State Development Research Institute
211 North Broadway, Suite 700
St. Louis, Missouri 63102**

**Board of Directors Meeting Agenda
December 30, 2019
9:00 AM**

1. Roll Call: Existing Board of Directors Members: Mike Buehlhorn, President, Aliah Holman, Vice President, Barb Enneking, Secretary, Larry Jackson, Treasurer and Taulby Roach.
2. Approval of November 12, 2019 Board of Directors Annual Meeting Summary
3. Consideration and approval of Bi-State Development Research Institute's donation of two (2) kiosks to The Link Market.
4. Other Business
5. Adjourn

Bi-State Development Research Institute
211 North Broadway, Suite 700
St. Louis, Missouri 63102

Board of Directors Annual Meeting Agenda Meeting Minutes

November 12, 2019

9:00 AM

1. Roll Call: Existing Board of Directors Members*: Mike Buehlhorn, President, Aliah Holman, Barb Enneking, Secretary, John Langa, Treasurer and Taulby Roach. (all present, in addition to Larry Jackson)

*Vice President position is vacant at this time.

2. Approval of October 4, 2018 Meeting Summary (approved unanimously)
3. Election of Board of Directors Members and Officers: Proposed (Full Board of Directors Members slate and Officers will require final approval by the Bi-State Board of Commissioners) (approved unanimously)

Suggested:	President	Mike Buehlhorn
	Vice President	Aliah Holman
	Secretary	Barb Enneking
	Treasurer	Larry Jackson
	Board Member	Taulby Roach

4. Approval of FY2020 Bi-State Development Research Institute Budget (approved unanimously)
(*This is the same Budget as in the Bi-State Development Budget*)
5. Review of Bi-State Development Research Institute's FY2020 Annual Plan and Report and Discussion of On-Going Projects
6. Other Business
7. Approval of John Langa as Interim Executive Director, Bi-State Development Research Institute (approved unanimously)
8. Adjourn

**Bi-State Development Research Institute
Open Session Agenda Item
Board of Directors
December 30, 2019**

From:	John Langa, Interim Director, Bi-State Development Research Institute
Subject:	Pilot Food Project Kiosks, Donation from the Bi-State Development Research Institute to The Link Market
Disposition:	Approval
Presentation:	John Langa, Interim Director, Bi-State Development Research Institute

Objective:

To present to the Bi-State Development Research Institute (**Institute**) Board of Directors for approval of the donation, as-is, of two (2) food kiosks now held by the Institute as part of the pilot food project originally sponsored by the Missouri Foundation for Health (**MFH**) to The Link Market (**TLM**), the operator of the kiosks, conditioned upon: Bi-State Development (**BSD**) Board of Commissioners approval of the Institute's action; the Institute and TLM reaching agreement on the terms of the donation; and, BSD and TLM approving a license or other agreement in support of TLM's kiosk operations at the North Hanley and Wellston MetroLink stations.

Background:

Key background points regarding this project are included in this briefing paper as well as the attached project memos and materials. Please note, attachment materials (primarily financial and tax reporting) for those prior project memos are not included but are referenced throughout those memos.

- The Institute was awarded \$583,958 from MFH in 2017 to create a pilot food kiosk project for 18 months, unless extended, to serve food desert communities within which two of BSD's MetroLink stations are located, Wellston and North Hanley.
- Working with BSD Procurement, the Institute purchased two (2) kiosks from Odulair, LLC. Each kiosk cost \$135,000, or a total of \$270,000 for both. In addition, the Institute used the MFH grant funds to upgrade both kiosks, including improved electrical capabilities, a mobile sink system and wrapping the kiosks with marketing materials. Given those "after-market" upgrades, the final value of the North Hanley kiosk was \$147,501 and Wellston, \$145,400, or a total for \$292,901. Per BSD Finance, as of November 2019, the remaining non-depreciated value for both was \$268,977, and combined they appear to be depreciating at approximately \$10,000, annually.
- The kiosks, which are 9' tall, 8' wide, 21' long and 5,000 pounds, were placed on poured concrete pads funded by the MFH grant and prepared by BSD Maintenance of Way and its contractors. Panic alarms in the amount of \$421 total and wireless routers, totaling \$592 have been donated to the kiosks by BSD IT. The kiosks are located on BSD property through an agreement between BSD and the Institute.
- Per the agreement between the Institute and TLM, on-going utility and internet connection service costs associated with the kiosk operations are the responsibility of TLM. BSD's actual annual costs include BSD Maintenance of Way's estimated annual ground and parking lot maintenance costs for both locations of \$20,800, total, the total annual costs for

the wireless router and panic alarm of \$1,272 and electricity. In total, the annual on-going maintenance and support costs are estimated at \$25,000, total, or approximately \$12,500 for each location. The kiosks do not have water or sewer.

- Additional BSD expenses have included BSD's Marketing and Communications providing marketing materials and opportunities for TLM, such as paying for videotaping services used to promote the kiosks.
- All of the funds from the original MFH grant have been spent or committed to reimburse BSD departments (such as Maintenance of Way), and any otherwise remaining funds are contemplated for site closure.
- TLM, which is led by Dr. Jeremy Goss, began its kiosk operations in late 2017. TLM's original 18-month operating agreement with the Institute was extended per the agreement for up to two (2) additional 90-day terms, then for another six (6) months, from June 28, 2019 to December 28, 2019, and efforts for another six (6) months contemplated through June 28, 2020. In total, the operating agreement could be extended up to five (5) years from the time of the original agreement, which could take it through April 30, 2022.
- By late 2018 and early 2019, it became apparent to Institute staff and BSD Internal Audit that the long-term financial stability of the project was at risk unless TLM gained alternative sources of funds in addition to the \$180,000 it was allocated by MFH during the first 18-months of the agreement. At this time, the North Hanley kiosk remains open and serving customers at the BSD transit center; the Wellston kiosk is used only (since early 2019) as a food distribution center for TLM's other and off-site food security work. TLM believes that the overall project is viable.
- By spring 2019, TLM had engaged St. Louis County's (**County**) support to continue the kiosk program. That effort continues, and Institute staff is in contact with the County and TLM on a routine basis. As part of that, and in order to gain an extension of the program through December 28, 2019, TLM submitted updated financial information for Institute staff and BSD Internal Audit review (please see attached memos).
- One of the directions requested by TLM has been to receive the kiosks as a donation from the Institute so that TLM can continue the program. Another TLM request has been that TLM would like to have the Wellston kiosk relocated to another location, preferably the Grand MetroLink station in the City of St. Louis where TLM believes it could have a larger group of buyers. The County is aware of both ideas, and the potential for a donation is a key reason that the work on the most recent extension of the operation agreement (contemplated through June 28, 2020) has occurred so that the donation can be considered; and, if approved, TLM position itself to receive both kiosks for its operations. Institute staff has been very direct in its conversations with the County and TLM, asking in particular what impact TLM potentially moving the Wellston location might have on the County. At this time, BSD has not taken a position of whether or not it would approve a TLM operated food kiosk, or any other similar food kiosk, at any other MetroLink station area.

- If there would be a donation of the kiosks, which are person and not real property, from the Institute to TLM, there may be important procedures to follow with the Institute's approval contingent on:
 - TLM providing the Institute that it is a current, bona fide 501 c 3 at the time of donation ((they did so in the summer of 2019 as part of a six (6) month extension effort)).
 - The Institute reviewing TLM's cursory business plan (attached) of what it intends to do with the kiosks. (Please note, the Institute received that plan, including budget projections, on December 18, 2019. From reviewing that updated plan and budget, and past TLM actual profit and loss statements, it appears that TLM's updated projections are aggressive compared to past year actuals - however, TLM appears confident it can achieve this new direction, in particular with gaining new contracts, grants and donations totaling \$337,500 in its first 12-months of operating this new approach).
 - St. Louis County providing written acknowledgment prior to any kiosk sale or relocation action TLM might take.
 - The BSD Board of Commissioners Operations Committee and BSD Board of Commissioners approving the Institute's conditioned approval of the as-is donation.
 - Institute direction that if TLM stays on BSD property with the kiosks, BSD and TLM agree upon a non-assignable license agreement that would take place at the same time as the donations to allow TLM to operate the kiosks at the two present locations for up to two (2) years as a pilot project (per input from BSD Procurement) under which TLM would continue to make use of BSD's parking lot area in the same manner as contemplated in the past for the operation of the kiosks, but, that all operation, permitting, maintenance and relocation – any and all expenses – are TLM's, and that the kiosks remain open in some fashion and be kept in good condition on the outside. The non-transferrable license agreement for each kiosk would become null and void if a kiosk is sold or relocated. After that two year period BSD could extend the pilot project for a third year or put the entire project out to bid.

Analysis:

Key areas of analysis and consideration on this project include:

- TLM believes the project is viable, and it and the County appear to want the program to continue. At the same time, the Institute is not staffed as it once was and not in a position to be an active partner on the project. If the kiosks are donated to TLM and remain at the original locations, and BSD and TLM reach a license agreement for TLM's operations, the project would in many respects serve the community in the same function as in the past.
- Alternatively, BSD and BSD partners may be able to find other, unrelated uses for the kiosks and how they have been used in the past – those other potential uses may prove an opportunity cost to BSD if they are donated to TLM.

- Should they be donated to TLM, the County would need to be made aware of any transition by TLM regarding TLM's operations or kiosk location.
- Given long-term financial viability concerns, BSD would need to recognize that the project may change over time, and prepare itself in case the kiosks are vacated at some point, or if TLM does not maintain them in a proper manner if on BSD property.

Board of Directors Action Requested:

Management recommends the Bi-State Development Research Institute (**Institute**) Board of Directors for approval of the donation, as-is, of two (2) food kiosks now held by the Institute as part of the pilot food project originally sponsored by the Missouri Foundation for Health (**MFH**) to The Link Market (**TLM**), the operator of the kiosks, conditioned upon: Bi-State Development (**BSD**) Board of Commissioners approval of the Institute's action; the Institute and TLM reaching agreement on the terms of the donation; and, BSD and TLM approving a license or other agreement in support of TLM's kiosk operations at the North Hanley and Wellston MetroLink stations.

Funding Source:

There are no additional funds, but for staff time, to be expended as part of this consideration, although, the Institute may find it necessary to have legal review of any final donation agreement. That possible legal cost is estimated in the \$2,500 range.

Exhibits:

- Exhibit A: Picture of Kiosk at North Hanley
- Exhibit B: September 13, 2019 Project Memo, Pilot Food Kiosk Project Update
- Exhibit C: October 21, 2019 Project Memo, Bi-State Development Institute Pilot Kiosk Food Project
- Exhibit D: Cursory Business Plan, The Link Market





PROJECT MEMO

DATE: September 13, 2019

TO: Taulby Roach, President and CEO, Bi-State Development (BSD)

FROM: John Langa, Vice President, Economic Development, BSD

RE: **Pilot Food Kiosk Project Update**
Updated Fiscal Analysis - Preliminary

This memo follows prior meetings and correspondence regarding the pilot food kiosk project (**Project**) made available to BSD via a grant from the Missouri Foundation for Health (**MFH**) and through with BSD engaged The Link Market (**TLM**) as the vendor to operate two (2) fresh food kiosks in feed deserts along the BSD MetroLink alignment at the Wellston and North Hanley station areas. It is also a follow up to the enclosed memo of September 5, 2019, and reflects the additional financial information sent BSD by TLM on September 11, 2019.

The Project, which began in 2017 and completed in May 2019, has been extended through a subsequent June 2019 agreement between TLM and BSD through December 21, 2019. As part of that extension, TLM has now provided updated financial statements for 2017 and 2018 which include a balance sheet for 2018, the profit and loss statements (**PL**) for 2017 and 2018, and the 2017 and 2018 payroll tax returns for employees and the TLM, itself. As of September 11, 2019 TLM provided BSD cash flow statements for 2017 and 2018, and updated balance sheet information, all of which is attached.

The MFH grant funded TLM throughout 2017 and 2018, including \$120,000 in 2017 and \$60,000 in 2018 (the grant also funded the kiosk purchase and set up). From TLM's 2017 and 2018 PL statements, noted below, TLM appeared to carry forward some \$85,817 into 2019 based on the 2017 PL of \$104,640 and the 2018 PL of (\$18,823).

	<u>2017 PL</u>	<u>2018 PL</u>
<i>Total Revenues</i>	\$146,176	\$133,685
<i>Total Expenses</i>	\$41,536	\$152,508
<i>Total Profit (Loss)</i>	\$104,640	(\$18,823)

While 2017 was a partial year of operations for TLM, 2018 was a fully year. During 2018, TLM had a net loss of \$18,823, which included proceeds from the final \$60,000 of the \$180,000 in MFH grant funds.

Without this grant funding in 2018, the annual loss would have been in the \$78,823 range. The two largest 2018 expenses were payroll, \$81,515, and the cost of goods sold, \$36,980, totaling \$118,495. Total sales for the year were \$50,163.

Per recent conversations with TLM, due to low sales the Wellston location has been closed to foot traffic for a good part of 2019. The kiosk is instead a base for food deliveries provided by TLM.

As the Project moves to its next stages, consideration might be given to TLM gaining a grant or donation amount to have the kiosk operations break even. TLM has also mentioned that it may be interested in moving the Wellston kiosk to a more profitable location. Given such, and all other elements being equal, if TLM, through a relocation, doubled sales and the cost of goods sold with then two, and not one, thriving kiosks, it is estimated, based on the 2018 PL as provided by TLM, that TLM would need annual grant or donations amounts of some \$89,162 (please see estimated totals and assumptions, below) to break even in a future year and cover expenses:

	<u>2018 PL</u>	<u>Future, <i>Estimated Break-Even PL</i></u>
<i>Revenues</i>		
Grant/Donations	\$83,522	\$89,162 (solve for break-even)
Sales Revenues (goods sold)	\$50,163	\$100,326
Total Revenues	\$133,685	\$189,488
<i>Expenses</i>		
Inventory Purchases (cost of goods)	\$36,980	\$73,960
Gen. Operating/Administrative	\$34,013	\$34,013
Wages Expenses	\$81,515	\$81,515
Total Expenses	\$152,508	\$189,488
<i>Total Profit (Loss)</i>	(\$18,823)	\$0

- Note, BSD is assuming that TLM's actual 2019 operations are in large part covered by the \$85,817 in cash noted in the 2018 year-end balance sheet.
- Note, these totals **do not** include BSD's on-going maintenance and payment of utilities for the two kiosks, estimated in the \$25,000 range annually, and the estimated break even grant and donation totals may need to reflect a reimbursement to BSD for these annual costs.
- Note, this estimated break-even summary assumes that TLM would double its sales and the costs of goods sold; it does not include the costs of relocation, permitting and set up for a kiosk move; nor, does it carry forward a reserve fund.

cc: Jim Cali, Chief Audit Executive, BSD

encl: Financial Information Received by BSD from TLM on August 28, 2019
September 5, 2019 Project Memo
Financial Information Received by BSD from TLM on September 11, 2019



PROJECT MEMO

DATE: October 21, 2019

TO: Taulby Roach, President and CEO, Bi-State Development (BSD)

FROM: John Langa, Vice President, Economic Development, BSD

RE: **Bi-State Development Research Institute (Institute)**
Pilot Kiosk Food Project (Project)
The Link Market (TLM)

The purpose of this **DRAFT** memo is to consider possible options for next steps on the Project and how that may involve the Institute, TLM and St. Louis County (**County**); and the Institute, in general.

Per a September 13, 2019 BSD memo on the Project, given the financial information provided by TLM, BSD staff estimates that TLM will need approximately \$89,162 on an annual basis to break even with two thriving Project locations. BSD further estimates that it contributes approximately \$12,500, annually, per location in operations and maintenance support. At this time, TLM is, as it has in the past, requesting BSD consider donating the kiosks to TLM. The Institute has approximately \$106,000 remaining in the Project budget to reimburse BSD Maintenance of Way (**MOW**) for its past support of the Project (\$70,000+/-), with the remainder available for either permitting, on-going MOW support or relocation costs.

In addition, Dr. Jeremy Goss emailed BSD on October 18 with the following questions (*Dr. Goss' words*):

1. *It's been some time since we submitted the financial reporting that Bi-State asked of us. I'm writing to ask if you have come to a decision as to whether our work can continue beyond the 6-month reprieve we were granted following the June phone call.*
2. *If we are to remain open, has Bi-State considered our request to relocate the Wellston market to Grand Station where it can be of more use to more people?*
3. *If, unfortunately, you elect to end the program, will Bi-State please reconsider donating the markets to my organization that we might continue to serve those in need?*

Given such, possible next steps could include:

- Within the next two weeks, BSD share with TLM that it is considering a donation of the kiosks to TLM, which could occur as early as February 2020, provided TLM, reconfirm with BSD that it is a bona fide 501 c 3 and shares a business plan for the possible donation of the kiosks. Both items would be due to BSD staff by December 1, 2019, and BSD staff would review the business plan.

One Metropolitan Square
 211 North Broadway, Suite 700
 St. Louis, MO 63102-2759
BiStateDev.org

- At the same time as the work noted immediately above, BSD staff would follow up on legal, operational and financial issues with BSD Legal, MOW and Finance; and the Missouri Foundation for Health to make them aware of the possible donation.
- If all seems reasonably in order with the TLM business plan noted above, BSD, the County and TLM could agree to extend the present arrange for up to another 6-months from December 21, 2019 to enable the following steps.
- Institute Board (January 2020?) approve:
 - o Donations of kiosks, “as-is” to TLM by the Institute (donations do not include BSD Wi-Fi and security camera hardware, BSD/Metro logos, and possibly other BSD property, to be determined).
 - o Reimbursement of approximately \$70,000 to BSD MOW for its past support of the Project, and the transfer to BSD’s “restricted funds” the remaining \$36,000 +/- from the Project to be used if BSD would need to relocate the kiosks from BSD property in the event TLM ceased operations and/or remedy the former sites for return to transit use.
 - o Consider dissolving the Institute following the possible kiosk donation. BSD staff estimates that the full legal support and appropriate filings would cost in the one-time, \$20,000 range.
- BSD Committee (January, 2020?) and Board (February, 2020?) approve the kiosks donation, transfer of remaining Project funds to BSD and possible dissolution of the Institute.
- If TLM relocates the kiosks to BSD property (or keeps them at BSD property), TLM would sign a lease or use agreement with BSD for TLM’s kiosks on BSD property. Such would be a mid-length term (two years?) pilot agreement, and would abrogate and supersede any similar or related agreement BSD now has with the Institute for TLM and/or the Project.
- It is TLM’s decision on where to locate the kiosks – they do not have to be on BSD property, if they are relocated, they would indemnify BSD for removal from BSD property, and if they relocate to another BSD property, or stay on BSD property, TLM would be responsible for all related costs, liabilities and operations.
- If such moves forward in this manner, BSD Economic Development staff will need support from other BSD departments – in some cases, direct staff support, for several months.

cc: Jim Cali, Director, Chief Audit Executive, Internal Audit

encl: September 13, 2019 BSD Project Memo
October 18, 2019 Dr. Jeremy Goss Email



BUSINESS PLAN

AT THE INTERSECTION OF FOOD AND TECH



f i t y @linkmarketstl

Executive Summary

WE BELIEVE

Everyone should have access to healthy, affordable food which is why we are committed to providing a sustainable solution to food insecurity. Link Markets are modular markets which currently operate at the Wellston and North Hanley MetroLink stations.

The Link Market is more than a grocery store. We are a 501 (c) (3) non-profit improving food access and education to help restructure the way our communities connect with healthy food. Customers on their commutes can shop a variety of great food at competitive prices and learn lessons on healthy eating by participating in interactive cooking demonstrations. We offer free bi-monthly cooking and nutrition lessons to equip families with the skills they need to make great food at home for their loved ones. When a recipe is demonstrated, we pair it and all the ingredients that go into it - from the salt and pepper to the protein - to offer as a value bundle.

BELIEF IN ACTION

Providing Affordable, Quality Food

We care about our customers and the food on our shelves so we take time to select the food for our stores to ensure that we always offer high-quality, low-cost fruits, vegetables, meat, poultry, dairy, and staple goods to everyone we serve.

We accept every payment method including electronic benefits transfer (EBT – formerly food stamps) and are proud participants in the DoubleBucks program. DoubleBucks is a federally funded program that matches, dollar for dollar, what customers using EBT spend on local produce at the grocery store, up to \$25. So, \$25 of EBT benefits becomes \$50 of buying power at our stores.

What is “Healthy”

Everything we sell nourishes our communities because we follow the American Heart Association’s guidelines for sodium per serving and the American Diabetes’ guidelines for sugar per serving. Moreover, we provide our own private-label prepared products (think sandwiches, salads, and cut fruit) to make healthy eating even more convenient.

Uplifting Local Food Systems

We take pride knowing that our food is grown in Missouri and Illinois. We’re connected to a network of more than 70 local farmers from which to source the variety of food that fills our shelves. Sourcing locally through area farmers and hyper-locally through community gardens means that our food will always reflect the very best our region has to offer.

OUR FIGHT

Access to healthy, affordable food is not guaranteed for more than 52,000 adults and 14,000 children who live in any one of St. Louis' 15 food deserts. The USDA defines a food desert as "a low income census tract where a substantial number or share of residents has low access to a supermarket or grocery store."

While this disparity is present throughout much of the US, St. Louis' population living in food deserts is 233% higher than the national average. St. Louis food deserts realize overall poverty rates and, most alarming, child poverty rates above the national average: 157% and 148% respectively. This disparity manifests in every form of malnutrition along the spectrum from starvation to morbid obesity.

The Link Market - a non-profit grocery store chain through which we will sell high quality, low cost food to families who live in food deserts.

Link Markets currently operate at Wellston and North Hanley MetroLink stations. Customers on their commute can shop our variety of healthy foods and learn lessons on healthy eating by participating in an interactive cooking demonstration. By pairing access, affordability, and nutrition education, the Link Market will serve as a catalyst to St. Louis families as they work to incorporate healthy eating into their everyday lives.

OUR FOOD

The Link Market has access to a network of local farmers and community gardens from which to source an abundance of fruits, vegetables, meat, dairy, and poultry. By operating two markets - Wellston and North Hanley - the Link Market can negotiate lower prices for larger volume orders. Sourcing locally through area farmers and hyper-locally through community gardens means that our produce shelves will change as the seasons change.

Sourcing

We prioritize sourcing from smaller farms and community gardens that offer great, local products at better prices. We know each of our farmers personally, have visited their farms, and are confident that they grow sustainably and without harmful chemicals. More recently we invested in a box truck which allows us to pick up produce from small, area farmers and efficiently transport it to our markets. This means that fruits and vegetables can be picked up from local farms Monday morning and on our shelves Monday afternoon. The vehicle is also creating new vendor opportunities with the Amish from whom we can purchase cartons of eggs for \$1.00/carton wholesale if we pick up our order ourselves from their farm in Bowling Green, MO.

Pricing

Feedback from customers about our prices is typically positive as cost-cautious consumers see the value of our food, particularly our produce.

Unlike traditional grocery stores, we sell produce per each instead of per pound. We do this for three reasons: 1) customers find it easier to think of how many items they need for their recipe by the item quantity than by its weight, 2) per weight purchasing contributes to overbuying and food waste at the consumer level, and 3) weighing items slow down transaction times. Rarely does our per each pricing system lead to confusion, but in the event it does, we take the time to educate our customers

about the standard grocery store practice of luring customers in with low per pound prices only for the customer to weigh and realize the item's actual, higher cost at the register.

OUR WORK

Staffing

Our employment philosophy has and will continue to be to recruit, train, and hire talented individuals from within the communities we serve. Each market is staffed by a Market Operator (cashier) and supervised by our Market Manager. The Market Manager leads staff and supports critical operations of the store including: personnel, supply chain management, merchandising, and reporting. Our stores are replenished by our Market Transporter (driver) who restocks each market and assists with our senior wellness grocery delivery service. Finally, our Community Engagement Coordinator develops on-site and off-site community programming, creating community outreach initiatives, and implementing our marketing efforts.

In conjunction with the St. Louis Agency for Training and Employment (SLATE) Earn to Learn Program and the American Association of Retired Persons' (AARP) Senior Community Service Employment Program, our stores have provided employment opportunities to individuals who need mentorship and workforce training.

A pool of volunteers will also be used to provide additional labor during operations. Emphasis is made to draw upon local universities and volunteers from targeted food desert neighborhoods. Gathering volunteers from individual neighborhoods served will help establish credibility in the mission by leveraging the volunteer's existing relationships and standing within their respective neighborhood.

Scheduling

Hours of operation for the Link Market coincides with the busiest times of the respective stations. Ridership data continues to inform peak hours of operation and reflect the needs and availability of the customer segment on a particular day. This approach helps optimize utilization and revenue generation. The Link Market operates year-round.

Inventory

In order to create a sustainable pricing model and optimize product mix, it is necessary to track inventory and understand customer purchase patterns. Tracking aggregated, weekly purchases can result in more efficient forecasting and ordering, thus reducing spoilage costs and shortages. Tracking also aids in quantifying value to paid members as well as measuring social impact for low-income customers. Orders are staggered throughout the week to maintain freshness and appropriate stock and we participate in group purchasing with local grocers to reduce produce expenses as well as reduce risk by diversifying produce sources.

Licensing, Permits, and Insurance

The Link Market is a federally registered as a 501 (c)(3) non-profit. Health permits and compliance with food handling regulations are in good standing and maintained annually. General liability and worker's compensation insurance policies are in place and satisfy all state and federal standards.

OUR COMMITMENT

Engaging Communities

We are building community through education to help restructure the way our customers use and think about healthy food. Customers can learn more about healthy eating by participating in interactive cooking demonstrations at our markets each month. We also align our company with other organizations to develop additional community-based initiatives that bring more resources to our neighbors in need.

Finding Long-Term Solutions

We are committed to finding better, smarter ways to tackle food insecurity and assess the impact of our work through data collection, research, and community feedback to assure we are as responsive to the needs of the community as possible. The hope is that our multi-approach commitment to this issue will improve food access, contribute to a healthier food system, and affect policy changes that will impact the future of food justice.

COMMUNITY IMPACT

The Link Market has made remarkable strides in the communities we serve. What follows are some of the community-based activities in which we participate.

Good, to-go! - Free Senior Grocery Delivery Services

North Newstead Association (NNA) is a Missouri not-for-profit designated by the City of St. Louis to promote economic well-being while providing affordable housing and family support services in low-moderate income areas. NNA currently serves the St. Louis City neighborhoods of Penrose, O'Fallon, Fairground, Carr Square, JeffVanderLou, St. Louis Place, Old North, Columbus Square, and the Gate District. Together, the Link Market and North Newstead Association piloted an Elderly Services Program aimed at increasing healthy food resources to at risk seniors in NNA's priority zones. Through funding from the Department of Housing and Urban Development (HUD), the Link Market delivered bundled groceries to 180 seniors in 2018.

Based on the success of our partnership with NNA, beginning June 6th, 2019, the Link Market will expand services to offer free, weekly grocery delivery services to 650+ seniors living in HUD-subsidized, income-based senior living communities:

St. Louis Health Department - Fatherhood Support Program

St. Louis City Health Department (STLHD) developed a Father Support Program (FSP) to provide education and resources to new fathers in underserved communities. With support from STLHD, the Link Market is providing subsidized, on-demand grocery delivery service to STLHD constituents participating in the FSP. Our markets are working in coordination with STLHD to identify and register 100 FSP participants from July 2019 through September 2019 for free accounts at linkmarket.org. Once online, FSP members can purchase healthy, affordable food and receive free delivery to either the Family Support Center or the Guardian Angel Settlement Association.

Community Action Agency of St. Louis County - Green Tomato Project

The Seeds of Hope Farm is operated by the Community Action Agency of St. Louis County (CAASTLC) with the goal of increasing food security in area food deserts. Through a unique

partnership with the Link Market, our customers receive organically grown, locally sourced green tomatoes and recipe cards to inspire great home cooking using these free resources.

MARKET ANALYSIS

The USDA defines Food Deserts as: "Urban neighborhoods and rural towns without ready access to fresh, healthy and affordable food." This designation is determined by 2 main factors:

1. At least 500 people or at least 33% of the population lives >1 mile from a major grocery store.
2. Poverty rate of residents is 20% or greater.

By this definition there are an estimated 23.5 million people live in food deserts throughout the United States. Of those, roughly 97.8% live in urban areas. The effect on health outcomes from this disparity is staggering: with food desert populations realizing levels of obesity, diabetes, and hypertension far greater than the national average. While food insecurity is a major issue nationally, its prevalence in the city of St. Louis is particularly troubling. St. Louis' percentage of residents living in a food desert is almost 3 times higher than the national average of 7.4%. One major contributing factor is residents lack of access to vehicles, which, in St. Louis food deserts, is 41% above the national average.

Mission Competitors

The existing landscape of non-profit organizations aiming to address food insecurity is fragmented at best. While there exists some degree of competition in terms of limited grant and charitable donation funding, we do not anticipate any threat or competitive pressure in terms of food sales.

Rather, we see this as an opportunity. The Link Market has aligned itself in such a way that not only creates new synergies between these various organizations, but also serves as a platform for these types of organizations to grow. We position the markets in such a way that maximizes TOTAL IMPACT through collaboration.

Industry Competitors

In terms of competing for food spending dollars in food deserts, we anticipate no response from retailers, for several reasons. The primary reason is that these food desert communities lack large grocery retailers by definition. Retailers that do exist in the food desert communities are predominantly small format and convenience stores, who already opt not to sell fresh, healthy foods due to low profit potential. Another reason is that we are selling an entirely different experience. Not only will our products be superior in quality, but we are offering access to additional programming and resources.

MARKETING STRATEGY

Our marketing efforts must remain flexible in order to effectively reach our many customer segments. To connect with everyone in our target communities, we utilize a variety of approaches and mediums including: in-person interactions, direct mail correspondence, and social media engagement. Additionally, we work with traditional print and digital media outlets to promote the Link Market.

In-person

Listening Sessions

We believe that the most organic approach to community engagement is meeting people where they are and hearing their voices on the issues at hand. To this end, we will invite members of the

community to the space for a three-part series with the goal of collecting feedback on the impact of food insecurity on their lives and providing a robust and meaningful solution to the problem.

1. In Session 1, we will listen. Members of our team will be on hand to ask tough questions about the scope and scale of hunger on the lives of the families present. This perspective will guide our work and provide us with the metrics by which we will determine success.
2. In Session 2, we will share. We will introduce our initiative by discussing our mission and vision and plans for how we'll work with and within the community. We will introduce our vendors, products and prices (see Appendix - pg 11).
3. In Session 3, we will respond. Our team will join forces with the community for a weekend of service in the community. Activities might include a neighborhood litter cleanup and garden planting.

Cooking Demonstrations

With help from our partners at the University of Missouri Extension School in St. Louis, we will continue to offer free bi-monthly cooking and nutrition demonstrations that equip families with the skills they need to make great food at home for their loved ones. When the cafe kitchen is not open, we believe everyone should have access to tools that keep cooking fun and easy so, when a recipe is demonstrated, we pair it with all the ingredients that go into it - from the salt and pepper to the protein - to offer as a value bundle.

Direct mail and Marketing Materials

We have produced a variety of materials to distribute including our store's seasonal circular (see Appendix - pg 12) which we will mail throughout the community using the United States Postal Services' Business Mail Program. Additionally, we have created several branded items such as our store loyalty keychain cards, grocery bags, and gift cards to help promote our brand (see Appendix - pg 13).

Social Media and Website:

We currently engage followers on multiple social media platforms including Facebook (@linkmarketstl), Twitter (@linkmarketstl), and Instagram (@linkmarketstl). Each platform has a strong presence and is utilized to communicate important information to our customers such as store closings due to bad weather or the debut of new products.

We maintain a website, www.linkmarket.org, through which we communicate our mission, vision, and approach to providing a more equitable food system for St. Louisans in need. Recently, our website was enhanced to provide E-commerce functionality. Beginning Fall 2019, customers can purchase groceries online, anytime and have their items, bagged, bundled and waiting for them for free curbside pick-up at the market an hour later. Additionally, we acquired a commercial delivery truck to 1) assist in transporting food from the farm to each of our stores efficiently and to 2) offer a free grocery delivery service to senior centers. Using our paper order sheet, seniors with limited web familiarity can place orders by phone and receive free, scheduled grocery delivery to their center and pay at delivery.

Traditional Media:

We have strong connections to major news outlets in St. Louis including print - Sauce Magazine, Feast Magazine, The St. Louis American, St. Louis Business Journal - and digital media - HEC-TV, FOX2, Real STL News, Huffington Post.

MEASURING IMPACT

The Link Market is partnered with the University of Missouri St. Louis (UMSL) to assess and evaluate our impact and sustainability. This includes measuring the behavior and potential health changes for both the corporate and food desert customers. This partnership will provide the Link Market with consistent data that not only helps refine the model through iterative feedback, but it also serves as an objective third party to properly capture various metrics. We are committed to finding better ways to tackle food insecurity. We consistently assess our work with the help of data collection, research, listening sessions, and community feedback to ensure we are staying as transparent as possible. We're confident that our multi-pronged approach to this issue will lead to better food access, a healthier food system, and policy changes that will impact the future of food justice.

Objectives:

The purpose of this study is to examine the impact that our market has on food access using a multi-level approach to assess the impact on individual, organization, and community.

Specifically, this study aims to:

- 1) Analyze changes in food access among individuals at Wellston and North Hanley over a one-year period by conducting intercept interviews (n=200) at each baseline, three and six months.
- 2) Measure availability of food by conducting grocery store audits in the two study regions at baseline, three and six months.

Methodology:

Individual level

A prospective study using a series of cross sectional examinations will be used to examine the impact of the Link Market on food access. Data will be collected at three time points: baseline, three months, and six months. Eligible participants include adults (18 years of age or older) living in the Wellston and North Hanley neighborhoods. Recruitment for the baseline survey will occur on-site at the market. Recruitment efforts will also occur at community centers and churches. A research assistant will be present during market hours to describe the study and recruit potential and existing customers.

Participants will be asked to complete a brief survey at three points in the 12-month period. The survey will assess the following.

Socio-demographic factors include household income, number of people household income supports, number of children in the household, education, age, race, ethnicity, and gender. Residential cross streets will be captured to assess approximate household location.

Food security status will be measured using a five-item food security scale developed by the USDA and Census Bureau, and a single item, four-part food sufficiency measure. Participants will also be asked about participation in Women, Infants, and Children and Supplemental Nutrition Assistance Program (SNAP).

Questions to assess the participant's food environment will include grocery store where one shops, access to food stores that accept food stamps and/or WIC in your neighborhood, typical mode of transportation to get food, and fast food restaurants in your neighborhood.

A 7-item scale will be used to assess nutrition. A subsample of participants will be recruited to participate in a 24-hour food recall. Participants will be asked to photograph the food that they eat for 3 24-hour cycles including one weekend day and two weekdays.

Transportation-related questions will assess the extent to which participants use public transportation, rely on others for a ride, car ownership.

Health related questions will assess whether a doctor has ever told the participant s/he has diabetes, hypertension, or heart disease. Participants will also be asked for self-reported height and weight.

Questions about Link Market will assess shopping frequency, the benefits of shopping at our stores, the barriers to shopping with us, motivation for patronizing our locations, and most common purchases.

Community level

Environmental audits of the food environment will be conducted. Grocery stores, convenience stores, gas stations, and fast food restaurants will be identified using business databases. The research team will then conduct ground trothing which entails systematically scanning the geographic area to confirm the location of each food establishment and identify food establishments not currently listed in the database. Once identified, each potential food selling establishment student researcher will use established audit tools to assess availability, price, and quality of food items at baseline, three and six months after the Link Market implementation. Additionally, we will collect sales data of food within partner corner markets to analyze changes in demand in food access.

Furthermore, we expect to influence community norms around food access. This will be measured by analyzing social media and traffic surrounding the food access intervention strategies they will be implementing. Types of social media will include: Facebook, Instagram, and Twitter. Number of followers will be measured at baseline and 6 months. Additionally, "tweets" will be analyzed to measure number of discussions around food access. These will also be geocoded for mapping the changes in conversations related to food access by census tract to assess community norms based on food desert locations.

APPENDIX

PRICE COMPARISON

Local **L**
Organic **O**
DoubleBucks Eligible **D**

Product	Link Market	Aldi	Save a Lot	Schnucks	Walmart
Apples (ea.)		\$0.64	\$0.85	\$0.55	\$1.18
Avocados (ea.)		\$1.89	\$1.19	\$1.50	\$0.88
Bananas (bunch)		\$0.90	\$0.99	\$0.84	\$1.44
Bell Peppers (ea.)	L O D	\$0.91	\$1.25	\$0.99	\$0.58
Bread (loaf)	L	\$0.95	\$0.99	\$1.99	\$0.88
Butter (pk.)		\$0.95	\$2.49	\$3.29	\$2.98
Cheese (pk.)	L	\$2.19	\$2.29	\$2.49	\$3.47
Chicken Breast (pk.)	L	\$4.01	\$1.49	\$3.99	\$7.26
Corn (ea.)		\$0.69	\$0.20	\$0.50	\$0.99
Cucumber (ea.)	L O D	\$0.65	\$0.59	\$0.99	\$0.48
Eggs (dz.)	L	\$1.19	\$2.45	\$4.92	\$1.58
Garlic (ea.)		\$0.33	\$0.33	\$0.62	\$0.60
Green Onions (bunch)		\$0.99	\$0.99	\$0.99	\$0.98
Kale (bunch)	L O D	\$1.79	\$2.89	\$1.69	\$0.98
Lemons (ea.)		\$0.41	\$0.50	\$0.50	\$0.54
Lettuce (ea.)	L O D	\$2.20	\$1.29	\$2.87	\$2.98
Milk (gal.)	L O D	\$2.75	\$2.79	\$2.99	\$3.18
Oranges (ea.)		\$0.73	\$0.56	\$0.83	\$0.78
Peaches (ea.)	L O D	\$0.82	\$0.65	not available	\$0.99
Pears (ea.)		\$0.64	\$0.45	\$1.06	\$1.17
Potatoes (ea.)		\$0.21	\$0.30	\$1.06	\$0.62
Red Onions (ea.)		\$0.31	\$0.99	\$1.30	\$0.26
Strawberries (pk.)		\$2.19	\$1.88	\$3.99	\$2.46
Tomatoes (ea.)	L O D	\$0.55	\$1.25	\$0.66	\$1.58
Yellow Onion (ea.)		\$0.69	\$0.22	\$1.43	\$0.36

Basket Total \$25.83* \$29.58 \$29.87 \$42.04 \$39.20
% Above Link Market **14.5%** **15.6%** **62.8%** **51.8%**

EBT DoubleBucks Discount **\$6.19**

*Price after EBT DoubleBucks Discount **\$19.64**

Store Circulars

FRONT LAYOUT

[illegible]

CENTER LAYOUT



Green Bean Sandwich
14,99 / pkg



Hamburger with Cheese and Pickles
14,99 / pkg



Bacon Cheeseburger
14,99 / pkg



Hot Dog with Mustard
14,99 / pkg



Fruit Smoothie
14,99 / pkg



Salad Bowl
14,99 / pkg



Crispy Chicken
14,99 / pkg



Fried Chicken
14,99 / pkg



Baked Chicken
14,99 / pkg



Grilled Chicken
14,99 / pkg



Roasted Chicken
14,99 / pkg



Spiced Chicken
14,99 / pkg



Crispy Chicken
14,99 / pkg



Fried Chicken
14,99 / pkg



Baked Chicken
14,99 / pkg



Grilled Chicken
14,99 / pkg



Roasted Chicken
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Spiced Chicken
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Crispy Chicken
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Roasted Chicken
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Spiced Chicken
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Crispy Chicken
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Fried Chicken
14,99 / pkg



Baked Chicken
14,99 / pkg



Grilled Chicken
14,99 / pkg



Roasted Chicken
14,99 / pkg



Spiced Chicken
14,99 / pkg

linkmarket.org

800-800-8000

WEACAST

800-800-8000

LAYOUT 3

[illegible]

Keychain Tags



Grocery Bags



Posters



Gift Cards



Link Market - Projections (2020)

Income

Revenue

Sales	70,228
Grants	110,000
Donations	138,500
Contracts	89,000
Total Revenues	407,728

Cost of sales

Cost of Goods Sold	42,459
	-
	-
Total cost of sales	42,459

Profit on Goods Sold 27,769

Net Revenue 365,269

Expenses

Advertising	11,000
Car/Truck	-
Contractors	55,600
Insurance	6,445
Legal Expenses	-
Licenses and Permits	1,494
Misc. Expenses	-
Meals & Entertainment	-
Storage	-
Shipping	-
Payroll	108,000
Rent	2,400
Fuel & Maintenance	1,280
Supplies & Equipment	3,179
Taxes & Fees	1,854
Travel	2,077
Utilities	14,400
Website	10,000
Total expenses	217,729

Total Profit (Loss) 147,540

**Bi-State Development
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From:	Larry Jackson, Executive Vice President of Administration
Subject:	Contract Award – Design Services for Repurposing of Tucker Theater at the Gateway Arch
Disposition:	Approval
Presentation:	Chance Baragary, Project Director – Arch Gregory Smith, Vice President – Procurement & Inventory Management

Objective:

To present to the Audit, Finance, and Administration Committee, for discussion and referral to the Board of Commissioners for approval, a request to contract with AECOM Technical Services, Inc. for Design Services for Repurposing of Tucker Theater at the Gateway Arch.

Background:

Bi-State Development / Gateway Arch is pursuing a project to provide a fresh visitor experience in the 4,800 square foot space currently known as Tucker Theater, located within the Arch Visitor Center. Currently, *Monument to the Dream*, a documentary telling the story of construction of the Arch, is shown in this space. This film, while fascinating in content, is dated, a fact which is often the focus of visitor feedback. The project goals include providing a fresh perspective of this story in the same space to further supplement the overall park visitor experience, and to provide an attraction that appeals to a broader audience. On September 23, 2016, the Board of Commissioners approved the Design and Construction Agreement for the Jefferson National Expansion Memorial (JNEM) Tucker Theater Repurposing project, an agreement with the National Park Service (NPS).

On November 6, 2018, Bi-State Development (BSD) issued Solicitation 19-RFP-105506-DGR – New Gateway Arch Experience. The solicitation consisted of a two-step process; Step 1 to obtain a pool of qualified offerors, and on March 27, 2019, Step 2 was issued to solicit concept proposals from the selected candidates.

Analysis:

In response to solicitation 19-RFP-105506-DGR, three (3) proposals were received from the following: PGAV Destinations, Freeman, and AECOM Technical Services, Inc. The concept proposals were reviewed by a committee of eight members, four BSD and four NPS. The committee has elected to move forward to negotiations with AECOM for implementation of a project based on their proposed concept.

The intended project approach at this time is a hybrid Design-Bid-Build, with the designer producing not only the construction documents, but remaining available for consult for the duration of the project, and also producing the media (video and audio) for the experience. This approach will enable consistency of the envisioned concept through completion. Phased contracts with the Designer for individual portions of the overall design and media production efforts will

be utilized, with the total contract amount to AECOM expected to not exceed **\$3,500,000**, which includes a 10% contingency.

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 a contract with AECOM for an amount not to exceed **\$3,500,000**.

Funding Source:

Per the Design and Construction Agreement for the Jefferson National Expansion Memorial Tucker Theater Repurposing project, this project is fully funded by the JNEM Beneficial Fund.

**Bi-State Development
Combined Operations Committee and
Audit, Finance and Administration Committee
Open Session Agenda Item
January 24, 2020**

From: Taulby A. Roach, President & CEO
Subject: **Police Assistance Services Agreement with the St. Louis City Metropolitan Police Department**
Disposition: Approval
Presentation: Stephen Berry, General Manager, Department of Public Safety

Objective: To present to the Combined Operations Committee and Audit, Finance and Administration Committee, for referral to the Board of Commissioners, a request to approve the Police Assistance Services Agreement with the St. Louis City Metropolitan Police Department.

Background:

MetroLink's planners recognized that the personal safety of customers was essential to the success of the light rail system. The system was designed with open, well-lighted platforms and trains, as well as closed circuit television for constant monitoring of every station platform. In addition to these design elements, it was recognized that highly visible, effective, and professional law enforcement personnel were also essential.

In working with the City of St. Louis, BSD has strongly emphasized the importance of the law enforcement detail as a highly visible and pro-active part of the MetroLink security team. BSD contracts with police jurisdiction partners to provide resources to patrol the Metro system; enforce laws, local ordinances, and Metro rules and regulations; detain, arrest, and process individuals committing crimes on or near the Metro transit system.

The presence of these uniformed officers and their enforcement of laws, ordinances and Metro rules and regulations are critical to creating a safe transit system that offers a positive experience to its customers.

Analysis:

The three year, with an optional two year term, Agreement with the St. Louis Metropolitan Police Department is effective on January 1, 2020, and calls for a total manpower of nine (9) police officers from the City Police Division's Police Department consisting of one (1) Lieutenant, one (1) Sergeant, and seven (7) police officers. The annual payable amounts for the Initial three year term 2020 – 2022, shall be: Year 1 - \$1,185,606, Year 2 - \$1,201,357.32, Year 3 - \$1,211,231.16 and for the Renewal two year term, 2023 – 2024, Renewal Year 1 - \$1,221,744 and Renewal Year 2 - \$1,230,192.

Committee Action Requested:

It is requested that the Combined Operations Committee and Audit, Finance and Administration Committee approve, and move forward to the Board of Commissioners, a recommendation to approve the Police Assistance Services Agreement with the St. Louis City Metropolitan Police Department and that the Board of Commissioners authorize the President & CEO to execute the

Agreement with the City of St. Louis on behalf of the St. Louis Metropolitan Police Department to provide nine (9) officers for the initial three year term in the total amount of \$3,598,194.40 and the optional two year renewal term in the total amount of \$2,451,936.

Attachment 1: Police Assistance Services Agreement with the St. Louis City Metropolitan Police Department.

Funding Source:

Costs for services are included in the Agency's Operating Budget.

POLICE ASSISTANCE SERVICES AGREEMENT

This Police Assistance Services Agreement (the "Agreement") is entered into this _____, 2019, by and between the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") and the City of St. Louis, Missouri, Police Division ("City Police Division").

WHEREAS, Agency operates a light rail system ("MetroLink") within the City of St. Louis, Missouri, St. Louis County, Missouri, and St. Clair County, Illinois; and

WHEREAS, an integral part of Agency's operation is the safety and security of its customers who use MetroLink; and

WHEREAS, Agency is authorized, pursuant to the Compact between the states of Illinois and Missouri, to employ peace officers through contracts with law enforcement agencies; and

WHEREAS, Agency desires to contract with City Police Division to provide peace officers for police protection and presence on MetroLink trains and property and for such officers to serve as good will ambassadors in the performance of their duties; and

WHEREAS, City Police Division provides law enforcement services within the City of St. Louis, Missouri; and

WHEREAS, Agency and City Police Division desire to enter into this Agreement whereby City Police Division will provide law enforcement services on MetroLink trains and property and Agency will compensate City Police Division for such services; and

NOW, THEREFORE, in consideration of the premises set forth hereunder, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City Police Division and Agency hereby agree as follows:

Article I. Term: Termination.

- 1.1 **Term.** This Agreement shall commence as of January 1, 2020 and shall be for an initial period of 3 years from the date of commencement, unless earlier terminated by either party in accordance with this Agreement. After the initial 3-year term, this Agreement may be renewed in writing, signed by the parties for one additional two-year term. The renewal term will be subject to the same terms and conditions as set forth in this Agreement, except compensation for each renewal term will be determined as provided under Section 2.2 of this Agreement.
- 1.2 **Early Termination.** Either party may terminate its rights and obligations under this Agreement without cause by providing at least thirty (30) days' prior written notice to the other party of to the termination date of this Agreement.

Article II. Compensation.

- 2.1 **Compensation for Basic Services.** The Agency agrees to compensate City Police Division in accordance with Exhibit A for the monthly fees described therein for each year of the Initial Term of this Agreement. Annual amounts payable by Agency to City Police Division shall not exceed the following: Initial term, Year 1 - \$1,185,606; Initial Term Year 2- \$1,201,357.32; Initial Term, Year 3 - \$1,211,231.16. Notwithstanding the foregoing, if the level of service increases or decreases as provided in Section 4.2, Police Jurisdiction shall notify Agency as soon as practical of such increase or decrease.

- 2.2 Compensation for Renewal Term(s). Agency agrees to compensate City Police Division in accordance with Exhibit A for the monthly fees described therein for each of the Renewal Terms. Annual amounts for the Renewal terms shall not exceed the following: Renewal Term Year 1 - \$1,221,744; Renewal Term Year 2- \$1,230,192.
- 2.3 Compensation for Additional Services. If City Police Division provides additional law enforcement services pursuant to Section 4.2, Agency shall compensate City Police Division for such additional services by paying the actual cost of wages (including any premium paid for overtime) and other direct wage-related costs for each officer providing such services ("Additional Monthly Fee").
- 2.4 Time and Manner of Payment. City Police Division shall provide Agency with monthly invoices for the Monthly Fee and Additional Monthly Fee to be paid by Agency. Agency shall pay each invoice within thirty (30) days of the date of receipt.
- 2.5 Directive for Additional Services/Compensation. The Commissioner of the City Police Division may prepare and sign, from time to time, a Directive for Additional Services to authorize under this Agreement any level of service change by City Police Division pursuant to Section 4.2, below, and the resulting change to compensation payable by Agency pursuant to Section 2.1, above, by adjusting the Monthly Fee in accordance with the component figures contained in Exhibit A.

Article III. Regional Integration of Transit Police Services.

- 3.1 Bureau of Transit Police. City Police Division, and other jurisdictions providing law enforcement services to Agency, have determined that it is in their best interests to cooperate in providing such services to the Agency and have established a working group to be known as the Bureau of Transit Police (the "Bureau"). For the purposes of this Agreement, all such officers and other personnel providing services to Agency hereunder shall be referred to as assigned to the Bureau.
- 3.2 Administration of the Bureau. Bureau activities will be under the overall administration and coordination of the St. Louis County Police Department in cooperation with Agency's General Manager of Public Safety. The St. Louis County Police Department Commander assigned to the Bureau will be designated the "Bureau Commander." The Bureau Commander shall be responsible for the supervision of the day-to-day operations of the Bureau.
- 3.3 Bureau Standard Operating Procedures. City Police Division and Agency recognize that each have a legitimate interest in the deployment strategy and priority of services of law enforcement personnel assigned to the Bureau. City Police Division and Agency agree to work together to ensure that the deployment and priorities of law enforcement personnel assigned to the Bureau are efficient and effective and in accordance with Agency's Security Plan and the Bureau's Standard Operating Procedures ("SOPs") attached hereto and incorporated herein as Exhibit B.
- 3.4 General Orders, Directives, and Training. Officers assigned to the Bureau will remain subject to the General Orders, Directives, and training requirements of City Police Division. Additionally, in the event of a conflict between the SOPs and City Police Division's General Orders or Directives, Police Jurisdiction's General Order or Directive will prevail.
- 3.5 Command Review Meetings. Command-level review meetings between Agency, Bureau Commander, City Police Division, and the other jurisdictions providing law enforcement services to the Bureau shall be held at least bi-weekly, or as requested by any party, in order to discuss

the services under this Agreement; personnel qualifications and complaints; work assignments and hours; reports made and/or needed by any party; and to discuss and resolve any other areas of mutual concern.

Article IV. Services Provided by City Police Division.

- 4.1 **Basic Services.** During the initial term of this Agreement, City Police Division shall assign 9 police officers from City Police Division's police department, consisting of 1 officer of Lieutenant rank, 1 officers with the rank of Sergeant or higher, and 7 police officers to the Bureau. City Police Division and Agency shall annually agree upon the level of police services, including personnel, equipment, and related support to be provided to the Bureau at least thirty (30) days prior to the commencement of any renewal term.
- 4.2 **Changes in Level of Service.** City Police Division may exercise its reasonable discretion to make changes in the number of police officers assigned to the Bureau during the term of this Agreement; however, City Police Division shall provide Agency advanced written notice of its intent to change the number of police officers. If a vacancy of any of the agreed-upon number of officers is not filled within ninety (90) days, City Police Division and Agency agree that Agency may reassign the opening to another jurisdiction to provide officers to the Bureau.
- 4.3 **Duties of the Officers.** The police officers assigned to the Bureau under the terms of this Agreement shall primarily devote their time to activities on MetroLink trains and stations. The duties of such officers shall include, but not be limited to, the following:
 - a. Provide "roving" police patrol duties on board the MetroLink trains and within Agency's MetroLink stations, during which they shall perform their normal and lawful duties as law enforcement officers, to enforce the laws of the State of Missouri, and the various ordinances within the officers' jurisdictions. No officer shall, however, be required by this Agreement to perform any duties outside of the State of Missouri, unless authorized by state or federal law. City Police Division's police officers are permitted to enter the State of Illinois for the purpose of monitoring ongoing suspicious activity on a MetroLink train or to apprehend a suspect, and to remain in the State of Illinois until an officer of the appropriate Illinois jurisdiction has responded to the scene under the authority granted by Section 70.378, RSMo. and 45 ILCS 110/5.
 - b. Actively and visibly patrol MetroLink trains, stations, park-and-ride lots and other MetroLink facilities; interact positively with MetroLink customers and provide appropriate assistance to them; enforce the MetroLink fare system as supported by state statute when on duty and not actively engaged in other police work; to include issuing citations for fare and Agency regulation violations; and arrange for the pickup, transporting and processing of offenders taken into custody.
 - c. Respond to subpoenas, court appearances and trials as required for violations.
- 4.4 **Scheduling of Services.** City Police Division and Bureau Commander, in consultation with Agency, shall determine when and where officers are to perform their respective duties as described in Section 4.3 above. City Police Division shall provide agency with a copy of the

work schedules, known as the "Bureau of Transit Police Officer's Work Schedules", of all officers assigned to the Bureau. With the exception of services provided under unforeseen or extraordinary circumstances, as documented by City Police Division in writing detailing the amount, nature, and justification for such services, Agency must pre-approve the use of any additional police officers or additional hours of services not authorized in Section 4.1.

4.5 Status of Officers. The police officers assigned to the Bureau under the terms of this Agreement shall, at all times, be considered employees of City Police Division and not of Agency. If Agency determines that any police officer assigned to the Bureau under this Agreement is not performing in accordance therewith, Agency may request the replacement of such officer. Upon such request, City Police Division shall make every effort to replace the officer; however, the replacement of an officer assigned to the Bureau is within the City Police Division's discretion.

4.6 Equipment. City Police Division shall provide its officers assigned to the Bureau with a standard uniform and a complement of personal equipment at its own expense. City Police Division shall be responsible for its incurred expenses in performing this Agreement.

4.7 Reports.

- a. City Police Division shall submit monthly reports on its services to the Bureau Commander and Agency in a format that is mutually acceptable to Police Jurisdiction and Agency. These reports shall contain crime statistics, as well as self-initiated and directed call for service data, by geographical location. Upon request, City Police Division shall provide police reports to the Bureau Commander in a manner compliant with state and federal law for incidents related to the Agency and its operations.
- b. Agency shall provide monthly reports to City Police Division containing ridership and fare data. Agency shall provide City Police Division any new policies regarding fare enforcement, Fare Bulletins, and updates regarding safety and security.
- c. City Police Division shall make timely reports documenting each officer's work time, location, and activities to Agency at times and in a format to be mutually agreed upon by Agency and City Police Division. Such reports shall include the following information: time and location of reporting to duty and when completing duty, activities while on duty, time away from MetroLink stations or trains when on duty, and such other matters relating to their duties pursuant to this Agreement. City Police Division shall also provide Agency with monthly reports of crime statistics related to MetroLink.

Article V. Insurance.

5.1 Insurance. It is hereby understood and acknowledged that City Police Division and Agency are self-insured for purposes of general liability, commercial general liability, automobile liability, professional liability, and workers compensation / employer liability.

Article VI. Miscellaneous.

6.1 Notices. Any and all notices or other forms of communications, required or voluntarily made by either party, shall be deemed to be given if hand delivered or sent through the United States Postal Service, First-class postage pre-paid, to the respective addresses of the parties listed below:

If to Agency: Bi-State Development Agency
211 North Broadway, Suite 700
St. Louis, Missouri 63102
Attn: Taulby Roach, President & CEO

If to City Police Division: City of St. Louis
1915 Olive Street
St. Louis, Missouri 63103
Attn: Colonel John W. Hayden, Jr., Police Commissioner

Both parties may, by notice given here under, designate an additional or different recipient or address to which subsequent notices and communications shall be sent.

- 6.2 Severability of Provisions. The parties agree that if any provision of this Agreement is held by a court of competent jurisdiction to be invalid, unenforceable, void or voidable for any reason, the finding, order or decree of which becomes final, the remaining provisions shall not be affected thereby if such provisions could continue to conform with the purposes, terms and requirements of the Agreement and the applicable law.
- 6.3 Integration and Amendment. This Agreement comprises the entire understanding between the parties, including the contents of any and all documents incorporated by reference or attached hereto, and the Agreement supersedes all other writings, promises, terms, conditions or obligations that may have been previously made. Any amendments, additions, supplements or deletions to this Agreement shall be in writing, and mutually asserted to and signed by both parties. No action shall be taken pursuant to any amendment, addition, supplement or deletion prior to the execution of such written instrument.
- 6.4 Governing Law. This Agreement, its interpretation and any dispute arising out of its operation shall be governed by the laws of the State of Missouri without regard for conflicts of law principles.

Signature page follows

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

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

Taulby A. Roach
President and CEO

ATTESTED TO BY:

General Counsel

CITY OF SAINT LOUIS

John W. Hayden, Jr.
Police Commissioner

COUNTERSIGNED BY:

Comptroller

APPROVED AS TO FORM BY:

City Counselor

ATTESTED TO BY:

Register

EXHIBIT A

Initial Term - Year 1	Monthly Cost
JANUARY 2020	\$ 98,138.00
FEBRUARY 2020	\$ 98,138.00
MARCH 2020	\$ 98,138.00
APRIL 2020	\$ 98,138.00
MAY 2020	\$ 98,138.00
JUNE 2020	\$ 98,138.00
JULY 2020	\$ 99,463.00
AUGUST 2020	\$ 99,463.00
SEPTEMBER 2020	\$ 99,463.00
OCTOBER 2020	\$ 99,463.00
NOVEMBER 2020	\$ 99,463.00
DECEMBER 2020	\$ 99,463.00
Year Total	<u>\$ 1,185,606.00</u>

Initial Term - Year 2	Monthly Cost
JANUARY 2021	\$ 99,463.22
FEBRUARY 2021	\$ 99,463.22
MARCH 2021	\$ 99,463.22
APRIL 2021	\$ 99,463.22
MAY 2021	\$ 99,463.22
JUNE 2021	\$ 99,463.22
JULY 2021	\$ 100,763.00
AUGUST 2021	\$ 100,763.00
SEPTEMBER 2021	\$ 100,763.00
OCTOBER 2021	\$ 100,763.00
NOVEMBER 2021	\$ 100,763.00
DECEMBER 2021	\$ 100,763.00
Year Total	<u>\$ 1,201,357.32</u>

Initial Term - Year 3	Monthly Cost
JANUARY 2022	\$ 100,763.86
FEBRUARY 2022	\$ 100,763.86
MARCH 2022	\$ 100,763.86
APRIL 2022	\$ 100,763.86
MAY 2022	\$ 100,763.86
JUNE 2022	\$ 100,763.86
JULY 2022	\$ 101,108.00
AUGUST 2022	\$ 101,108.00
SEPTEMBER 2022	\$ 101,108.00
OCTOBER 2022	\$ 101,108.00
NOVEMBER 2022	\$ 101,108.00
DECEMBER 2022	\$ 101,108.00
Year Total	<u>\$ 1,211,231.16</u>

Renewal Term - Year 1	Monthly Cost
JANUARY 2023	\$ 101,108.00
FEBRUARY 2023	\$ 101,108.00
MARCH 2023	\$ 101,108.00
APRIL 2023	\$ 101,108.00
MAY 2023	\$ 101,108.00
JUNE 2023	\$ 101,108.00
JULY 2023	\$ 102,516.00
AUGUST 2023	\$ 102,516.00
SEPTEMBER 2023	\$ 102,516.00
OCTOBER 2023	\$ 102,516.00
NOVEMBER 2023	\$ 102,516.00
DECEMBER 2023	\$ 102,516.00
Year Total	<u>\$ 1,221,744.00</u>

Renewal Term - Year 2	Monthly Cost
JANUARY 2024	\$ 102,516.00
FEBRUARY 2024	\$ 102,516.00
MARCH 2024	\$ 102,516.00
APRIL 2024	\$ 102,516.00
MAY 2024	\$ 102,516.00
JUNE 2024	\$ 102,516.00
JULY 2024	\$ 102,516.00
AUGUST 2024	\$ 102,516.00
SEPTEMBER 2024	\$ 102,516.00
OCTOBER 2024	\$ 102,516.00
NOVEMBER 2024	\$ 102,516.00
DECEMBER 2024	\$ 102,516.00
Year Total	<u>\$ 1,230,192.00</u>

Exhibit B

Bureau of Transit Police Deployment Strategy and Priorities

GOAL: To build and maintain public confidence in the security and safety of AGENCY's transit system through the development and implementation of proactive strategies, practices, and resource allocation and deployment methodologies to help ensure the safety and security of AGENCY customers, employees, and the general public as they interact with the transit system.

OBJECTIVES: **AGENCY's objectives for the Bureau of Transit Police are:**

1. To focus efforts on prevention and pro-active enforcement to maximize visible presence on the system, including the use of outreach strategies and forming partnerships with community elements and service providers.
2. To build and maintain an appropriate level of cooperation and coordination between the Bureau of Transit Police, AGENCY contracted security services and AGENCY Public Safety Department personnel and other AGENCY field personnel, i.e., Operators, Fare Inspectors, and field Supervisors, including responding to calls for assistance and providing or coordinating follow-up investigation or tactical response.
3. To build a high level of cooperation and coordination between the Bureau of Transit Police and other federal, state, and local law enforcement agencies.
4. To maintain public confidence in use of transit services.
5. To report related incidents to AGENCY.

STRATEGY: The deployment of the Bureau of Transit Police is to be developed in coordination with AGENCY and will take into consideration the identified security needs of AGENCY. Coordination will emphasize information sharing and deployment strategies aimed at protecting customers, AGENCY employees, and the general public as they interact with the transit system.

PRIORITIES: Deployment priorities for the Bureau of Transit Police will emphasize:

1. Enforcement: Focusing on AGENCY ordinances and State and City laws to help ensure the security of passengers, employees, and AGENCY's property by responding timely to transit incidents.

2. Problem Orienting Policing: Identifying problem areas, rail lines and/or transit centers/transfer points based on data relative to the greatest needs for "preventive action"; using-whenever possible-community policing strategies.

3. Community Involvement: It is a priority of AGENCY to have our transit policing integrated with the City of St. Louis Metropolitan Police Department initiatives on community policing to encourage more direct police involvement with our riders and employees and to have a visible "pro-active" presence on and around AGENCY's public facilities.

4. Visible Presence: On board Metrolink and at transit center/transfer points.

5. Reporting: Provides periodic and timely reports concerning the Bureau of Transit Police's work, analyzes crime, part 1 crime data and trends, and related system security and safety data, and makes recommendations to AGENCY with respect to strategy, deployment, and resource allocation.

City of St. Louis and AGENCY shall establish performance measures to monitor and evaluate Bureau of Transit Police operations. Performance measures may include:

a) Presence Ratio: percentage of total police officer worked hours, spent on-board Metrolink or on-site at public transit facilities for the month or year.

b) Citations: number of citations issued on Metrolink, transit centers, or Metrolink platforms for the month or year.

c) Fares Inspected: number of checked by Bureau of Transit Police officers for valid proof of fare payment for the month or year.

d) Exclusions: number of exclusions or interdiction commands issued on Metrolink for the month or year.

e) Reported Crime: number of all crimes reported on Metrolink light rail vehicles and property for the month or year.

6. Arrests: number of arrests on Metrolink or AGENCY property for the month or year.

7. Commendations/Complaints: number of complaints and commendations received by AGENCY pertaining to Bureau of Transit Police operations for the month or year.
8. Perceived Security: public confidence in safety and security on Metrolink light rail vehicles and Metrolink property as measured by AGENCY survey of transit system customers and the public.
9. Reports Written: number of reports written for the month in support of arrests or calls for service.
10. Field Interview Cards: number of FIR cards for the month based on subject stops and contacts.
11. Citizen Complaints: All citizen complaints concerning City of St. Louis Police officers will be referred to the City of St. Louis with the finding copied to the Commander and the Bureau of Transit Police. Both parties agree to:
 - A. Maintain a police accountability system as described at subsections (B) through (G) below.
 - B. Provide an accountability system intake point to which the other participating Bureau of Transit City Police Divisions ("jurisdictions") can refer or deliver complaints about City of St. Louis Police officers working in the Bureau of Transit Police.
 - C. Receive, review and evaluate all complaints referred or delivered by the other jurisdictions concerning its officers who work in the Bureau of Transit Police.
 - D. Deliver all complaints about an officer who works in the Bureau of Transit Police received from citizens or generated by peace officers to the accountability system intake point of the subject officer's employing jurisdiction.
 - E. Permit investigators from other jurisdictions to share information with their counterparts investigating or reviewing an incident involving a Bureau of Transit Police officer.
 - F. Conduct joint investigations when necessary and appropriate.
12. Media Coordination: Every effort is to be made to provide a unified response to media inquiries following a security related incident on AGENCY trains or property or other media inquiry. The Bureau Commander, Public Information of the affected law enforcement agency (if any), and AGENCY Public Information Officer, are to confer prior to the issuance of a response, to determine which agency should provide the response and the content of the response.

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: Mark G. Vago, Sr. Vice President & Chief Financial Officer
Subject: Sole Source Contract for Temporary Financial Consultant
Disposition: Approval
Presentation: Mark G. Vago, Sr. Vice President & Chief Financial Officer

Objective:

To present to the Audit, Finance and Administration Committee, for approval and recommendation to the Board of Commissioners, a request for a sole source contract for Temporary Financial Consultant as budgeted for FY 2020.

Background:

In the prior twelve months, Bi-State Development's (BSD) Finance Division has had significant turnover. Key turnovers during this time have included: all staff in the Financial Planning and Budget Department (Director and two professional staff); three key members of the six-person Accounts Payable Department, including the Accounts Payable Manager, and all three AP 788 Clerical Processors; and the Executive Assistant. There has been turnover within the Accounting Department and Passenger Revenue Department, including the Manager of Revenue Control. Additionally, two key members of Finance were out of the office for an extended period.

During the prior twelve months, Finance implemented two key financial systems in the Financial Planning and Budget and the Accounts Payable Departments. The Division also prepared for and completed: a major bond refinancing which produced significant savings; an operational audit required under the bond provisions; the FTA required triennial review; and a year-end financial audit with a new CPA firm.

BSD contracted through a third party to have the prior Chief Financial Officer work in the Financial Planning and Budget Department and train all new-hired staff and work on testing the new budget system being implemented. The presence of this contractor allowed the Chief Financial Officer and the Senior Director of Financial Planning and Treasury Services to provide adequate support to staff; coverage for the numerous vacancies; and devote time to the system implementations and various large-scale projects.

Analysis:

The annual cost of the contract for this Financial Consultant is \$260,208. BSD Finance Division's FY 2020 budget for Consultant Fees and Temporary Services is \$537,400. Through the first 6-months of the fiscal year (December 31, 2019) the Finance division is under budget \$331,600 or 7%. The cost of consulting fees and temporary services are offset by savings in wages and other controlled costs.

Committee Action Requested:

It is requested that the Audit, Finance and Administration Committee accept, and forward to the Board of Commissioners for approval, this request for FY 2020 funding of Sole Source Contracts for Temporary Financial Services.

Funding Source:

Outside services is budgeted in the annual operating budget and funded through local sales tax appropriations.

Open Session Item

14

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: Mark Vago, Senior VP and Chief Financial Officer
Subject: **Appointment of Successor Trustee for Light Rail Vehicle Lease Transactions**
Disposition: Approval
Presentation: Mark Vago, Senior VP and Chief Financial Officer;
Tammy Fulbright, Director of Treasury Services
Jason Terry (Gilmore & Bell, P.C.)

Objective:

To present to the Audit, Finance & Administration Committee, for discussion and recommendation to the Board of Commissioners for approval, a resolution authorizing the appointment of a successor trustee in connection with the 2001 Light Rail Vehicle Lease Transactions.

Background:

On June 22, 2001, the Board of Commissioners adopted a resolution, as further authorized by a resolution adopted by the Executive Committee of the Board of Commissioners on August 24, 2001, authorizing the Agency to enter into certain leveraged lease financing transactions for the acquisition of light rail vehicles (the “2001 Lease Transactions”) with BSDA 2001-C1 Statutory Trust, BSDA 2001-C2 Statutory Trust, Fleet National Bank, Comerica Lease Corporation, FSA Global Funding Limited, Dexia Credit Local, New York Agency, Premier International Funding, Co., AIG Matched Funding Corp., and Wells Fargo Bank Northwest, N.A., as trustee (“Wells Fargo”).

Analysis:

The Agency has been notified by Wells Fargo of their intent to resign as Trustee for the 2001 Lease Transactions. As a result, the Agency must appoint a successor trustee.

In 2019, the Agency appointed BOKF, N.A. as the successor trustee for the Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds Series 2013 and Series 2019. The Agency desires to appoint BOKF, N.A. as the successor trustee for the 2001 Lease Transactions.

Committee Action Requested:

Management recommends that the Committee accept, and forward to the Board of Commissioners for approval, a resolution permitting BSD to proceed with appointing BOKF, N.A. as the successor trustee in connection with the 2001 Light Rail Vehicle Lease Transactions.

Attachment:

Proposed Resolution of the Board of Commissioners of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, approving the appointing of a successor trustee in connection with the 2001 Light Rail Vehicle Lease Transactions.

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 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.

The Trustee fees are included in the annual budget and are paid with revenues of the Agency.

Open Session Item 14
Attachment A

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-
ILLINOIS METROPOLITAN DISTRICT APPOINTING A
SUCCESSOR TRUSTEE IN CONNECTION WITH THE
ACQUISITION OF LIGHT RAIL VEHICLES**

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*, on June 22, 2001, the Board of Commissioners adopted a resolution, as further authorized by a resolution adopted by the Executive Committee of the Board of Commissioners on August 24, 2001, authorizing the Agency to enter into certain leveraged lease financing transactions for the acquisition of light rail vehicles (the “2001 Lease Transactions”) with BSDA 2001-C1 Statutory Trust, BSDA 2001-C2 Statutory Trust, Fleet National Bank, Comerica Lease Corporation, FSA Global Funding Limited, Dexia Credit Local, New York Agency, Premier International Funding Co., AIG Matched Funding Corp. and Wells Fargo Bank Northwest, N.A., as trustee (“Wells Fargo”); and
- *Whereas*, Wells Fargo has informed the Agency that they desire to resign as trustee under the 2001 Lease Transactions; and
- *Whereas*, the Agency desires to appoint BOKF, N.A. (“BOKF”) as successor trustee to Wells Fargo under the 2001 Lease Transactions pursuant to the agreements, leases and trusts entered into in connection with the 2001 Lease Transactions (as amended, the “2001 Lease Documents”).

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. Appointment of Successor Trustee. The Board hereby appoints BOKF, N.A. as successor trustee to Wells Fargo Bank Northwest, N.A. under and pursuant to the 2001 Lease Documents.

Section 3. 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 giving direction to the trustee to give notice of appointment of a successor trustee, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Partial Invalidity. If any term or provision of this Resolution 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 5. 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 and to take such actions as they may deem necessary or advisable in order to carry out the purposes of this Resolution.

Section 6. 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 appointment of a successor trustee for the 2001 Lease Transactions.

Section 7. 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 8. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 21st day of February, 2020.

**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

NOTICE OF APPOINTMENT OF SUCCESSOR TRUSTEE

February __, 2020

Mr. Victor Zarrilli
Senior Vice President
BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102

Ms. Crystal Verley
Account Manager
Corporate Trust Services - Lease
Wells Fargo Trust Company, NA
299 S. Main Street, 5th Floor
Salt Lake City, Utah 84111

Mr. Lorne D. Potash
FSA Global Funding Limited
c/o Assured Guaranty Corp.
1633 Broadway
New York, New York 10019

Mr. Michael MacMichael
Comerica Leasing Corp.
411 W. Lafayette Blvd.
Second Floor – MC 3540
Detroit, Michigan 48226

RE: The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”) BSDA 2001-C1 and BSDA 2001-C2

Ladies and Gentlemen:

Wells Fargo Bank Northwest, N.A. (“Wells Fargo”) serves as trustee for (1) the BSDA 2001-C1 Statutory Trust (the “C1 Trust”) under the Trust Agreement (BSDA 2001-C1) dated as of August 28, 2001 (the “C1 Trust Agreement”) between Wells Fargo, as trustee, and Comerica Lease Corporation (“Comerica”), as owner participant, and (2) the BSDA 2001-C2 Statutory Trust (the “C2 Trust”) under the Trust Agreement (BSDA 2001-C2) dated as of November 28, 2001 (the “C2 Trust Agreement” and together with the C1 Trust Agreement, the “Trust Agreements”) between Wells Fargo, as trustee, and Comerica, as owner participant, in connection with the transactions contemplated by (a) the Trust Agreements, (b) that certain Participation Agreement (BSDA 2001-C1) dated as of August 30, 2001 among The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”), the C1 Trust, Comerica, FSA Global Funding Limited, Premier International Funding Co. and Wells Fargo, (c) that certain Participation Agreement (BSDA 2001-C2) dated as of November 29, 2001 among the Agency, the

February __, 2020

Page 2

C2 Trust, Comerica, FSA Global Funding Limited, Premier International Funding Co. and Wells Fargo and (d) the operative documents to which Wells Fargo is a party.

Wells Fargo has notified the Agency of its intention to resign as trustee. The Agency has appointed BOKF, N.A. as successor Trustee under the Trust Agreements, effective ____, 2020.

Sincerely,

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

By: _____

Printed Name: Mark G. Vago

Title: Senior Vice President & Chief Financial Officer

BOKF, N.A. hereby accepts the appointment of successor Trustee under the Trust Agreements and represents that BOKF, N.A. meets the requirements of a successor Trustee under the terms of the Trust Agreements.

BOKF, N.A.

By: _____

Printed Name: Victor Zarrilli

Title: Senior Vice President

Acknowledged and agreed to this ____ day of ____, 2020.

WELLS FARGO BANK NORTHWEST, N.A.

By: _____

Printed Name: _____

Title: _____

COMERICA LEASING CORP.

By: _____
Printed Name: _____
Title: _____

**ASSURED GUARANTY CORP, as successor to
FSA Global Funding Limited**

By: _____
Printed Name: _____
Title: _____

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: Charles Stewart – Executive Vice President - Organizational Effectiveness
Subject: **Contract Modification – Extension of Contract with Arthur J. Gallagher**
Disposition: Approval
Presentation: David Toben, Director of Benefits;
Gregory A. Smith, Vice President - Procurement, Materials Management

Objective:

To present to the Audit, Finance and Administration Committee, for discussion and referral to the Board of Commissioners, a request to approve a contract extension for 14-RFP-9861-DR – Health and Welfare Consulting Services.

Background:

On March 31, 2014, Bi-State Development (BSD) issued Solicitation 14-RFP-98761-DR, seeking qualified firms to provide the necessary services to assist with the strategic and tactical management of the Agency's self-funded and fully insured benefit programs. A Disadvantaged Business Enterprise (DBE) Goal was not recommended for this project; however, DBE firms were encouraged to participate as a primary firm or partner with another firm.

On May 9, 2014, a total of four (4) proposals were received in response to the solicitation. The four proposals were reviewed and evaluated in accordance with the evaluation requirements specified in the solicitation package. As a result of the procurement process, contract award was made to the highest ranking firm, Arthur J. Gallagher. The contract consists of three (3) base years and two (2) option years and currently the contract is in the final year and scheduled to expire March 30, 2020. The current not-to-exceed contract amount is \$800,934. Arthur J. Gallagher billing rates will remain the same during the contract extension timeframe being requested.

Analysis:

The BSD Benefits Department within the Organizational Effectiveness Division is initiating a strategic analysis focused on developing high value health care purchasing strategies. The objective is to craft a long term strategic plan that manages health care funding challenges, while continuing to provide innovative health plan benefits that can attract and retain productive employees. To do this, management recommends retaining its current health and welfare plan consultant through a short term contract extension, to assist with this effort.

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 issue a modification to extend the contract with Arthur J. Gallagher through December 31, 2020 to assist BSD with its employee benefit strategic analysis. The extension will cost **\$106,500**, and increases the not-to-exceed contract amount to **\$907,434**.

Funding Source:

Funding is provided through budgeted operating funds. The BSD Benefits Department has indicated that funds in the amount of \$106,500 to award the contract extension will be available.

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 safer and more secure, more attractive and productive transit system. This new Metro Transit is centered around the experiences of our customers, and will deliver safe, reliable, equitable mobility solutions that connect our customers to the opportunities the St. Louis region offers.


Jessica Mefford-Miller
Executive Director, Metro Transit

METRO TRANSIT OPERATIONS QUARTERLY UPDATE

January 2020

*BSD Board of
Commissioners
Operations Committee*

PERFORMANCE

Metro Transit Operations At-A-Glance



FY20 2 nd Quarter Performance Measures	MetroBus Fixed Route + Special Services	FY20 vs. FY19	MetroLink	FY20 vs. FY19	Call-A-Ride	FY20 vs. FY19
System Ridership	5,567,400	(-3.6%)	3,103,900	(-0.5%)	115,100	(-12%)
Missouri	4,962,800	(-4.0%)	2,526,200	(-0.4%)	115,100	(-12%)
Illinois	604,600	0.1%	592,100	(-0.6%)	-	-
Revenue Miles	4,509,882	(-3.0%)	779,619	2.4%	1,227,900	(-5.3%)
Revenue Hours	331,060	(-4.5%)	33,220	2.2%	67,100	(-6.7%)
On-Time Performance	90.0%	(-3.4%)	98.5%	0.3%	94.6%*	1.93%
Farebox Recovery	14.2%	0%	18.9%	(-0.1%)	6%	(-5.6%)
Financials	FY20 YTD Actual		FY20 YTD Budget		Variance	
Expenses (Transit)	\$110,391,762		\$119,878,751		\$9,486,989 / 7.90%	
Passenger Revenue	\$19,734,463		\$19,863,024		(\$128,861) / (0.6%)	

* July 2019 – December 2019 aggregation

RIDERSHIP TRENDS

Fiscal Year Outlook

FY17, FY18,
FY19 & FY20



vs.

Peak FY14

Ridership Levels



Metro implemented Metro Reimagined on September 30th with significant changes to the MetroBus service network. Metro is monitoring the impact to ridership. For the next few months, some instability is expected with a change of this magnitude.



At (-2.6%), year-over-year quarterly system decline is slowing. Call-A-Ride van operator availability is still a challenge. As recruitment efforts increase, this in conjunction with the increase in frequency on core-productive MetroBus Metro Reimagined routes and an optimistic season for both the Blues and the Cardinals teams, should continue to stabilize ridership heading into the latter half of fiscal year 2020.

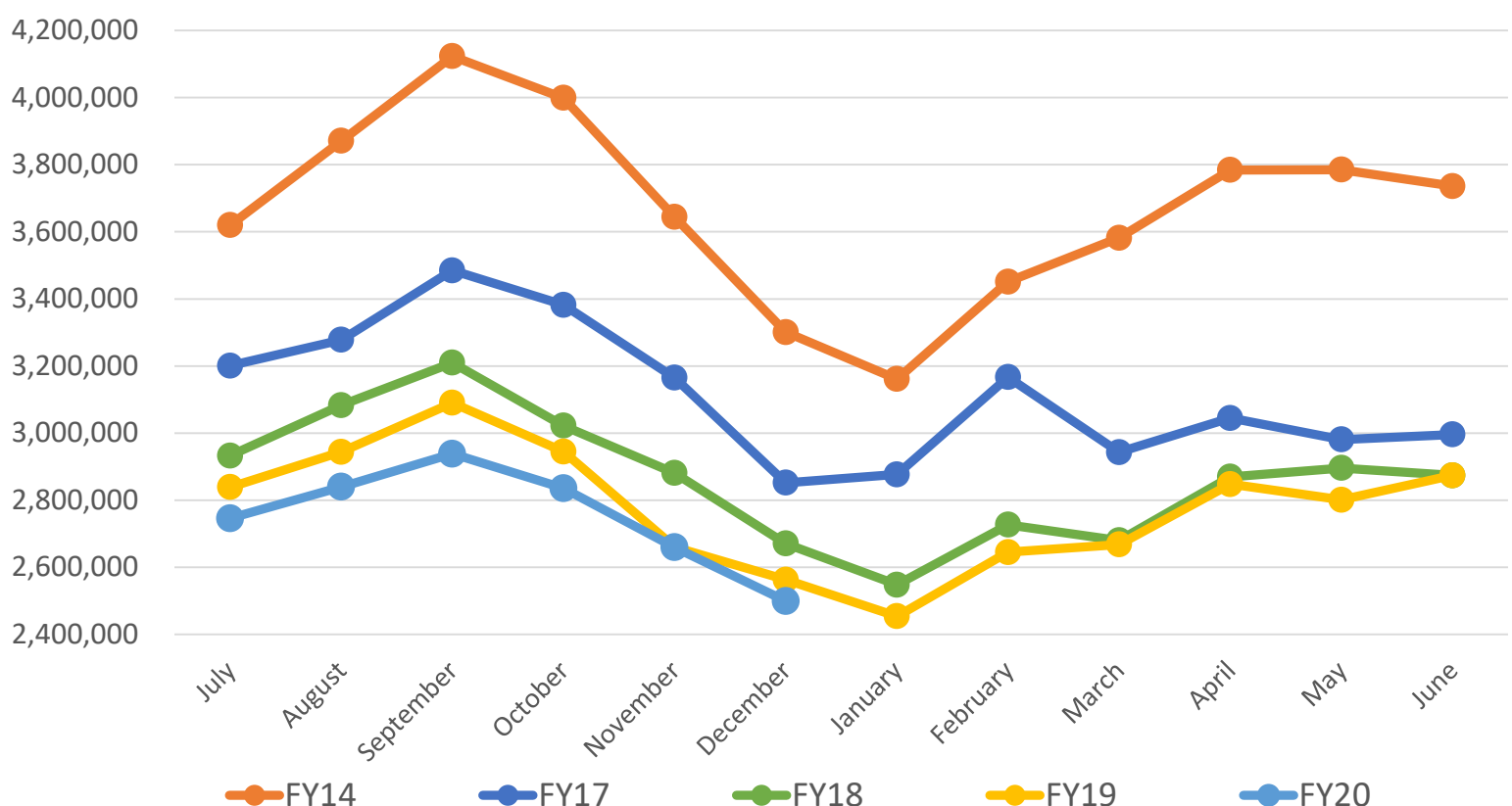


At (-3.0%), YTD FY20 ridership is down by just over half a million passenger boardings. This downward trend has slowed in recent fiscal years. Nevertheless, Metro needs huge gains to meet peak ridership levels; YTD ridership is down by nearly 6.5 million trips or (-26%) compared to the same 6-month run of months in FY14.



To date, 5-month (July 2019-November 2019) FY20 fixed-route passenger revenues adheres to projected revenues at (-0.8%). Year-over-year passenger revenue figures have dropped by (-6.9%) largely due to loss of the TMA contract and SCCTD Redbird Service & other SCCTD special service revenues.

STANDARDIZED FIXED-ROUTE RIDERSHIP (TOTAL SYSTEM)



CUSTOMER FEEDBACK

Commendations & Complaints

2nd Quarter
OCT - DEC
FY 2020



Operating Division	Performance Measure	FY20	FY19	FY20 vs. FY19
COMMENDATIONS				
	System Total	329	593	-44.5%
	MetroBus Total	41	183	-77.6%
	MetroLink Total	12	18	-33.3%
	Call-A-Ride Total	217	295	-26.4%
	Service Planning & Scheduling Total	8	6	33.3%
	Public Safety & Security Total	5	8	-37.5%
COMPLAINTS				
	Valid Complaint Types			
MetroBus	MetroBus Total	842	849	-0.8%
	Operator-Driving Performance	466	487	-4.3%
	Operator-Customer Interaction	252	204	23.5%
MetroLink	MetroLink Total	48	70	-31.4%
	Operator-Driving Performance	26	26	0.0%
	Operator-Customer Interaction	10	12	-16.7%
Call-A-Ride	Call-A-Ride Total	70	72	-2.8%
	Operator-Driving Performance	25	38	-34.2%
	Operator-Customer Interaction	11	22	-50.0%
Other	Vehicle Maintenance & Equipment Total	5	3	66.7%
	Service Planning & Scheduling Total	597	82	628.0%
	Public Safety & Security Total	91	119	-23.5%

➡ Commendations for the system are down this quarter largely driven by significant changes to MetroBus service.

➡ The rise in Call-A-Ride customer complaints is likely attributable to a shortage in operators, which has created difficulty delivering service. Call-A-Ride has increased recruiting efforts to reduce this operator shortage.

➡ Complaints on the system showed a sharp increase this quarter, most of which can be attributed to the monumental change in MetroBus service. Customer complaints were anticipated, and were considered and thoughtfully responded to. Staff is continuing to monitor customer feedback following the September 30, 2019 service change.

MAJOR PROJECT HIGHLIGHTS

REIMAGINING MOBILITY

2nd Quarter
FY20
Major
Operating &
Capital Project
Highlights



- ❑ **Metro Reimagined:** Multi-phase program Launched on September 30, 2019, impacting every Missouri MetroBus route. Metro Reimagined evolves service to meet market demands; rebalances service frequency and coverage; and introduces a tiered service strategy. Evaluation of program success continues, and staff is responding to emergent needs as feasible.
- ❑ St. Louis County government requested increase in service level, consistent with January 2019. Metro is responding to this request by continuing to implement Metro Reimagined, inclusive of investments in core network and introduction of mobility on demand. Service levels will increase incrementally December 2019 – June 2020 to meet this requirement. Service adjustments will include adding fixed-route coverage where it is most needed, and adding service including running time and vehicles where necessary to improve performance:
 - **December 2019** Service Change made scheduling adjustments to 16 MetroBus routes to improve performance, added five operators to #100 Hazelwood Connector to support demand
 - The **March 2020** Service Change will respond to guidance from funding partners and customer feedback. Adjustments under consideration include improving service coverage and directness in West St. Louis County in the vicinity of the Ballas Transit Center; expanding frequent service between North St. Louis County and Downtown St. Louis; adding additional service in connector markets; and reducing select trips on enhanced frequent routes, primarily within the City of St. Louis.
 - In **June 2020** Metro anticipates reaching a stable service plan for fixed-route, subject to minor adjustments associated with the introduction of mobility on demand (MOD) services and customer and stakeholder feedback.
- ❑ **Metro Connect:** This Lyft pilot partnership launched in October 2019 to give customers without access to fixed-route transit a quick first/last mile connection to their nearest MetroLink Station or Transit Center. The pilot program has continued into 2020, and on January 1 was expanded to cover eight new corridors in North St. Louis County, Northwest St. Louis County, unincorporated West St. Louis County, Mid-St. Louis County and North City. Ridership for this program remains small and is growing. Staff is monitoring program utilization and customer feedback, which will inform more permanent mobility solutions.
- ❑ **Transit Vision 2020:** Staff is providing support to St. Clair County Transit District (SCCTD) for the implementation of recommended service changes from its current comprehensive operational analysis – Transit Vision 2020. Changes are expected to be implemented in June 2020 – 2021.

DELIVERING CUSTOMER FOCUSED PROJECTS

- ❑ **Community Mobility Hubs:** Metro successfully competed for funding to construct twelve initial Community Mobility Hubs at major on-street transfer points in the MetroBus system, providing customers with more passenger amenities and apply placemaking principles to create more safe and comfortable transit spaces within communities across the service area.

MAJOR PROJECT HIGHLIGHTS

- ❑ **Central West End MetroLink Station Redesign:** Washington University Medical Center, in partnership with Metro is completing a major renovation of the Central West End MetroLink Station, inclusive of station canopies, elevator and stair access, wayfinding, and access control. Anticipated completion late 2020.
- ❑ **MetroLink Station Redesign:** Preliminary design is complete for five MetroLink Stations. Staff is working to secure capital funding to support construction at these stations, beginning with the Forest Park-DeBaliviere and Delmar Loop MetroLink stations. Projects will be complete sequentially as funding permits.
- ❑ **Bus Stop Signs:** Metro is working with Harlan Company on the fabrication and installation of new bus stop signs across the transit system, to be complete in 2020.
- ❑ **Fare Collection:** Metro is transitioning to our next generation of fare policy and fare collection technology. Staff committees are creating draft fare policies to simplify fare media options and distribution channels, diversify fare collection systems, and explore/expand new pass programs, such as reduced fare for specific demographics (youth, low income, etc.) and new pass programs for employers.
- ❑ **Americans with Disabilities Act (ADA) Services:** Metro is soliciting proposals that would shift services including ADA paratransit eligibility, reduced fare eligibility and travel training to a third-party provider to ensure the consistent delivery of excellent services. The ADA Services team is currently preparing for a transition away from the Transit Access Center (TAC) on DeBaliviere, which will be redeveloped.
- ❑ **Market Research:** Staff is creating improved customer-focused market research tools, including an overhaul of the on-board survey that is responsive to pressing project needs, consumer preferences, and evolving customer demographics.

MAINTAINING AN EFFICIENT, RELIABLE AND SUSTAINABLE SYSTEM

- ❑ **Transit Asset Management (TAM):** Metro is committed to implementing a strategic process for acquiring, operating, maintaining, upgrading, and replacing its transit assets to directly support the organization's mission of providing safe and reliable public transportation services to the St. Louis Metropolitan Region. Metro's TAM program, which is housed within Vehicle Maintenance, guides Metro's asset lifecycle management decisions, from purchase to replacement or retirement. In accordance with the FAST Act, Metro is required to submit a TAM Plan to FTA, which must be updated every four years. Metro's final TAM Plan will be submitted to FTA by October 2022.
- ❑ **Enterprise Asset Management (EAM):** Asset inventories and condition ratings that support the TAM Plan are collected and analyzed in Metro's EAM program. This decision-making tool is the foundation for Metro's TAM management program. Asset inventories for Facilities and Right of Way Maintenance were completed ahead of October 2020 deadline. Vehicle inventories are now under way and will be complete in spring 2020.
- ❑ **Battery Electric Bus:** Metro's Vehicle Maintenance team is leveraging competitive federal grant awards and public-private partnerships to launch the battery electric bus program. In November 2019 Metro ordered fourteen 60' battery electric buses (delivery late fall 2020), and in February 2020 is seeking Board approval for the purchase of four 40' battery electric buses (delivery late 2020 / early 2021), and construction of necessary infrastructure at the Brentwood MetroBus Facility and Broadway and Taylor Transit Center.

MAJOR PROJECT HIGHLIGHTS

- ❑ **Light Rail Vehicle (LRV) Rehab/Replacement Planning:** Metro is faced with the critical need of rehabilitating or replacing our early series LRVs. This critical decision point will impact MetroLink operations and maintenance for the next 30 years. Metro engaged technical assistance to assess LRV conditions, evaluate cost and benefits and industry best practices to create a decision making framework that will help determine whether to rehab or replace, and how to scope this next critical step in LRV fleet planning. Project completion is spring 2020.
- ❑ **Telematics (Smart Bus):** Vehicle Maintenance continues to develop and test smart bus technology, which will allow buses to predict premature failures and forecast their own parts and component replacements, thereby reducing parts inventory and lowering cost per mile.
- ❑ **Solar Energy:** In support of an Ameren Illinois Solar Renewable incentive program, Vehicle Maintenance is exploring the feasibility of installing solar carports over passenger and facility parking lots in Illinois.
- ❑ **MetroLink Elevator Rehabilitation:** Elevators at Union Station, 8th & Pine, Convention Center, Laclede's Landing and East Riverfront are being rehabilitated, inclusive of elevator cab, controls and operating systems. Project adds 15 years of useful life and will be completed in 2020.
- ❑ **Phase 1 Signal Track Circuit Upgrade:** Signal train detection equipment from Terminal 1 to 5th & Missouri Stations is being replaced with newer generation track circuit equipment. Complete first quarter 2020.
- ❑ **Concrete Tie Warranty Replacement:** 25,000 concrete ties are being replaced under manufacturer warranty. This 9-year project will be complete in 2020.
- ❑ **Belleville MetroLink Station Z-Crossing:** Metro is in a contracting process for design of a z-crossing at Belleville MetroLink Station. Construction would begin in late 2020 – early 2021.
- ❑ **MetroLink 2020 Project Preview:** MetroLink System Projects including crossing renewal at Ewing Avenue, Plymouth Avenue; removal of Grand Freight Diamond; replacement of curve restraining rail and construction of a new track in Ewing Yard.
- ❑ **5th & Missouri MetroLink Station Parking Lot:** Metro is in a procurement process for repaving of this parking lot. Anticipated completion in spring 2020.
- ❑ **East Riverfront MetroLink Stair Replacement:** The customer stairs at this station will be rehabilitated, in coordination with the rehabilitation of the elevators at this station. Project completion in 2020.
- ❑ **Bus Stop Improvements:** Metro continues a cycle of bus stop upgrades, including making stops accessible and adding passenger amenities including benches and shelters. Metro's 2020 bus stop construction will commence as soon as weather permits.

CREATING A SAFER, MORE SECURE METRO

- ❑ **Public Transportation Agency Safety Plan (PTASP):** FTA requires transit operators like Metro to develop and submit a PTASP that includes the processes and procedures necessary for implementing Safety Management Systems (SMS). These systems focus on proactive safety risk management, strong safety communication between employees, targeted safety training, and an organization-wide safety management policy that includes clear accountabilities and responsibilities for critical safety activities. Metro's plan is required to be in place by July 20, 2020. Staff is currently reviewing the draft PTASP, and is on target to meet the required submittal date.

MAJOR PROJECT HIGHLIGHTS

- ❑ **Transit Safety Culture:** In support of the PTASP, Metro's Office of Safety is working to support open communication regarding safety between all levels of the agency by fully communicating Metro's safety policy and campaigns to employees. All employees will be required and encouraged to report hazards, take responsibility for safety in their tasks and work areas, educate themselves on safety with formal training, and attend safety briefings, trainings, activities and events.
- ❑ **CCTV Upgrade with Awareness Monitors:** Metro is pursuing upgrades to its CCTV systems aboard MetroBus and MetroLink. This project is anticipated to begin in July 2020, and will conclude in winter 2021. Installation will include awareness monitors and the capability to pursue live camera feeds.
- ❑ **Track Worker Protection Monitors:** Metro's Safety Team is implementing Protran technology on MetroLink cabs that would connect to monitors worn by track workers to enhance the safety for track work crews and train operators. The project implementation is ongoing and estimated to be completed in 2020.
- ❑ **Reducing Transit Vehicular Accidents and Employee Injuries:** Metro's Safety Team is working across all operating teams to implement risk reduction programs and employee health and safety initiatives to reduce overall accidents for all transportation modes. Specific task forces will be established to facilitate the identification of hazards, the proper resolution of safety issues and distribution of safety information. Task forces currently being explored and developed are: Executive Safety and Security Committee, Risk Review Committee, Fire and Life Safety Committee, Safety and Security Certification Committee, Fatigue Management Committee, Local/Modal Safety Committees, SMS Ambassadors Committee, Safety Rules Compliance Program Committee, Management of Change Review Committee and Metro's Continuous Improvement Task Force.
- ❑ **Emerson Park 911 Dispatch:** In coordination with SCCTD, Metro has completed design for a 911 dispatch center and backup operations control center (OCC) at the Emerson Park MetroLink Station. Construction timing depending on authorization by SCCTD.

ENGAGING & SUPPORTING THE METRO TEAM

- ❑ **Operations Training Initiative:** Metro is responding to a training deficit, especially for MetroBus and Call-A-Ride operators by engaging assistance to conduct a thorough assessment of training programs, inclusive of content, delivery, and schedules. Results will include revised training programs, content, and simulator equipment to meet several needs across operations. Project began in January 2020, and will continue through 2021.

**Bi-State Development
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: Charles A. Stewart, Jr., EVP Organizational Effectiveness
Subject: **2019 Pension Valuations Update**
Disposition: Information
Presentation: Charles A. Stewart, Jr., EVP Organizational Effectiveness

Objective:

To present to the Combined Operations Committee and Audit, Finance and Administration Committee the 2019 pension valuations for company sponsored defined benefit pension plans.

Background:

Milliman, Inc., has issued Valuation Reports for fiscal year ended 2019 for the three pension plans.

Analysis:

As of June 1, 2019, the funded ratio for the Salaried Pension Plan was 85.3% and the unfunded liability was \$13,640,644.

As of April 1, 2019, the funded ratio for the IBEW Pension Plan was 97.9% and the unfunded liability was \$120,201.

As of April 1, 2019, the funded ratio for the Local 788, Amalgamated Transit Union, AFL-CIO Pension Plan was 67.1% and the unfunded liability was \$69,825,666.

Comparative summaries of valuation results for the three pension plans are included as exhibits to this report.

Committee Action Requested:

None. Information only.

Attachments:

Exhibit I - Comparative Summary of Valuation Results – Bi-State Development Agency
Salaried Employees' Pension Plan

Exhibit II - Comparative Summary of Valuation Results – Bi-State Development Agency
IBEW Employees' Pension Plan

Exhibit III – Comparative Summary of Valuation Results – Bi-State Development Agency
ATU Local 788 O&M Employees' Pension Plan

Funding Source:

No funding request is made for this matter. The pension plans are funded by employer and employee contributions.

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Exhibit I

Comparative Summary of Valuation Results

Salaried Plan Contribution Analysis

	6/1/2019	6/1/2018	Change	6/1/2018	6/1/2017	Change
Active*	240	281	(41)	281	312	(31)
Terminated Vested	112	104	8	104	102	2
Receiving Payments	410	385	25	385	362	23
Other (LTD/TNV Due Refund)	3	3	-	3	5	(2)
Total Participants	765	773	(8)	773	781	(8)
Actuarial Value of Assets	79,129,533	73,704,464	5,425,069	73,704,464	66,248,667	7,455,797
Entry Age Normal (EAN) Accrued Liability	92,770,177	89,647,942	3,122,235	89,647,942	86,602,702	3,045,240
Unfunded EAN Accrued Liability (UAL)	13,640,644	15,943,478	(2,302,834)	15,943,478	20,354,035	(4,410,557)
Funded Ratio	85.3%	82.2%	3.1%	82.2%	76.5%	5.7%
Recommended Contribution	2,668,780	3,056,633	(387,853)	3,056,633	3,444,382	(387,749)

Notes:

*7/1/13 plan closed to new hires

1/1/14 3% employee contributions started and

Stay/Freeze/Waive elections went into effect

2018 Changes:

Actuarial rate of return assumption remains 7.0%

Actual investment return 5.7%

2017 Changes:

Actuarial rate of return assumption remains 7.0%

Actual investment return 6.1%

2019 Changes:

Actuarial rate of return assumption remains 7.0%

Actual investment return 4.2%

Open Session Item 17

Exhibit II

Exhibit II

Comparative Summary of Valuation Results

IBEW Plan Contribution Analysis

	4/1/2019	4/1/2018	Change	4/1/2018	04/01/17	Change
Active***	42	47	(5)	47	49	(2)
Terminated Vested	8	8	-	8	7	1
Receiving Payments	18	13	5	13	13	-
Other (TNV Due Refund)	2	2	-	2	3	(1)
Total Participants	70	70	-	70	72	(2)
Actuarial Value of Assets	5,702,703	5,293,380	409,323	5,293,380	4,524,789	768,591
Entry Age Normal (EAN) Accrued Liability	5,822,904	5,344,612	478,292	5,344,612	5,043,067	301,545
Unfunded EAN Accrued Liability (UAL)	120,201	51,232	68,969	51,232	518,278	(467,046)
Funded Ratio	97.9%	99.0%	-1.1%	99.0%	89.7%	9.3%
Recommended Contribution	144,891	159,797	(14,906)	159,797	215,129	(55,332)
Required Weekly Contribution Rate	66.34	65.38	0.96	65.38	84.43	(19.05)
Metro Required Weekly Contribution 70%	46.44	45.77	0.67	45.77	59.10	(13.34)
Participant Required Weekly Contribution 30%	19.90	19.61	0.29	19.61	25.33	(5.72)
Additional 5 Year 100% Funding Contribution*	-	-	0.00	-	323.62	(323.62)
Metro Required Weekly Contribution 80%	-	-	0.00	-	258.90	(258.90)
Participant Required Weekly Contribution 20%	-	-	0.00	-	64.72	(64.72)
Total Metro**	59.10	59.10	0.00	59.10	318.00	(258.90)
Total Participant**	25.33	25.33	0.00	25.33	90.05	(64.72)

* Five years PYE 2014 to 2018: 100% funding reached on 11/30/17; Additional amount ended on 12/29/17 pay date.

**Note: Pension Trustees voted in November 2019 to leave contribution rate at \$84.43.

***Note: 1/1/14 Plan closed to new hires

Exhibit III

Comparative Summary of Valuation Results

ATU 788 Plan Contribution Analysis

	4/1/2019	4/1/2018	Change	4/1/2018	4/1/2017	Change
Active	1,420	1,414	6	1,414	1,383	31
Terminated Vested	60	50	10	50	52	(2)
Receiving Payments	1,129	1,129	-	1,129	1,115	14
Other (On LTD/TNV Due Refund)	183	143	40	143	167	(24)
Total Participants	2,792	2,736	56	2,736	2,717	19
Actuarial Value of Assets	142,494,408	136,906,941	5,587,467	136,906,941	129,194,067	7,712,874
Entry Age Normal (EAN) Accrued Liability	212,320,074	208,700,699	3,619,375	208,700,699	206,616,631	2,084,068
Unfunded EAN Accrued Liability (UAL)	69,825,666	71,793,758	(1,968,092)	71,793,758	77,422,564	(5,628,806)
Funded Ratio	67.1%	65.6%	1.5%	65.6%	62.5%	3.1%
Recommended Contribution	10,967,214	10,809,154	158,060	10,809,154	11,059,323	(250,169)
Required Weekly Contribution Rate	148.53	147.01	1.52	147.01	153.78	(6.77)

Note: Pension Trustees voted to leave the pension contributions rate at \$175.00 in 2017 and 2018.

Note: Pension Trustees voted in November 2019 to leave the pension contributions rate at \$175.00*.

	2020	2019*
Grandfathered Clerical (32%/68%)	56.00	56.00
O&M and New Hires (30%/70%)	52.50	52.50
Employee BSD	119.00	119.00
	175.00	175.00

**Bi-State Development
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: Charles A. Stewart, Jr., EVP Organizational Effectiveness
Subject: 401(k) Plan Audit Update
Disposition: Information
Presentation: Charles A. Stewart, Jr., EVP Organizational Effectiveness

Objective:

To present to the Combined Operations Committee and Audit, Finance and Administration Committee an update on the audit of the Bi-State Development Agency 401(k) Retirement Savings Program (BSD 401(k) Plan).

Background:

The status of the financial audits for the BSD 401(k) Plan is as follows:

- The audit reports of the BSD 401(k) Plan for the years ended December 31, 2006 – 2017 contained unmodified audit opinions.

- The audit report of the BSD 401(k) Plan for the years ended December 31, 2018 and 2017 was issued in November 2019.

Analysis:

UHY LLP audited the financial statements of the Bi-State Development Agency 401(k) Retirement Savings Program as of December 31, 2018 and 2017 and issued an unmodified audit opinion.

Committee Action Requested:

None. Information only.

Attachment:

Bi-State Development Agency 401(k) Retirement Savings Program Financial Statements, Years Ended December 31, 2018 and 2017.

Funding Source:

No funding request is made for this matter. The BSD 401(k) Plan is funded by employer and employee contributions.

Open Session Item 18
Attachment

**BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM**

AUDITED FINANCIAL STATEMENTS

Years Ended December 31, 2018 and 2017

BI-STATE DEVELOPMENT AGENCY 401(k) RETIREMENT SAVINGS PROGRAM

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Statements of Changes in Fiduciary Net Position	7
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INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
Bi-State Development Agency 401(k) Retirement Savings Program

We have audited the accompanying financial statements of the Bi-State Development Agency 401(k) Retirement Savings Program (the Plan), which comprise the statement of fiduciary net position as of December 31, 2018, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position as of December 31, 2018, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters – Required Supplementary Information

U.S. GAAP requires that the management's discussion and analysis (MD&A) on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the financial statements, is required by the U.S. Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior Period Financial Statements

The statement of fiduciary net position as of December 31, 2017 and statement of changes in fiduciary net position for the year then ended, was audited by other auditors whose report dated October 26, 2018, expressed an unmodified opinion on those statements.

The logo for UHY LLP, featuring the letters "UHY" in a large, stylized, cursive font, followed by "LLP" in a smaller, sans-serif font.

St. Louis, Missouri
November 14, 2019

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2018 and 2017

OVERVIEW

The management's discussion and analysis (MD&A) presented is for the Bi-State Development Agency 401(k) Retirement Savings Program (the Plan). The MD&A is intended to serve as an introduction to the Plan's financial statements which consist of (1) Financial Statements and (2) Notes to the Financial Statements. The MD&A provides an overview for the years ended December 31, 2018 and 2017. Certain comparative information between the current year and the prior year is required and is presented in the MD&A. The analysis should be read in conjunction with the Financial Statements and the Notes to the Financial Statements.

HISTORY

The Plan is a defined contribution plan that began on February 1, 1985. As such, the Plan is considered a grandfathered governmental 401(k) plan (formed prior to 1986). The Plan Sponsor and Plan Administrator is Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State Development). Bi-State Development established the Plan to help eligible employees save for retirement. The Plan is that of a governmental unit and, therefore, is not subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974.

The Plan follows Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. As a result, certain disclosures regarding the Plan's governance structure and membership data at December 31, 2018 and 2017 are included in Note 1.

The Plan was significantly amended during the year ended December 31, 2014. The amendments changed the eligibility, normal retirement age, contribution formulas, and vesting for several groups of participants. Due to the significant impact to participants, descriptions of these changes in plan provisions are included in Note 1.

Effective October 1, 2018, the Plan was amended to accelerate vesting of non-elective employer contributions. A participant shall become fully vested in employer contributions upon disability, attainment of normal retirement age or death.

FINANCIAL STATEMENTS

There are two years of financial data being presented. The Statements of Fiduciary Net Position reflect the Plan's assets, liabilities and Plan net assets held in trust at the end of the years for payment of benefits. The Statements of Changes in Fiduciary Net Position summarize additions and deductions from the Plan assets, providing Plan net assets held in trust at the end of the years for benefits. The difference between assets and liabilities is one measure of the Plan's financial position and the change in this measure over time is an indication of whether the Plan's financial health is improving or deteriorating.

The Notes to the Financial Statements provides additional information that is essential to a full understanding of the data provided in the financial statements.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2018 and 2017

CONDENSED PLAN FINANCIAL INFORMATION
(in thousands)

	As of and for the Years Ended December 31,		
	2018	2017	2016
Plan Assets	<u>\$ 53,283</u>	<u>\$ 54,758</u>	<u>\$ 44,475</u>
Contributions			
Employer	\$ 1,991	\$ 1,777	\$ 1,612
Participant	2,879	2,587	2,262
Rollover	106	301	303
Investment Income (Loss), net	(2,458)	7,572	3,551
Benefits Paid to Participants	(3,982)	(1,944)	(3,542)
Administrative Expenses	<u>(11)</u>	<u>(10)</u>	<u>(10)</u>
Net Increase (Decrease)	<u>\$ (1,475)</u>	<u>\$ 10,283</u>	<u>\$ 4,176</u>

FINANCIAL HIGHLIGHTS

401(k) Plan

The Plan's fiduciary net position decreased \$1.5 million and increased \$10.3 million and \$4.2 million in 2018, 2017, and 2016, respectively. The fiduciary net position totaled \$53.3 million at December 31, 2018. The net decrease in fiduciary net position from 2017 to 2018 is primarily the result of market conditions. The fiduciary net position totaled \$54.8 million at December 31, 2017. The increase in fiduciary net position in 2017 is primarily due to market conditions.

The Plan received participant contributions in the amounts of \$2.9 million, \$2.6 million, and \$2.3 million for the years ended December 31, 2018, 2017, and 2016, respectively. The participant contributions are based on participant elections up to an annual dollar limit set by the Internal Revenue Service. The Employer matching contribution is discretionary and is described in Note 1 herein. The Plan received Employer contributions from Bi-State Development in the amounts of \$2.0 million, \$1.8 million, and \$1.6 million for the years ended December 31, 2018, 2017, and 2016, respectively.

The Plan paid \$4.0 million, \$1.9 million and \$3.5 million in benefits for the years ended December 31, 2018, 2017 and 2016 respectively. Benefit payments in any given year vary by number of terminations due to death, disability or retirement.

Bi-State Development

As of June 30, 2018, Bi-State Development had assets of approximately \$1.4 billion and net assets of \$512 million. Operating revenues for the twelve months ended June 30, 2018 were \$70 million and operating expenses were \$378 million. The main operating expenses were wages and benefits (\$201 million), depreciation and amortization (\$79 million), and materials and supplies (\$36 million). This created an operating loss of \$308 million. Non-operating revenues, net were \$289 million and were primarily comprised of grants and assistance. The Change in Net Position was \$(19) million for the year ended June 30, 2018. As of June 30, 2017, Bi-State Development had assets of approximately \$1.4 billion and net assets of \$531 million. The Change in Net Position was \$(29) million for the year ended June 30, 2017. Comprehensive Annual Financial Report (CAFR) information for the current and prior years can be found at www.bistatedev.org or by contacting:

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2018 and 2017

FINANCIAL HIGHLIGHTS (Continued)

Finance Division
Bi-State Development Agency
One Metropolitan Square
211 North Broadway, Suite 700
Mail Stop 154
St. Louis, MO 63102.

The telephone number to the Finance Division is 314-982-1547. The email address is Finance@BiStateDev.org.

CONDENSED CAFR DATA FOR BI-STATE DEVELOPMENT
(In millions)

	As of and for the Years Ended June 30,		
	2018	2017	2016
Assets	\$ 1,406	\$ 1,435	\$ 1,469
Liabilities	<u>894</u>	<u>904</u>	<u>908</u>
Net Position	<u>\$ 512</u>	<u>\$ 531</u>	<u>\$ 561</u>
Operating Revenue	\$ 70	\$ 69	\$ 73
Operating Expenses	<u>378</u>	<u>348</u>	<u>353</u>
Operating loss	(308)	(279)	(280)
Non-Operating Revenue, Net	289	262	279
Prior Period Adjustment	<u>-</u>	<u>(12)</u>	<u>-</u>
Change in net position	<u>\$ (19)</u>	<u>\$ (29)</u>	<u>\$ (1)</u>

CONTACT

The financial section is designed to provide users with a general overview of the Plan's financial activity. If you have questions about this report or need additional financial information, contact:

Bi-State Development Pension Department
One Metropolitan Square
211 North Broadway, Suite 700
Mail Stop 125
St. Louis, MO 63102.

**BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PLAN
STATEMENTS OF FIDUCIARY NET POSITION**

	December 31,	
	2018	2017
ASSETS		
Investments at fair value	\$ 51,810,456	\$ 53,419,592
Notes receivable from participants	<u>1,473,039</u>	<u>1,338,773</u>
NET POSITION RESTRICTED FOR PLAN BENEFITS	<u>\$ 53,283,495</u>	<u>\$ 54,758,365</u>

See notes to financial statements.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PLAN
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

	Years Ended December 31,	
	2018	2017
INVESTMENT (LOSS) INCOME		
Net (depreciation) appreciation in fair value of investments	\$ (5,511,174)	\$ 5,407,720
Interest and dividends	<u>3,006,362</u>	<u>2,125,580</u>
	<u>(2,504,812)</u>	<u>7,533,300</u>
INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS	<u>47,319</u>	<u>38,561</u>
CONTRIBUTIONS		
Employer	1,990,849	1,777,582
Participant	2,878,792	2,586,746
Rollover	<u>105,916</u>	<u>301,377</u>
	<u>4,975,557</u>	<u>4,665,705</u>
BENEFITS PAID TO PARTICIPANTS	<u>(3,981,557)</u>	<u>(1,944,156)</u>
ADMINISTRATIVE EXPENSES	<u>(11,377)</u>	<u>(10,188)</u>
NET (DECREASE) INCREASE	(1,474,870)	10,283,222
NET POSITION RESTRICTED FOR PLAN BENEFITS		
Beginning	<u>54,758,365</u>	<u>44,475,143</u>
Ending	<u>\$ 53,283,495</u>	<u>\$ 54,758,365</u>

See notes to financial statements.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN

The following description of the Bi-State Development Agency 401(k) Retirement Savings Program (the Plan) provides only general information. Participants should refer to the Plan document or Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan sponsored by Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State Development or the Employer) for the benefit of its salaried employees and full-time van operators as defined in the collective bargaining agreement with Division 788 of the Amalgamated Transit Union (van operators). Effective January 1, 2014, all hourly-paid International Brotherhood of Electrical Workers (IBEW) employees who are hired on or after January 1, 2014 and who are covered by the collective bargaining agreement between Bi-State Development and with Local No. 2 and Local No. 309 of the IBEW Union became eligible for the Plan. Effective January 1, 2014, all existing participants in the Bi-State Development Agency of the Missouri-Illinois Metropolitan District and Local No. 2 and Local No. 309 International Brotherhood of Electrical Workers Employees' Pension Plan, may voluntarily choose to participate in the Plan without any matching contributions provided by Bi-State Development. Employees become eligible to participate in the Plan on the first day of the calendar month following the date on which he/she commences employment.

Effective October 1, 2018, the Plan was amended to accelerate vesting of non-elective employer contributions. A participant shall become fully vested in employer contributions upon disability, attainment of normal retirement age or death.

The Plan is that of a governmental unit and, therefore, is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established on February 1, 1985. As such, the Plan is considered a grandfathered governmental 401(k) plan (formed prior to 1986).

The Salaried Administrative Pension and 401(k) Plan Committee (the Committee) consists of the four standing trustees (the Executive Director Metro Transit, the Vice President of Organizational Effectiveness, the Sr. Vice President Chief Financial Officer, and the General Counsel) and up to five non-standing trustees with expiring terms. The Board of Commissioners authorizes the Vice President of Organizational Effectiveness, with the concurrence of the President and CEO, to appoint the non-standing Trustees from among the Agency's Salaried Plan management employees and retirees.

Lincoln Financial Group is the Plan's recordkeeper, custodian and trustee. The Plan's membership consisted of the following:

	December 31,	
	2018	2017
Active Participants	897	873
Retired or Separated Receiving Benefits	12	14
Retired or Separated Entitled to Future Benefits	129	111
Deceased with Vested Balance	5	4
Total participants	<u>1,043</u>	<u>1,002</u>

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN (Continued)

Contributions

Participants may contribute up to the annual dollar limit per Internal Revenue Code (IRC) guidelines of pretax annual compensation, as defined. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans as well as Roth contributions. Additionally, participants age 50 or older, who are making contributions to the Plan, are allowed to make catch-up contributions as defined.

Bi-State Development contributes 50% of the participant's elective deferrals, excluding van operators, up to a maximum of 5% of eligible compensation. Bi-State Development contributes 50% of the van operators' elective deferrals up to a maximum of 6% of eligible compensation.

Effective July 1, 2013, various enhancements were made to the plan following closures of two defined benefit pension plans that effected the contribution structure based on the following:

Tier 1 - New Hires Into a Salaried Position

The Pension Plan for Salaried Employees of Bi-State Development Agency ("Salaried Plan") is closed to all newly-hired salaried employees. Salaried employees hired on or after July 1, 2013 become eligible for the Plan. Bi-State Development will contribute 4% of eligible compensation, regardless of whether the participant contributes. In addition, Bi-State Development will provide matching contributions of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Tier 2 - Transfers Into a Salaried Position From a Union Position

Employees transitioning from a union position to a salaried position will be automatically placed in the Plan. Bi-State Development will contribute 6% of each participant's eligible compensation. Bi-State Development will provide matching contributions of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014, all vested salaried employees who transferred from a union position will have their accrued sick leave and vacation leave converted to Paid Time Off (PTO). The PTO balance will have a maximum of 360 hours. Certain amounts in excess of the 360 hours will be converted to a Bi-State Development contribution to the Plan. Refer to the restated plan document for additional information.

Tier 3 - Non-Vested Salaried Employees who Elect to Become a Participant in the Plan

Effective January 1, 2014, all non-vested salaried employees in the Salaried Plan were given two options for retirement plan participation:

- Participate in the Plan and receive a Bi-State Development contribution of 6% of eligible compensation along with a matching contribution from Bi-State Development of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN (Continued)

Contributions (Continued)

Tier 3 - Non-Vested Salaried Employees who Elect to Become a Participant in the Plan
(Continued)

- Remain a member of the Salaried Plan and, as a participant, contribute 3% to the Salaried Plan. These participants may make employee contributions to the Plan along with a matching contribution from Bi-State Development of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014, all non-vested salaried employees will have their accrued sick leave and vacation leave converted to PTO. The PTO balance will have a maximum of 360 hours. Certain amounts in excess of the 360 hours will be converted to a Bi-State Development contribution to the Plan. Refer to the restated plan document for additional information.

Tier 4 - Vested Salaried Employee- Defined Contribution Plan With a Frozen Accrued Benefit From the Defined Benefit Plan

Effective January 1, 2014, vested employees covered under the Salaried Plan could elect to stop participating in the Salaried Plan and Bi-State Development will contribute 6% of their eligible compensation along with a matching contribution from Bi-State Development of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014, all vested salaried employees will have their accrued sick leave and vacation leave converted to PTO. The PTO balance will have a maximum of 360 hours. Certain amounts in excess of the 360 hours will be converted to a Bi-State Development contribution to the Plan. Refer to the restated plan document for additional information.

Tier 5 - Vested Salaried Employee- Defined Contribution Plan Without a Frozen Accrued Benefit From the Defined Benefit Plan

Effective January 1, 2014, employees who are vested in the Salaried Plan who elect to forfeit all their accrued benefits in the Salaried Plan, will receive a Bi-State Development contribution of 8% of eligible compensation. In addition, these participants will receive a matching contribution from Bi-State Development of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014, all vested salaried employees will have their accrued sick leave and vacation leave converted to PTO. The PTO balance will have a maximum of 360 hours. Certain amounts in excess of the 360 hours will be converted to a Bi-State Development contribution to the Plan. Refer to the restated plan document for additional information.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN (Continued)

Contributions (Continued)

Tier 6 - Vested Salaried Employee- Defined Benefit Plan

Effective January 1, 2014, vested salaried employees covered under the Salaried Plan may elect to continue to participate in the Salaried Plan and will be required to contribute 3% of their eligible compensation to the Salaried Plan. Tier 6 participants may make employee contributions to the Plan along with a matching contribution from Bi-State Development of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014 all vested salaried employees will have their accrued sick leave and vacation leave converted to PTO. The PTO balance will have a maximum of 360 hours. Certain amounts in excess of the 360 hours will be converted to a Bi-State contribution to the Plan. Refer to the restated plan document for additional information.

IBEW

Effective January 1, 2014, IBEW employees who became eligible on or after January 1, 2014 were given two options with respect to participation:

- Receive a Bi-State Development contribution to the Plan of 4% of their base wages with no employee contribution required. In addition, Bi-State Development will provide matching contributions of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.
- Participate in the National Electrical Benefit Fund pension plan to which Bi-State Development would contribute 3% of the employee's base wage amount to that plan. Bi-State Development will also contribute 1% of the employee's base wage amount to the Plan. In addition, Bi-State Development will provide matching contributions of 50% of eligible employee contributions up to a maximum of 5% of an employee's eligible compensation.

Effective January 1, 2014 IBEW employees, eligible prior to that date, in the IBEW Pension Plan could voluntarily choose to participate in the Plan without any matching contributions provided by Bi-State Development.

Investment Options

Participants direct the investment of all contributions into various investment options offered by the Plan. As of December 31, 2018 and 2017, the Plan offered 21 mutual funds, one self-directed brokerage account and one common collective trust fund, as investment options. Participants may also purchase shares of mutual funds not offered by the Plan through a self-directed brokerage account.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN (Continued)

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) Bi-State Development's contribution, (b) Plan earnings (c) Expenses attributable to a participant's choice of optional investments, as well as loan or withdrawal fees. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants hired prior to June 30, 2013 are immediately vested in all contributions plus actual earnings thereon.

Effective July 1, 2013, new hires receiving Bi-State Development's non-elective contributions are subject to the following vesting schedule:

<u>Years of Service</u>	<u>Vesting %</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Any other contributions are vested at 100% for these new hires.

Effective October 1, 2018, the Plan was amended to accelerate vesting of non-elective employer contributions in certain situations. A participant shall become fully vested in employer contributions upon disability, attainment of normal retirement age or death.

Notes Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the plan administrator. Principal and interest are paid ratably through payroll deductions. The period of the loan cannot exceed 5 years unless for the purchase of a principal residence.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 — DESCRIPTION OF PLAN (Continued)

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the life expectancy of the participant and his/her beneficiary. The normal retirement age is 60 for all participants. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. The Plan also permits hardship withdrawals, in service withdrawals for participants over normal retirement age, as defined, and required minimum distributions for participants who have attained age 70 ½.

Forfeited Accounts

At December 31, 2018 and 2017, forfeited nonvested accounts totaled \$39,513 and \$31,373, respectively. These accounts will be used to reduce future employer contributions. Also, for the years ended December 31, 2018 and 2017, employer contributions were reduced by \$7,417 and \$7,042, respectively, from forfeited nonvested accounts.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments in mutual funds are reported at fair value. Fair value is 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. The Employer determines the Plan's valuation policies utilizing information provided by the investment trustee.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The general administrative expenses of the Plan are paid by Bi-State Development and are not included in the Statements of Changes in Fiduciary Net Position. These expenses may include legal, accounting, and administration fees. Expenses attributable to a participant's choice of optional investments, as well as loan or withdrawal fees, are charged to the respective participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

Subsequent Events

The Plan has evaluated subsequent events through November 14, 2019, which is the date the financial statements were available to be issued.

NOTE 3 — INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets, which represents a concentration risk:

	December 31,	
	2018	2017
Vanguard 500 Index Fund Admiral Shares	\$ 10,147,327	\$ 10,611,534
Dodge & Cox Balanced Fund	\$ 6,444,039	\$ 7,189,063
T Rowe Price Stable Value Fund	\$ 6,046,053	\$ 6,298,033
William Blair Small-Mid Cap	\$ 3,678,276	\$ 3,815,029
Dodge & Cox Stock Fund	\$ 3,255,967	\$ 3,511,460
T Rowe Price Retirement 2020 Fund	\$ 3,047,667	\$ 3,186,301
T Rowe Price Retirement 2030 Fund	\$ 2,962,628	\$ 2,730,322

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 3 — INVESTMENTS (Continued)

Custodial credit risk is when, in the event a financial institution or counter party fails, the Plan would not be able to recover the value of deposits, investments or collateral that are in possession of an outside party. All investments held in the Plan's name are not subject to creditors of the financial institution.

Currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan's investments during the period under audit were all in U.S. dollars.

Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. The Plan's assets as of December 31, 2018 and 2017 subject to credit risk are shown with their respective credit ratings below:

	December 31, 2018		December 31, 2017	
	Assets Subject to Credit Risk	Percentage	Assets Subject to Credit Risk	Percentage
A	\$ 6,444,039	29.0%	\$ 7,189,063	31.6%
BBB	3,202,552	14.4%	15,586,959	68.4%
BB	12,606,689	56.6%	-	0.0%
	<u>\$ 22,253,280</u>	<u>100.0%</u>	<u>\$ 22,776,022</u>	<u>100.0%</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Plan does not invest in bond funds. However, the Plan does invest in a stable value fund. The underlying investments in the stable value fund include contracts with crediting rates, which are impacted by changes interest rates.

NOTE 4 — FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 4 — FAIR VALUE MEASUREMENTS (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-directed brokerage account: Valued based on the underlying holdings which consist of mutual funds, common stock and iShares. The valuation for the mutual funds is consistent and in accordance with the valuation method described above. Common stock and iShares are valued at the closing price reported on the active market on which the security is traded.

Stable value common collective trust: A stable value fund that is composed primarily of fully benefit-responsive investment contracts is valued at the NAV of units of the bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to require 12 months' notification in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as follows:

	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total
<u>December 31, 2018</u>				
Mutual Funds				
Equity	\$ 44,088,625	\$ -	\$ -	\$ 44,088,625
Fixed income	325,111	-	-	325,111
Self-Directed				
Brokerage Account	1,311,154	-	-	1,311,154
	<u>\$ 45,724,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>45,724,890</u>
Investments Measured at NAV Practical Expedient (a) (b)				<u>6,085,566</u>
				<u>\$ 51,810,456</u>

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 4 — FAIR VALUE MEASUREMENTS (Continued)

	Level 1: Quoted Prices in Active Markets for <u>Identical Assets</u>	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	<u>Total</u>
<u>December 31, 2017</u>				
Mutual Funds				
Equity	\$ 45,604,677	\$ -	\$ -	\$ 45,604,677
Fixed income	242,330	-	-	242,330
Self-Directed				
Brokerage Account	<u>1,274,552</u>	<u>-</u>	<u>-</u>	<u>1,274,552</u>
	<u>\$ 47,121,559</u>	<u>\$ -</u>	<u>\$ -</u>	<u>47,121,559</u>
Investments Measured at NAV Practical Expedient (a) (b)				<u>6,298,033</u>
				<u>\$ 53,419,592</u>

(a) Certain investments that were measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of fiduciary net position.

(b) Fair value of the investment in the common collective trust fund has been estimated using the net asset value of the investment. The common collective trust listed in the above chart is redeemed on a daily basis and does not have any redemption restrictions. Additionally, there are no unfunded commitments.

NOTE 5 — PLAN TERMINATION

Although it has not expressed any intent to do so, Bi-State Development has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. All participants will be 100% vested in their account balances upon such termination. In the event of Plan termination, the trustee, Lincoln Financial Group, shall liquidate the assets and disburse all funds to participants and their beneficiaries.

NOTE 6 — TAX STATUS

The Internal Revenue Service has determined and informed Bi-State Development by letter dated August 25, 2014, that the Plan and the related trust are designed in accordance with the applicable sections of the IRC.

BI-STATE DEVELOPMENT AGENCY
401(k) RETIREMENT SAVINGS PROGRAM
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 7 — RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of fiduciary net position.

Open Session Item

19

2020 Quarterly Financial Statements

FIRST QUARTER ENDING
SEPTEMBER 30, 2019



BI-STATE
DEVELOPMENT





To: Taulby Roach
President and Chief Executive Officer

From: Mark G. Vago
Senior Vice President Finance and CFO 

Date: September 30, 2019

Subject: Bi-State Development Financial Statements – September 2019

Enclosed is the financial statement package for September 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 \$1.5 billion and a net gain before depreciation of \$10.1 million for the three months ending September 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 \$9.3 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 September 30, 2019, BSD has net income before depreciation of \$10.1 million compared to a budgeted loss of \$.2 million for a favorable variance of \$10.3 million.

Table 2 below takes into account the impact of depreciation on the financial position of all enterprises resulting in a cumulative \$9.3 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
Enterprise Funds					
Executive Services	\$ 485,105	\$ 230,650	\$ 366,769	\$ 254,455	\$ 118,336
Gateway Arch Tram	\$ 1,550,034	\$ 309,702	\$ 1,361,414	\$ 1,240,332	\$ 188,620
Metro	\$ 7,535,325	\$ (1,001,939)	\$ 5,623,825	\$ 8,537,264	\$ 1,911,500
St. Louis Downtown Airport	\$ 94,304	\$ 20,966	\$ 3,323	\$ 73,338	\$ 90,981
Riverfront Attractions	\$ 504,359	\$ 978,454	\$ 689,012	\$ (474,095)	\$ (184,653)
St. Louis Regional Freightway	\$ (46,721)	\$ (24,474)	\$ (184,786)	\$ (22,247)	\$ 138,065
BSD Research Institute	\$ (297)	\$ 2,700	\$ (15,531)	\$ (2,997)	\$ 15,234
Arts In Transit, Inc.	\$ (4,417)	\$ (1,966)	\$ 6,724	\$ (2,451)	\$ (11,141)
Total Enterprise Funds	\$ 10,117,692	\$ 514,093	\$ 7,850,750	\$ 9,603,599	\$ 2,266,942
Self-Insurance Funds					
Health	\$ (55,515)	\$ 5,473	\$ (258,784)	\$ (60,988)	\$ 203,269
Casualty	\$ (383,350)	\$ (415,833)	\$ 423,194	\$ 32,483	\$ (806,544)
Workers' Compensation	\$ 373,897	\$ (274,001)	\$ 515,001	\$ 647,898	\$ (141,104)
Total Self-Insurance Funds	\$ (64,968)	\$ (684,361)	\$ 679,411	\$ 619,393	\$ (744,379)
Total Government Wide	\$ 10,052,724	\$ (170,268)	\$ 8,530,161	\$ 10,222,992	\$ 1,522,563

Table 2
BSD Combined Net Income (Loss)

	Year-to-Date				
	Actual	Budget	Prior Year	\$ Var Bgt	\$ Var Prior Yr
Enterprise Funds					
Executive Services	\$ 485,105	\$ 230,650	\$ 366,769	\$ 254,455	\$ 118,336
Gateway Arch Tram	1,387,015	150,664	1,165,172	1,236,351	221,843
Metro	(11,962,098)	(20,121,049)	(13,579,128)	8,158,951	1,617,030
St. Louis Downtown Airport	(236,632)	(357,488)	(304,533)	120,856	67,901
Riverfront Attractions	451,666	916,088	626,241	(464,422)	(174,575)
St. Louis Regional Freightway	(46,721)	(24,474)	(184,786)	(22,247)	138,065
BSD Research Institute	(3,226)	-	(18,231)	(3,226)	15,005
Arts In Transit, Inc.	(4,417)	(1,966)	6,724	(2,451)	(11,141)
Total Enterprise Funds	\$ (9,929,308)	\$ (19,207,575)	\$ (11,921,772)	\$ 9,278,267	\$ 1,992,464
Self-Insurance Funds					
Health	(55,515)	5,473	(258,784)	(60,988)	203,269
Casualty	10,817	(681)	804,394	11,498	(793,577)
Workers' Compensation	639,089	(342)	676,550	639,431	(37,461)
Total Self-Insurance Funds	\$ 594,391	\$ 4,450	\$ 1,222,160	\$ 589,941	\$ (627,769)
Total Government Wide	\$ (9,334,917)	\$ (19,203,125)	\$ (10,699,612)	\$ 9,868,208	\$ 1,364,695

The Finance Division is available for any questions concerning the September 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 Three Months Ended September 30, 2019**
(unaudited)

	Business Divisions Total	Self-Insurance Divisions Total	Total	Eliminations	Bi-State Development Combined Total
Revenue					
Passenger and service revenues	\$ 15,679,952	\$ -	\$ 15,679,952	\$ -	\$ 15,679,952
City of St. Louis	10,924,212	-	10,924,212	-	10,924,212
St. Louis County	39,003,109	-	39,003,109	-	39,003,109
St. Clair County Transit District	15,206,948	-	15,206,948	-	15,206,948
State of Missouri and Illinois	1,264	-	1,264	-	1,264
Federal funding	4,091,237	-	4,091,237	-	4,091,237
Other local/regional funding	51,225	-	51,225	-	51,225
Not-for-profit	3,500	-	3,500	-	3,500
Advertising, maint services, rental income	1,377,022	-	1,377,022	-	1,377,022
Interest income	1,314,872	116,544	1,431,416	-	1,431,416
Other operating revenue	263,962	-	263,962	-	263,962
Charges for services	-	12,319,190	12,319,190	(10,274,282)	2,044,908
Total revenue	87,917,303	12,435,734	100,353,037	(10,274,282)	90,078,755
Expense					
Wages and benefits	51,252,979	441,541	51,694,520	-	51,694,520.00
Services	8,363,362	85,155	8,448,517	-	8,448,517.00
Fuel and lube consumed	2,663,435	-	2,663,435	-	2,663,435.00
Materials and supplies	5,468,417	3,501	5,471,918	-	5,471,918.00
Utilities	1,817,706	1,759	1,819,465	-	1,819,465.00
Casualty and liability costs	1,169,935	279,493	1,449,428	-	1,449,428.00
Other expenses	1,402,058	112,841	1,514,899	-	1,514,899
Interest expense	5,001,050	-	5,001,050	-	5,001,050.00
Contribution to outside entities	354,470	-	354,470	-	354,470.00
Other non-operating expense	306,199	-	306,199	-	306,199.00
Claims paid and insurance administrative costs	-	11,576,412	11,576,412	(10,274,282)	1,302,130.00
Total expense	77,799,611	12,500,702	90,300,313	(10,274,282)	80,026,031
Income (loss) before depreciation	10,117,692	(64,968)	10,052,724	-	10,052,724
Depreciation and amortization expense	19,387,641	-	19,387,641	-	19,387,641
Net income (loss) before transfers	(9,269,949)	(64,968)	(9,334,917)	-	(9,334,917)
Net transfers in (out)	(659,359)	659,359	-	-	-
Net income (loss)	\$ (9,929,308)	\$ 594,391	\$ (9,334,917)	\$ -	\$ (9,334,917)

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Bi-State Development Combined
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

	Business Divisions Total	Self-Insurance Divisions Total	Total	Eliminations	Bi-State Development Combined Total
Assets					
Current assets					
Cash	\$ 328,346,645	\$ 21,698,207	\$ 350,044,852	\$ -	\$ 350,044,852
Investments	88,991,917	2,364,620	91,356,537	-	91,356,537
Accounts and notes receivable	33,231,168	189,776	33,420,944	-	33,420,944
Interfund accounts receivable	-	729,559	729,559	(729,559)	-
Restricted accounts receivable	1,269,112	5,185	1,274,297	-	1,274,297
Federal, state and local assistance receivable	32,026,950	-	32,026,950	-	32,026,950
Materials and supplies inventory	11,101,847	-	11,101,847	-	11,101,847
Other current assets	3,057,365	838,479	3,895,844	-	3,895,844
Total current assets	498,025,004	25,825,826	523,850,830	(729,559)	523,121,271
Capital assets					
Capital assets - motorbus	425,561,090	-	425,561,090	-	425,561,090
Capital assets - paratransit	19,119,862	-	19,119,862	-	19,119,862
Capital assets - lightrail	1,626,354,013	-	1,626,354,013	-	1,626,354,013
Capital assets	73,874,996	-	73,874,996	-	73,874,996
Total capital assets	2,144,909,961	-	2,144,909,961	-	2,144,909,961
Accumulated depreciation	(1,374,872,737)	-	(1,374,872,737)	-	(1,374,872,737)
Total capital assets, net	770,037,224	-	770,037,224	-	770,037,224
Land	101,947,357	-	101,947,357	-	101,947,357
Construction-in-process	28,268,819	-	28,268,819	-	28,268,819
Total capital assets	900,253,400	-	900,253,400	-	900,253,400
Non-current assets					
Restricted investments	119,963,196	-	119,963,196	-	119,963,196
Deferred charges	79,435	-	79,435	-	79,435
Other non-current assets, net amort	484,118	-	484,118	-	484,118
Total non-current assets	120,526,749	-	120,526,749	-	120,526,749
Total assets	1,518,805,153	25,825,826	1,544,630,979	(729,559)	1,543,901,420
Deferred Outflow of Resources					
Deferred pension loss	16,241,331	-	16,241,331	-	16,241,331
Deferred pension expense	2,505,800	-	2,505,800	-	2,505,800
Deferred loss on hedging instruments	109,217	-	109,217	-	109,217
Deferred unfunded OPEB loss	6,730,614	-	6,730,614	-	6,730,614
Deferred loss on debt refunding	1,903,697	-	1,903,697	-	1,903,697
Total deferred outflow of resources	27,490,659	-	27,490,659	-	27,490,659
Total	\$ 1,546,295,812	\$ 25,825,826	\$ 1,572,121,638	\$ (729,559)	\$ 1,571,392,079

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Bi-State Development Combined
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

	Business Divisions Total	Self-Insurance Divisions Total	Total	Eliminations	Bi-State Development Combined Total
Liabilities					
Current liabilities					
Accounts payable	\$ 10,176,267	\$ 87,525	\$ 10,263,792	\$ -	\$ 10,263,792
Interfund accounts payable	(250,491)	980,050	729,559	(729,559)	-
Accrued expenses	20,505,103	92,200	20,597,303	-	20,597,303
Other current liabilities	23,848,754	-	23,848,754	-	23,848,754
Total current liabilities	<u>54,279,633</u>	<u>1,159,775</u>	<u>55,439,408</u>	<u>(729,559)</u>	<u>54,709,849</u>
Current liab payable from restricted assets					
Accounts payable and retention	193,133,761	-	193,133,761	-	193,133,761
Accrued interest payable	10,144,340	-	10,144,340	-	10,144,340
Short-term self-insurance	140,587	13,412,000	13,552,587	-	13,552,587
Medical self-insurance liability	-	3,812,073	3,812,073	-	3,812,073
Current portion of long-term debt	9,796,171	-	9,796,171	-	9,796,171
Total current liabilities payable from restricted assets	<u>213,214,859</u>	<u>17,224,073</u>	<u>230,438,932</u>	<u>-</u>	<u>230,438,932</u>
Total current liabilities	<u>267,494,492</u>	<u>18,383,848</u>	<u>285,878,340</u>	<u>(729,559)</u>	<u>285,148,781</u>
Non-current liabilities					
Other post-employment benefits	64,179,031	350,615	64,529,646	-	64,529,646
Long-term self-insurance	413,559	8,943,000	9,356,559	-	9,356,559
Long-term debt	519,085,742	-	519,085,742	-	519,085,742
Capital lease obligations	119,963,198	-	119,963,198	-	119,963,198
Unfunded pension liabilities	84,683,603	275,740	84,959,343	-	84,959,343
Other non-current liabilities	6,442,571	-	6,442,571	-	6,442,571
Total non-current liabilities	<u>794,767,704</u>	<u>9,569,355</u>	<u>804,337,059</u>	<u>-</u>	<u>804,337,059</u>
Total liabilities	<u>1,062,262,196</u>	<u>27,953,203</u>	<u>1,090,215,399</u>	<u>(729,559)</u>	<u>1,089,485,840</u>
Deferred Inflow of Resources					
Deferred Unfunded OPEB Gain	961,424	-	961,424	-	961,424
Deferred pension gain 788 ATU and cleric	4,801,443	-	4,801,443	-	4,801,443
Deferred pension gain IBEW	120,067	-	120,067	-	120,067
Deferred pension gain salaried	1,906,427	-	1,906,427	-	1,906,427
Total deferred inflow of resources	<u>7,789,361</u>	<u>-</u>	<u>7,789,361</u>	<u>-</u>	<u>7,789,361</u>
Net Position					
Net position - capital investments	451,205,335	-	451,205,335	-	451,205,335
Net position	34,968,228	(2,721,768)	32,246,460	-	32,246,460
Net income (loss)	(9,929,308)	594,391	(9,334,917)	-	(9,334,917)
Total net position	<u>476,244,255</u>	<u>(2,127,377)</u>	<u>474,116,878</u>	<u>-</u>	<u>474,116,878</u>
Total	<u>\$ 1,546,295,812</u>	<u>\$ 25,825,826</u>	<u>\$ 1,572,121,638</u>	<u>\$ (729,559)</u>	<u>\$ 1,571,392,079</u>

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 Three Months Ended September 30, 2019**
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Eliminations	Totals After Eliminations
Revenue											
Passenger and service revenues	\$ -	\$ 3,464,305	\$ 1,332,024	\$ 382,420	\$ 10,519,848	\$ -	\$ -	\$ -	\$ 15,698,597	\$ (18,645)	\$ 15,679,952
Interfund administrative fees	1,102,388	-	-	-	-	-	-	-	1,102,388	(1,102,388)	-
City of St. Louis	-	-	-	-	10,924,212	-	-	-	10,924,212	-	10,924,212
St. Louis County	-	-	-	-	39,003,109	-	-	-	39,003,109	-	39,003,109
St. Clair County Transit District	-	-	-	-	15,206,948	-	-	-	15,206,948	-	15,206,948
State of Missouri and Illinois	-	-	-	-	1,264	-	-	-	1,264	-	1,264
Federal funding	-	-	-	-	4,091,237	-	-	-	4,091,237	-	4,091,237
Other local/regional funding	-	-	-	-	51,225	-	-	-	51,225	-	51,225
Not-for-profit	-	-	-	-	-	-	-	3,500	3,500	-	3,500
Contributions	-	-	-	-	-	-	59	50,074	50,133	(50,133)	-
Advertising, maint services, rental incor	-	3,872	31,837	23,303	1,318,010	-	-	-	1,377,022	-	1,377,022
Interest income	30,303	84,124	-	7,445	1,193,000	-	-	-	1,314,872	-	1,314,872
Other operating revenue	160,644	92,782	-	10,536	-	-	-	-	263,962	-	263,962
Total revenue	<u>1,293,335</u>	<u>3,645,083</u>	<u>1,363,861</u>	<u>423,704</u>	<u>82,308,853</u>	<u>-</u>	<u>59</u>	<u>53,574</u>	<u>89,088,469</u>	<u>(1,171,166)</u>	<u>87,917,303</u>
Expense											
Wages and benefits	584,352	679,388	422,406	195,739	49,318,820	52,274	-	29,003	51,281,982	(29,003)	51,252,979
Services	133,953	423,509	109,561	24,139	7,677,793	(13,336)	88	17,049	8,372,756	(9,394)	8,363,362
Fuel and lube consumed	-	-	21,189	1,273	2,640,973	-	-	-	2,663,435	-	2,663,435
Materials and supplies	3,271	119,658	139,228	36,527	5,169,530	-	-	412	5,468,626	(209)	5,468,417
Utilities	537	1,263	10,780	40,162	1,764,696	-	268	-	1,817,706	-	1,817,706
Casualty and liability costs	12,042	17,927	40,653	14,924	1,084,389	-	-	-	1,169,935	-	1,169,935
Other expenses	74,075	537,373	115,685	16,636	1,771,539	7,783	-	11,527	2,534,618	(1,132,560)	1,402,058
Interest expense	-	72,241	-	-	4,928,809	-	-	-	5,001,050	-	5,001,050
Contribution to outside entities	-	243,690	-	-	110,780	-	-	-	354,470	-	354,470
Other non-operating expense	-	-	-	-	306,199	-	-	-	306,199	-	306,199
Total expense	<u>808,230</u>	<u>2,095,049</u>	<u>859,502</u>	<u>329,400</u>	<u>74,773,528</u>	<u>46,721</u>	<u>356</u>	<u>57,991</u>	<u>78,970,777</u>	<u>(1,171,166)</u>	<u>77,799,611</u>
Income (loss) before depreciation	<u>485,105</u>	<u>1,550,034</u>	<u>504,359</u>	<u>94,304</u>	<u>7,535,325</u>	<u>(46,721)</u>	<u>(297)</u>	<u>(4,417)</u>	<u>10,117,692</u>	<u>-</u>	<u>10,117,692</u>
Depreciation and amortization expense	-	161,759	52,693	330,936	18,839,324	-	2,929	-	19,387,641	-	19,387,641
Net income (loss) before transfers	<u>485,105</u>	<u>1,388,275</u>	<u>451,666</u>	<u>(236,632)</u>	<u>(11,303,999)</u>	<u>(46,721)</u>	<u>(3,226)</u>	<u>(4,417)</u>	<u>(9,269,949)</u>	<u>-</u>	<u>(9,269,949)</u>
Net transfers in (out)	-	(1,260)	-	-	(658,099)	-	-	-	(659,359)	-	(659,359)
Net income (loss)	<u>\$ 485,105</u>	<u>\$ 1,387,015</u>	<u>\$ 451,666</u>	<u>\$ (236,632)</u>	<u>\$ (11,962,098)</u>	<u>\$ (46,721)</u>	<u>\$ (3,226)</u>	<u>\$ (4,417)</u>	<u>\$ (9,929,308)</u>	<u>\$ -</u>	<u>\$ (9,929,308)</u>

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Business Divisions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
Assets											
Current assets											
Cash	\$ 4,714,526	\$ 20,307,889	\$ 93,901	\$ 1,462,850	\$ 301,550,331	\$ 18,000	\$ 108,327	\$ 90,821	\$ 328,346,645	\$ -	\$ 328,346,645
Investments	-	-	-	-	88,991,917	-	-	-	88,991,917	-	88,991,917
Accounts and notes receivable	34,998	5,309	4,388	46,444	33,140,029	-	-	-	33,231,168	-	33,231,168
Interfund accounts receivable	-	-	-	-	5,591,618	-	-	-	5,591,618	(5,591,618)	-
Restricted accounts receivable	-	-	-	-	1,269,112	-	-	-	1,269,112	-	1,269,112
Federal, state and local assistance receivable	-	(7,836)	-	-	32,034,786	-	-	-	32,026,950	-	32,026,950
Materials and supplies inventory	-	-	52,600	65,719	10,983,528	-	-	-	11,101,847	-	11,101,847
Other current assets	108,119	79,579	115,863	65,883	2,687,921	-	-	-	3,057,365	-	3,057,365
Total current assets	4,857,643	20,384,941	266,752	1,640,896	476,249,242	18,000	108,327	90,821	503,616,622	(5,591,618)	498,025,004
Capital assets											
Capital assets - motorbus	-	-	-	-	425,561,090	-	-	-	425,561,090	-	425,561,090
Capital assets - paratransit	-	-	-	-	19,119,862	-	-	-	19,119,862	-	19,119,862
Capital assets - lightrail	-	-	-	-	1,626,354,013	-	-	-	1,626,354,013	-	1,626,354,013
Capital assets	-	17,304,652	5,103,118	51,216,296	-	-	250,930	-	73,874,996	-	73,874,996
Total capital assets	-	17,304,652	5,103,118	51,216,296	2,071,034,965	-	250,930	-	2,144,909,961	-	2,144,909,961
Accumulated depreciation	-	(8,501,395)	(4,285,687)	(37,413,865)	(1,324,671,790)	-	-	-	(1,374,872,737)	-	(1,374,872,737)
Total capital assets, net	-	8,803,257	817,431	13,802,431	746,363,175	-	250,930	-	770,037,224	-	770,037,224
Land	-	-	-	4,542,564	97,404,793	-	-	-	101,947,357	-	101,947,357
Construction-in-process	-	23,385	43,878	569,033	27,632,523	-	-	-	28,268,819	-	28,268,819
Total capital assets	-	8,826,642	861,309	18,914,028	871,400,491	-	250,930	-	900,253,400	-	900,253,400
Non-current assets											
Restricted investments	-	-	-	-	119,963,196	-	-	-	119,963,196	-	119,963,196
Deferred charges	-	-	-	79,435	-	-	-	-	79,435	-	79,435
Other non-current assets, net amo	-	-	-	-	484,118	-	-	-	484,118	-	484,118
Total non-current assets	-	-	-	79,435	120,447,314	-	-	-	120,526,749	-	120,526,749
Total assets	4,857,643	29,211,583	1,128,061	20,634,359	1,468,097,047	18,000	359,257	90,821	1,524,396,771	(5,591,618)	1,518,805,153
Deferred outflow of resources											
Deferred pension loss	-	-	-	-	16,241,331	-	-	-	16,241,331	-	16,241,331
Deferred pension expense	-	-	-	-	2,505,800	-	-	-	2,505,800	-	2,505,800
Deferred loss on hedging instrume	-	-	-	-	109,217	-	-	-	109,217	-	109,217
Deferred unfunded OPEB loss	-	-	-	-	6,730,614	-	-	-	6,730,614	-	6,730,614
Deferred loss on debt refunding	-	-	-	-	1,903,697	-	-	-	1,903,697	-	1,903,697
Total deferred outflow of resour	-	-	-	-	27,490,659	-	-	-	27,490,659	-	27,490,659
Total	<u>\$ 4,857,643</u>	<u>\$ 29,211,583</u>	<u>\$ 1,128,061</u>	<u>\$ 20,634,359</u>	<u>\$ 1,495,587,706</u>	<u>\$ 18,000</u>	<u>\$ 359,257</u>	<u>\$ 90,821</u>	<u>\$ 1,551,887,430</u>	<u>\$ (5,591,618)</u>	<u>\$ 1,546,295,812</u>

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Business Divisions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro	St. Louis Regional Freightway	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
Liabilities											
Current liabilities											
Accounts payable	\$ 97,860	\$ 242,302	\$ 19,430	\$ 22,963	\$ 9,778,712	\$ 15,000	\$ -	\$ -	\$ 10,176,267	\$ -	\$ 10,176,267
Interfund accounts payable	30,892	4,566,382	507,967	99,235	-	113,111	23,516	24	5,341,127	(5,591,618)	(250,491)
Accrued expenses	198,401	80,400	95,900	62,300	20,034,602	33,500	-	-	20,505,103	-	20,505,103
Other current liabilities	-	124,373	55,247	66,731	23,495,733	-	106,670	-	23,848,754	-	23,848,754
Total current liabilities	327,153	5,013,457	678,544	251,229	53,309,047	161,611	130,186	24	59,871,251	(5,591,618)	54,279,633
Current liab payable from restricted a:											
Accounts payable and retention	-	-	-	-	193,133,761	-	-	-	193,133,761	-	193,133,761
Accrued interest payable	-	96,321	-	-	10,048,019	-	-	-	10,144,340	-	10,144,340
Short-term insurance	-	-	-	-	140,587	-	-	-	140,587	-	140,587
Current portion of long-term debt	-	166,171	-	-	9,630,000	-	-	-	9,796,171	-	9,796,171
Total current liabilities payable	-	262,492	-	-	212,952,367	-	-	-	213,214,859	-	213,214,859
from restricted assets	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	327,153	5,275,949	678,544	251,229	266,261,414	161,611	130,186	24	273,086,110	(5,591,618)	267,494,492
Non-current liabilities											
Other post-employment benefits	884,651	8	298,651	336,642	62,527,753	131,326	-	-	64,179,031	-	64,179,031
Long-term insurance	-	-	-	-	413,559	-	-	-	413,559	-	413,559
Long-term debt	-	7,029,182	-	-	512,056,560	-	-	-	519,085,742	-	519,085,742
Capital lease obligations	-	-	-	-	119,963,198	-	-	-	119,963,198	-	119,963,198
Unfunded pension liabilities	188,403	50,751	315,356	-	84,129,093	-	-	-	84,683,603	-	84,683,603
Other non-current liabilities	-	-	-	-	6,442,571	-	-	-	6,442,571	-	6,442,571
Total non-current liabilities	1,073,054	7,079,941	614,007	336,642	785,532,734	131,326	-	-	794,767,704	-	794,767,704
Total liabilities	1,400,207	12,355,890	1,292,551	587,871	1,051,794,148	292,937	130,186	24	1,067,853,814	(5,591,618)	1,062,262,196
Deferred Unfunded OPEB Gain	-	-	-	-	961,424	-	-	-	961,424	-	961,424
Deferred pension gain 788 ATU ar	-	-	-	-	4,801,443	-	-	-	4,801,443	-	4,801,443
Deferred pension gain IBEW	-	-	-	-	120,067	-	-	-	120,067	-	120,067
Deferred pension gain salaried	-	-	-	-	1,906,427	-	-	-	1,906,427	-	1,906,427
Total deferred inflow of resourc	-	-	-	-	7,789,361	-	-	-	7,789,361	-	7,789,361
Net Position											
Net position - capital investments	-	18,909,295	914,002	19,015,956	412,366,082	-	-	-	451,205,335	-	451,205,335
Net position - unrestricted	2,972,331	(3,440,617)	(1,530,158)	1,267,164	35,600,213	(228,216)	232,297	95,214	34,968,228	-	34,968,228
Net income (loss)	485,105	1,387,015	451,666	(236,632)	(11,962,098)	(46,721)	(3,226)	(4,417)	(9,929,308)	-	(9,929,308)
Total net position	3,457,436	16,855,693	(164,490)	20,046,488	436,004,197	(274,937)	229,071	90,797	476,244,255	-	476,244,255
Total	<u>\$ 4,857,643</u>	<u>\$ 29,211,583</u>	<u>\$ 1,128,061</u>	<u>\$ 20,634,359</u>	<u>\$ 1,495,587,706</u>	<u>\$ 18,000</u>	<u>\$ 359,257</u>	<u>\$ 90,821</u>	<u>\$ 1,551,887,430</u>	<u>\$ (5,591,618)</u>	<u>\$ 1,546,295,812</u>

Executive Services

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Executive Services – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Admin fees – Transit** decreased 30.8% to \$565.8 thousand from prior year due to a decrease in salary, benefits, and services expense in Executive Services
2. **Admin fees – Riverfront Attractions** increased to \$68.2 thousand due to the implementation of Agency Fees effective at the start of fiscal year 2020.
3. **National Park Service management fee** decreased 6.5% to \$160.6 thousand from prior year due to decreased attendance at the Gateway Arch. First quarter 19 included the Grand Reopening of the newly renovated Gateway Arch Visitor's Center.
4. **Interest income** – increased 183.8% from prior year to \$30.3 thousand due to continuing favorable interest rates.
5. **Total expense** – decreased 25.8% from prior year due to lower wages and benefits expense, legal and consulting fees, and data processing services.
6. **Net income before depreciation** is \$485.1 thousand.

Cash Flow

1. **Net cash activity year-to-date** is \$1.7 million cash outflow, primarily the result of the write-off of the June 30, 2019 balance due from the St. Louis Regional Freightway per GASB Statement No. 34. Absent that, the net cash activity year-to-date would be a cash inflow of \$300.3 thousand.

Balance Sheet

1. **Cash** decreased \$1.5 million mostly as a result of the write-off of the June 30, 2019 balance due from the St. Louis Regional Freightway per GASB Statement No. 34.

Executive Services
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Admin fees - Transit	(1) \$ 565,761	\$ 676,427	\$ (110,666)	(16.4)	\$ 817,190	\$ 565,761	\$ 676,427	\$ (110,666)	(16.4)	\$ 817,190
Admin fees - Gateway Arch	447,249	255,734	191,515	74.9	426,733	447,249	255,734	191,515	74.9	426,733
Admin fees - Airport	21,185	22,439	(1,254)	(5.6)	20,262	21,185	22,439	(1,254)	(5.6)	20,262
Admin fees - Riverfront Attractions	(2) 68,193	45,311	22,882	50.5	-	68,193	45,311	22,882	50.5	-
National Park Service management fee	(3) 160,644	114,327	46,317	40.5	171,779	160,644	114,327	46,317	40.5	171,779
Other operating revenue	-	76,244	(76,244)	(100.0)	3,900	-	76,244	(76,244)	(100.0)	3,900
Interest income	(4) 30,303	20,000	10,303	51.5	16,491	30,303	20,000	10,303	51.5	16,491
Total revenue	<u>1,293,335</u>	<u>1,210,482</u>	<u>82,853</u>	<u>6.8</u>	<u>1,456,355</u>	<u>1,293,335</u>	<u>1,210,482</u>	<u>82,853</u>	<u>6.8</u>	<u>1,456,355</u>
Expense										
Wages and benefits	(5) 584,352	596,417	12,065	2.0	738,299	584,352	596,417	12,065	2.0	738,299
Services	(5) 133,953	250,174	116,221	46.5	256,052	133,953	250,174	116,221	46.5	256,052
Materials and supplies	3,271	6,714	3,443	51.3	5,197	3,271	6,714	3,443	51.3	5,197
Utilities	537	1,325	788	59.5	689	537	1,325	788	59.5	689
Casualty and liability costs	12,042	12,500	458	3.7	12,047	12,042	12,500	458	3.7	12,047
Other expenses	74,075	112,702	38,627	34.3	77,302	74,075	112,702	38,627	34.3	77,302
Total expense	<u>808,230</u>	<u>979,832</u>	<u>171,602</u>	<u>17.5</u>	<u>1,089,586</u>	<u>808,230</u>	<u>979,832</u>	<u>171,602</u>	<u>17.5</u>	<u>1,089,586</u>
Net income (loss)	(6) \$ <u>485,105</u>	<u>\$ 230,650</u>	<u>\$ 254,455</u>	<u>110.3</u>	<u>\$ 366,769</u>	<u>\$ 485,105</u>	<u>\$ 230,650</u>	<u>\$ 254,455</u>	<u>110.3</u>	<u>\$ 366,769</u>

Executive Services
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	(1) \$ 4,714,526	\$ 6,461,868	\$ (1,747,342)	(27.0)	\$ 6,301,955	\$ (1,587,429)	(25.2)
Accounts and notes receivable	34,998	102,040	(67,042)	(65.7)	139,842	(104,844)	(75.0)
Federal, state and local assistance receivable	-	-	-	n/a	(371)	371	100.0
Other current assets	108,119	133,007	(24,888)	(18.7)	113,705	(5,586)	(4.9)
Total current assets	4,857,643	6,696,915	(1,839,272)	(27.5)	6,555,131	(1,697,488)	(25.9)
Capital assets							
Total assets	4,857,643	6,696,915	(1,839,272)	(27.5)	6,555,131	(1,697,488)	(25.9)
Total	\$ 4,857,643	\$ 6,696,915	\$ (1,839,272)	(27.5)	\$ 6,555,131	\$ (1,697,488)	(25.9)

Executive Services
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	\$ 97,860	\$ 266,148	\$ (168,288)	(63.2)	\$ 70,129	\$ 27,731	39.5
Interfund accounts payable	30,892	2,187,595	(2,156,703)	(98.6)	197,763	(166,871)	(84.4)
Accrued expenses	198,401	197,800	601	0.3	300,930	(102,529)	(34.1)
Other current liabilities	-	-	-	n/a	30,000	(30,000)	(100.0)
Total current liabilities	327,153	2,651,543	(2,324,390)	(87.7)	598,822	(271,669)	(45.4)
Non-current liabilities							
Other post-employment benefits	884,651	884,638	13	-	892,266	(7,615)	(0.9)
Unfunded pension liabilities	188,403	188,403	-	-	160,559	27,844	17.3
Total non-current liabilities	1,073,054	1,073,041	13	-	1,052,825	20,229	1.9
Total liabilities	1,400,207	3,724,584	(2,324,377)	(62.4)	1,651,647	(251,440)	(15.2)
Net Position							
Net position	2,972,331	4,536,715	(1,564,384)	(34.5)	4,536,715	(1,564,384)	(34.5)
Net income (loss)	485,105	(1,564,384)	2,049,489	131.0	366,769	118,336	32.3
Total net position	3,457,436	2,972,331	485,105	16.3	4,903,484	(1,446,048)	(29.5)
Total	<u>\$ 4,857,643</u>	<u>\$ 6,696,915</u>	<u>\$ (1,839,272)</u>	<u>(27.5)</u>	<u>\$ 6,555,131</u>	<u>\$ (1,697,488)</u>	<u>(25.9)</u>

Executive Services
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities		Supplemental disclosure of cash flow information	
Receipts from customers	\$ 227,686	Noncash Activities: None	
Payments to employees	(583,738)		
Payments to vendors	(355,237)		
Payments for self-insurance	(12,042)		
Receipts (payments) from inter-fund activity	<u>(1,054,314)</u>		
Net cash provided by (used in) operating activities	<u>(1,777,645)</u>		
Cash flows from non capital financing activities			
None			
Cash flows from capital and related financing activities			
None			
Cash flows from investing activities			
Interest received	<u>30,303</u>		
Net cash provided by (used in) investing activities	<u>30,303</u>		
Net increase (decrease) in cash and cash equivalents	(1) (1,747,342)		
Cash and cash equivalents, beginning of year	<u>6,461,868</u>		
Cash and cash equivalents, year to date	<u>\$ 4,714,526</u>		

Gateway Arch

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Gateway Arch Tram – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Arch ticket revenue** – increased \$122.5 thousand over the prior year due to the effects of the variable pricing program.
2. **Interest income** increased 79.3% over prior year as a result of higher interest rates.
3. **Materials and supplies** – increased 61.6% to \$119.6 thousand as a result of the purchase of ticket stock, increased insurance, and increased National Park Service expenses.
4. **Net income before depreciation** is \$1.6 million.

Balance Sheet

1. **Cash** increased \$2.8 million as a result of the variable ticket pricing structure, the implementation of an internet order fee, and an increase in interfund accounts payable.
2. **Interfund accounts payable** – increased awaiting cash transfers in second quarter fiscal year 2020.

Cash Flow

1. **Net cash provided by operating activities** resulted in a cash inflow of \$3.0 million. This is due to the effects of the variable pricing program, and the implementation of an internet order fee.
2. **Net cash activity year-to-date** is \$2.8 million cash inflow.

Performance Indicators

1. **Tram Ridership** experienced a 10.1% decrease over prior year. The newly renovated Arch grounds and museum has been open for a full year, however St. Louis Convention business and regional and national tourism is currently trending down. The flooding on the Mississippi, which necessitated the closing of the Gateway Arch Riverboats, deterred some visitors.

Gateway Arch Tram – Performance Indicators

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

		Tram Ridership		
	Quarter	FY 2020	FY 2019	Change
(1)	1st Qtr	303,904	337,941	-10.1%
	2nd Qtr	-	-	
	3rd Qtr	-	-	
	4th Qtr	-	-	
	Fiscal Year	303,904	337,941	-10.1%

Gateway Arch Tram
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Arch tickets	(1) \$ 3,464,305	\$ 2,341,193	\$ 1,123,112	48.0	\$ 3,341,800	\$ 3,464,305	\$ 2,341,193	\$ 1,123,112	48.0	\$ 3,341,800
Other operating revenue	3,872	9,034	(5,162)	(57.1)	11,397	3,872	9,034	(5,162)	(57.1)	11,397
Other revenue	-	-	-	-	4,343	-	-	-	-	4,343
Service fee revenue	109,029	55,000	54,029	98.2	114,720	109,029	55,000	54,029	98.2	114,720
Interest income	(2) 84,124	30,786	53,338	173.3	46,927	84,124	30,786	53,338	173.3	46,927
Sales discount	(16,247)	(32,360)	16,113	49.8	(28,131)	(16,247)	(32,360)	16,113	49.8	(28,131)
Total revenue	<u>3,645,083</u>	<u>2,403,653</u>	<u>1,241,430</u>	<u>51.6</u>	<u>3,491,056</u>	<u>3,645,083</u>	<u>2,403,653</u>	<u>1,241,430</u>	<u>51.6</u>	<u>3,491,056</u>
Expense										
Wages and benefits	679,388	761,847	82,459	10.8	628,909	679,388	761,847	82,459	10.8	628,909
Services	423,509	301,215	(122,294)	(40.6)	401,508	423,509	301,215	(122,294)	(40.6)	401,508
Materials and supplies	(3) 119,658	114,242	(5,416)	(4.7)	74,044	119,658	114,242	(5,416)	(4.7)	74,044
Utilities	1,263	44,835	43,572	97.2	27,761	1,263	44,835	43,572	97.2	27,761
Casualty and liability costs	17,927	16,671	(1,256)	(7.5)	13,826	17,927	16,671	(1,256)	(7.5)	13,826
Other expenses	537,373	494,561	(42,812)	(8.7)	623,579	537,373	494,561	(42,812)	(8.7)	623,579
Interest expense	72,241	71,828	(413)	(0.6)	73,845	72,241	71,828	(413)	(0.6)	73,845
Contribution to outside entities	243,690	288,752	45,062	15.6	286,170	243,690	288,752	45,062	15.6	286,170
Total expense	<u>2,095,049</u>	<u>2,093,951</u>	<u>(1,098)</u>	<u>(0.1)</u>	<u>2,129,642</u>	<u>2,095,049</u>	<u>2,093,951</u>	<u>(1,098)</u>	<u>(0.1)</u>	<u>2,129,642</u>
Income (loss) before depreciation	(4) <u>1,550,034</u>	<u>309,702</u>	<u>1,240,332</u>	<u>400.5</u>	<u>1,361,414</u>	<u>1,550,034</u>	<u>309,702</u>	<u>1,240,332</u>	<u>400.5</u>	<u>1,361,414</u>
Depreciation and amortization expense	<u>161,759</u>	<u>159,038</u>	<u>(2,721)</u>	<u>(1.7)</u>	<u>194,942</u>	<u>161,759</u>	<u>159,038</u>	<u>(2,721)</u>	<u>(1.7)</u>	<u>194,942</u>
Net income (loss) before transfers	<u>1,388,275</u>	<u>150,664</u>	<u>1,237,611</u>	<u>821.4</u>	<u>1,166,472</u>	<u>1,388,275</u>	<u>150,664</u>	<u>1,237,611</u>	<u>821.4</u>	<u>1,166,472</u>
Net transfers in (out)	<u>(1,260)</u>	<u>-</u>	<u>(1,260)</u>	<u>-</u>	<u>(1,300)</u>	<u>(1,260)</u>	<u>-</u>	<u>(1,260)</u>	<u>-</u>	<u>(1,300)</u>
Net income (loss)	<u>\$ 1,387,015</u>	<u>\$ 150,664</u>	<u>\$ 1,236,351</u>	<u>820.6</u>	<u>\$ 1,165,172</u>	<u>\$ 1,387,015</u>	<u>\$ 150,664</u>	<u>\$ 1,236,351</u>	<u>820.6</u>	<u>\$ 1,165,172</u>

Gateway Arch Tram
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	(1) \$ 20,307,889	\$ 17,462,685	\$ 2,845,204	16.3	\$ 15,155,511	\$ 5,152,378	34.0
Accounts and notes receivable	5,309	15,526	(10,217)	(65.8)	3,393	1,916	56.5
Federal, state and local assistance receivable	(7,836)	-	(7,836)	n/a	7,619	(15,455)	(202.8)
Other current assets	79,579	80,788	(1,209)	(1.5)	64,761	14,818	22.9
Total current assets	20,384,941	17,558,999	2,825,942	16.1	15,231,284	5,153,657	33.8
Capital assets							
Capital assets	17,304,652	17,307,192	(2,540)	-	16,906,441	398,211	2.4
Accumulated depreciation	(8,501,395)	(8,339,635)	(161,760)	(1.9)	(7,767,383)	(734,012)	(9.4)
Total capital assets, net	8,803,257	8,967,557	(164,300)	(1.8)	9,139,058	(335,801)	(3.7)
Construction-in-process	23,385	2,862	20,523	717.1	360,717	(337,332)	(93.5)
Total capital assets	8,826,642	8,970,419	(143,777)	(1.6)	9,499,775	(673,133)	(7.1)
Total assets	29,211,583	26,529,418	2,682,165	10.1	24,731,059	4,480,524	18.1
Total	\$ 29,211,583	\$ 26,529,418	\$ 2,682,165	10.1	\$ 24,731,059	\$ 4,480,524	18.1

Gateway Arch Tram
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	\$ 242,302	\$ 222,047	\$ 20,255	9.1	\$ 418,393	\$ (176,091)	(42.1)
Interfund accounts payable	(2) 4,566,382	3,387,265	1,179,117	34.8	1,279,503	3,286,879	256.9
Accrued expenses	80,400	80,439	(39)	-	76,520	3,880	5.1
Other current liabilities	124,373	100,805	23,568	23.4	107,083	17,290	16.1
Total current liabilities	5,013,457	3,790,556	1,222,901	32.3	1,881,499	3,131,958	166.5
Current liab payable from restricted assets							
Accounts payable and retention	-	-	-	n/a	264,877	(264,877)	(100.0)
Accrued interest payable	96,321	24,081	72,240	300.0	98,460	(2,139)	(2.2)
Current portion of long-term debt	166,171	166,171	-	-	159,693	6,478	4.1
Total current liabilities payable from restricted assets	262,492	190,252	72,240	38.0	523,030	(260,538)	(49.8)
Total current liabilities	5,275,949	3,980,808	1,295,141	32.5	2,404,529	2,871,420	119.4
Non-current liabilities							
Other post-employment benefits	8	-	8	n/a	-	8	n/a
Long-term debt	7,029,182	7,029,182	-	-	7,195,353	(166,171)	(2.3)
Unfunded pension liabilities	50,751	50,751	-	-	41,576	9,175	22.1
Total non-current liabilities	7,079,941	7,079,933	8	-	7,236,929	(156,988)	(2.2)
Total liabilities	12,355,890	11,060,741	1,295,149	11.7	9,641,458	2,714,432	28.2
Net Position							
Net position - capital investments	18,909,295	18,909,295	-	-	16,970,177	1,939,118	11.4
Net position	(3,440,617)	(4,984,867)	1,544,250	31.0	(3,045,748)	(394,869)	(13.0)
Net income (loss)	1,387,015	1,544,249	(157,234)	(10.2)	1,165,172	221,843	19.0
Total net position	16,855,693	15,468,677	1,387,016	9.0	15,089,601	1,766,092	11.7
Total	\$ 29,211,583	\$ 26,529,418	\$ 2,682,165	10.1	\$ 24,731,059	\$ 4,480,524	18.1

Gateway Arch
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities		Supplemental disclosure of cash flow information
Receipts from customers	\$ 3,571,176	Noncash Activities: None
Payments to employees	(679,419)	
Payments to vendors	(589,521)	
Payments for self-insurance	(17,927)	
Receipts (payments) from inter-fund activity	<u>731,868</u>	
Net cash provided by (used in) operating activities	(1) <u>3,016,177</u>	
Cash flows from non capital financing activities		
Operating assistance received	7,836	
Contributions to outside entities	(243,690)	
Net transfers	<u>(1,260)</u>	
Net cash provided by (used in) non capital financing activities	<u>(237,114)</u>	
Cash flows from capital and related financing activities		
Acquisitions of capital assets	<u>(17,983)</u>	
Cash flows from capital and related financing activities	<u>(17,983)</u>	
Cash flows from investing activities		
Interest received	(2) <u>84,124</u>	
Net cash provided by (used in) investing activities	<u>84,124</u>	
Net increase (decrease) in cash and cash equivalents	(3) 2,845,204	
Cash and cash equivalents, beginning of year	<u>17,462,685</u>	
Cash and cash equivalents, year to date	\$ <u>20,307,889</u>	

Metro Transit

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Metro Transit – Financial Notes

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total year-to-date revenue** is favorable 1.6% to budget and is comparable to prior year.
2. **Passenger year-to-date revenue** decreased 4.7% to \$10.5 million from prior year due to decline in ridership.
3. **St. Louis County** funding is accrued. It was received in October 2019.
4. **Total year-to-date expense** decreased 2.7% to \$74.8 million from prior year mainly due to wages/benefits and favorable casualty claim experience.
5. **Net income before depreciation** is \$7.5 million which is favorable to prior year.

Balance Sheet

1. **Cash** – increased due to the new 2019 Refunding Bonds, \$192.2 million, which was transferred in error to BSD from BNY Trustee. These funds were transferred out in October 2019.
2. **Investments** – decreased due to funding of operating cash because St. Louis County appropriated in October 2019.
3. **Accounts and notes receivable** increased to \$33.1 million for accrual of St. Louis County funding. The St. Louis County receivable was received in October 2019.
4. The **Capital assets – motorbus** decrease of \$6.4 million includes retirements of 26 old buses. **Land** was purchased at Union Station for \$1.6 million for the Metrolink project.
5. **Accounts Payable and Retention includes** escrow financing due on the bonds remitted by the Trustee to BSD in error. See Balance Sheet Cash note 1 above.

6. **Accrued interest payable** represents one quarter of the semi-annual interest to be paid on October 1, 2019.

Cash Flow

1. For the first three months, the **operational and administrative functions** for net cash outflow was \$89.6 million. This amount includes a cash inflow of **passenger and local contract revenue** of \$11.8 million.
2. **Local and federal funding** cash inflow to cover operating costs, capital expenditures and debt was \$61.5 million.
3. **Cash inflows from capital and financing activities** of \$208.8 million includes the cash inflow of \$192.2 million due to the 2019 Refunding Bonds transferred in error from BNY Trustee. Financing activities also includes the \$19.9 million for the Security Project.
4. **Net cash activity year-to-date** is \$185.4 million cash inflow.

Metro Transit – Key Performance Indicator Notes

For the Twelve Months Ended September 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 2020. The last fare increase was in fiscal year 2015.

Ridership Metrics

3. **System year-to-date passenger boarding's** decreased 3.4% to 9.5 million from prior year.
4. Current year passenger ridership by mode from prior year
 - a. Metrobus Decrease 4.4%
 - b. MetroLink Decrease 1.4%
 - c. Call-A-Ride Decrease 13.4%
5. Factors include:
 - a. Lower fuel prices
 - b. Perceived security issues

Business and Operating Metrics

6. **Average fare** unfavorably decreased .09% to \$1.11 from the prior year.
7. **Operating expense per revenue hour** for the system favorably decreased 1.0% to \$153.31.
8. **Operating expense per passenger boarding** unfavorably increased by 1.9% to \$7.44.
9. **Passenger boarding's per revenue mile and passenger boarding's per revenue hour** were also negatively impacted by 1.6% and 2.8% respectively due to ridership trends.
10. **Vehicle accidents per 100,000 vehicle miles** are unfavorably up 19.5% from the prior year.

Metro Transit - Key Performance Indicators
YTD As of Quarter Ended September
(Preliminary)
(Favorable Trend) (Unfavorable Trend)

		System			MetroBus			MetroLink			Call-A-Ride		
		Actual 2020	Actual 2019	Variance	Actual 2020	Actual 2019	Variance	Actual 2020	Actual 2019	Variance	Actual 2020	Actual 2019	Variance
Ridership Metrics													
Average Weekday Ridership		116,897	122,578	-4.6%	72,711	76,757	-5.3%	42,593	43,901	-3.0%	1,593	1,919	-17.0%
Passenger Boardings	(3)	9,461,606	9,796,357	-3.4%	5,869,846	6,136,862	-4.4%	3,469,726	3,518,529	-1.4%	122,034	140,966	-13.4%
Business Measures													
Average Fare (Includes Fixed & Special)	(6)	\$1.11	\$1.11	-0.09%	\$1.09	\$1.09	-0.4%	\$1.09	\$1.09	-0.4%	\$3.10	\$2.63	17.8%
Farebox Recovery		14.6%	14.8%	-1.7%	13.9%	14.5%	-4.0%	18.9%	19.0%	-0.3%	6.0%	11.6%	-48.6%
Operating Expense per Revenue Hour	(7)	\$153.31	\$154.81	-1.0%	\$124.43	\$127.73	-2.6%	\$591.37	\$595.88	-0.8%	\$92.03	\$91.82	0.2%
Operating Expense per Passenger Boarding	(8)	\$7.44	\$7.30	1.9%	\$7.56	\$7.38	2.4%	\$5.66	\$5.50	2.9%	\$52.36	\$48.86	7.2%
Subsidy per Passenger Boarding		\$6.09	\$5.94	2.6%									
Operating Measures													
Vehicle Accidents per 100,000 Vehicle Miles	(10)	1.12	0.94	19.5%	1.51	1.24	22.1%	0.00	0.06	-100.0%	0.85	0.75	13.3%
On-Time Performance					90.9%	91.7%	-0.8%	65.3%	97.8%	-33.2%	95.1%	93.8%	1.3%
Unscheduled Absenteeism		2.7%	3.1%	-13.2%									
Passenger Boardings per Revenue Mile	(9)	1.41	1.43	-1.6%	1.25	1.31	-4.6%	4.46	4.61	-3.3%	0.100	0.102	-2.3%
Passenger Boardings per Revenue Hour	(9)	20.61	21.21	-2.8%	16.47	17.31	-4.9%	104.47	108.33	-3.6%	1.76	1.88	-6.5%

Metro Transit
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

		Current					Year to Date				
		Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue											
Passenger revenue	(2)	\$ 10,519,848	\$ 10,478,268	\$ 41,580	0.4	\$ 11,044,434	\$ 10,519,848	\$ 10,478,268	\$ 41,580	0.4	\$ 11,044,434
City of St. Louis ¹		10,924,212	9,272,839	1,651,373	17.8	10,690,465	10,924,212	9,272,839	1,651,373	17.8	10,690,465
St. Louis County ¹	(3)	39,003,109	38,855,768	147,341	0.4	38,752,639	39,003,109	38,855,768	147,341	0.4	38,752,639
St. Clair County Transit District ¹		15,206,948	14,395,714	811,234	5.6	15,181,404	15,206,948	14,395,714	811,234	5.6	15,181,404
State of Missouri and Illinois ¹		1,264	220,250	(218,986)	(99.4)	291,919	1,264	220,250	(218,986)	(99.4)	291,919
Federal funding ¹		4,091,237	5,147,824	(1,056,587)	(20.5)	4,194,632	4,091,237	5,147,824	(1,056,587)	(20.5)	4,194,632
Other local/regional funding ¹		51,225	233,750	(182,525)	(78.1)	67,190	51,225	233,750	(182,525)	(78.1)	67,190
Advertising, maint services, rental income		1,318,010	1,626,897	(308,887)	(19.0)	1,466,891	1,318,010	1,626,897	(308,887)	(19.0)	1,466,891
Interest income		1,193,000	752,443	440,557	58.6	800,995	1,193,000	752,443	440,557	58.6	800,995
Total revenue	(1)	82,308,853	80,983,753	1,325,100	1.6	82,490,569	82,308,853	80,983,753	1,325,100	1.6	82,490,569
Expense											
Wages and benefits	(4)	49,318,820	51,506,110	2,187,290	4.2	50,871,859	49,318,820	51,506,110	2,187,290	4.2	50,871,859
Services		7,677,793	8,902,379	1,224,586	13.8	7,152,750	7,677,793	8,902,379	1,224,586	13.8	7,152,750
Fuel and lube consumed		2,640,973	2,982,831	341,858	11.5	2,991,982	2,640,973	2,982,831	341,858	11.5	2,991,982
Materials and supplies		5,169,530	6,321,488	1,151,958	18.2	5,288,645	5,169,530	6,321,488	1,151,958	18.2	5,288,645
Utilities		1,764,696	1,969,497	204,801	10.4	2,118,478	1,764,696	1,969,497	204,801	10.4	2,118,478
Casualty and liability costs	(4)	1,084,389	1,683,180	598,791	35.6	1,891,389	1,084,389	1,683,180	598,791	35.6	1,891,389
Other expenses		1,771,539	1,774,473	2,934	0.2	1,773,532	1,771,539	1,774,473	2,934	0.2	1,773,532
Interest expense		4,928,809	6,523,637	1,594,828	24.4	4,655,184	4,928,809	6,523,637	1,594,828	24.4	4,655,184
Contribution to outside entities		110,780	322,097	211,317	65.6	71,079	110,780	322,097	211,317	65.6	71,079
Other non-operating expense		306,199	-	(306,199)	-	51,846	306,199	-	(306,199)	-	51,846
Total expense	(4)	74,773,528	81,985,692	7,212,164	8.8	76,866,744	74,773,528	81,985,692	7,212,164	8.8	76,866,744
Income (loss) before depreciation	(5)	7,535,325	(1,001,939)	8,537,264	852.1	5,623,825	7,535,325	(1,001,939)	8,537,264	852.1	5,623,825
Depreciation and amortization expense		18,839,324	18,430,300	(409,024)	(2.2)	18,661,505	18,839,324	18,430,300	(409,024)	(2.2)	18,661,505
Net income (loss) before transfers		(11,303,999)	(19,432,239)	8,128,240	41.8	(13,037,680)	(11,303,999)	(19,432,239)	8,128,240	41.8	(13,037,680)
Net transfers in (out)		(658,099)	(688,810)	30,711	4.5	(541,448)	(658,099)	(688,810)	30,711	4.5	(541,448)
Net income (loss)		\$ (11,962,098)	\$ (20,121,049)	\$ 8,158,951	40.5	\$ (13,579,128)	\$ (11,962,098)	\$ (20,121,049)	\$ 8,158,951	40.5	\$ (13,579,128)

¹ - Detailed schedule included.

Metro Transit
Detailed Schedule of Contract, Sales Tax and Grant Revenue
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
City of St. Louis 1/2 cent	\$ 5,485,839	\$ 4,904,606	\$ 581,233	11.9	\$ 5,318,746	\$ 5,485,839	\$ 4,904,606	\$ 581,233	11.9	\$ 5,318,746
City of St. Louis 1/4 cent	2,562,699	2,370,439	192,260	8.1	2,539,122	2,562,699	2,370,439	192,260	8.1	2,539,122
City of St. Louis Prop M2 (1/4 cent)	2,875,674	1,997,794	877,880	43.9	2,832,597	2,875,674	1,997,794	877,880	43.9	2,832,597
Total City of St. Louis	10,924,212	9,272,839	1,651,373	17.8	10,690,465	10,924,212	9,272,839	1,651,373	17.8	10,690,465
St. Louis County 1/2 cent	(3) 10,670,221	10,670,221	-	-	11,738,420	10,670,221	10,670,221	-	-	11,738,420
St. Louis County 1/4 cent	(3) 9,609,678	9,462,337	147,341	1.6	10,101,269	9,609,678	9,462,337	147,341	1.6	10,101,269
St. Louis County Prop A (1/2 cent)	(3) 18,723,210	18,723,210	-	-	16,912,950	18,723,210	18,723,210	-	-	16,912,950
Total St. Louis County	39,003,109	38,855,768	147,341	0.4	38,752,639	39,003,109	38,855,768	147,341	0.4	38,752,639
East-West Gateway Council of Govts.	-	40,000	(40,000)	(100.0)	40,000	-	40,000	(40,000)	(100.0)	40,000
Non-capital projects and other	51,225	193,750	(142,525)	(73.6)	27,190	51,225	193,750	(142,525)	(73.6)	27,190
Total other local	51,225	233,750	(182,525)	(78.1)	67,190	51,225	233,750	(182,525)	(78.1)	67,190
State of Missouri	-	194,000	(194,000)	(100.0)	291,919	-	194,000	(194,000)	(100.0)	291,919
Total State of Missouri	-	194,000	(194,000)	(100.0)	291,919	-	194,000	(194,000)	(100.0)	291,919
Total Missouri	49,978,546	48,556,357	1,422,189	2.9	49,802,213	49,978,546	48,556,357	1,422,189	2.9	49,802,213
Illinois										
St. Clair Transit District	15,206,948	14,395,714	811,234	5.6	15,181,404	15,206,948	14,395,714	811,234	5.6	15,181,404
State of Illinois	1,264	26,250	(24,986)	(95.2)	-	1,264	26,250	(24,986)	(95.2)	-
Total Illinois	15,208,212	14,421,964	786,248	5.5	15,181,404	15,208,212	14,421,964	786,248	5.5	15,181,404
Total local and state	65,186,758	62,978,321	2,208,437	3.5	64,983,617	65,186,758	62,978,321	2,208,437	3.5	64,983,617
Federal										
Vehicle maintenance	4,000,000	4,000,000	-	-	4,000,000	4,000,000	4,000,000	-	-	4,000,000
Non-capital grants (i.e. JARC)	91,237	1,147,824	(1,056,587)	(92.1)	194,632	91,237	1,147,824	(1,056,587)	(92.1)	194,632
Total federal	4,091,237	5,147,824	(1,056,587)	(20.5)	4,194,632	4,091,237	5,147,824	(1,056,587)	(20.5)	4,194,632
Total contract, sales tax and grant revenue	\$ 69,277,995	\$ 68,126,145	\$ 1,151,850	1.7	\$ 69,178,249	\$ 69,277,995	\$ 68,126,145	\$ 1,151,850	1.7	\$ 69,178,249

Metro Transit
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	(1) \$ 301,550,331	\$ 115,431,241	\$ 186,119,090	161.2	\$ 95,210,274	\$ 206,340,057	216.7
Investments	(2) 88,991,917	114,349,514	(25,357,597)	(22.2)	110,659,734	(21,667,817)	(19.6)
Accounts and notes receivable	(3) 33,140,029	1,727,865	31,412,164	n/a	33,251,489	(111,460)	(0.3)
Interfund accounts receivable	5,591,618	6,529,080	(937,462)	(14.4)	5,728,806	(137,188)	(2.4)
Restricted accounts receivable	1,269,112	792,240	476,872	60.2	1,319,521	(50,409)	(3.8)
Federal, state and local assistance receivable	32,034,786	24,704,067	7,330,719	29.7	24,834,163	7,200,623	29.0
Materials and supplies inventory	10,983,528	9,912,198	1,071,330	10.8	8,664,213	2,319,315	26.8
Other current assets	2,687,921	2,283,018	404,903	17.7	5,914,252	(3,226,331)	(54.6)
Total current assets	476,249,242	275,729,223	200,520,019	72.7	285,582,452	190,666,790	66.8
Capital assets							
Capital assets - motorbus	(4) 425,561,090	432,009,644	(6,448,554)	(1.5)	421,490,976	4,070,114	1.0
Capital assets - paratransit	19,119,862	19,375,724	(255,862)	(1.3)	18,928,309	191,553	1.0
Capital assets - lightrail	1,626,354,013	1,626,094,687	259,326	-	1,623,351,882	3,002,131	0.2
Total capital assets	2,071,034,965	2,077,480,055	(6,445,090)	(0.3)	2,063,771,167	7,263,798	0.4
Accumulated depreciation	(1,324,671,790)	(1,313,430,698)	(11,241,092)	(0.9)	(1,258,604,203)	(66,067,587)	(5.2)
Total capital assets, net	746,363,175	764,049,357	(17,686,182)	(2.3)	805,166,964	(58,803,789)	(7.3)
Land	(4) 97,404,793	95,776,349	1,628,444	1.7	96,076,349	1,328,444	1.4
Construction-in-process	27,632,523	25,348,703	2,283,820	9.0	14,929,971	12,702,552	85.1
Total capital assets	871,400,491	885,174,409	(13,773,918)	(1.6)	916,173,284	(44,772,793)	(4.9)
Non-current assets							
Restricted investments	119,963,196	118,080,699	1,882,497	1.6	112,588,770	7,374,426	6.5
Other non-current assets, net amort	484,118	482,449	1,669	0.3	392,803	91,315	23.2
Total non-current assets	120,447,314	118,563,148	1,884,166	1.6	112,981,573	7,465,741	6.6
Total assets	1,468,097,047	1,279,466,780	188,630,267	14.7	1,314,737,309	153,359,738	11.7
Deferred outflow of resources							
Deferred pension loss	16,241,331	17,711,325	(1,469,994)	(8.3)	12,290,899	3,950,432	32.1
Deferred pension expense	2,505,800	2,505,800	-	-	2,705,100	(199,300)	(7.4)
Deferred loss on hedging instruments	109,217	-	109,217	n/a	-	109,217	n/a
Deferred unfunded OPEB loss	6,730,614	7,220,940	(490,326)	(6.8)	7,854,426	(1,123,812)	(14.3)
Deferred loss on debt refunding	1,903,697	2,000,320	(96,623)	(4.8)	2,289,724	(386,027)	(16.9)
Total deferred outflow of resources	27,490,659	29,438,385	(1,947,726)	(6.6)	25,140,149	2,350,510	9.3
Total	\$ 1,495,587,706	\$ 1,308,905,165	\$ 186,682,541	14.3	\$ 1,339,877,458	\$ 155,710,248	11.6

Metro Transit
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	\$ 9,778,712	\$ 11,255,117	\$ (1,476,405)	(13.1)	\$ 4,754,537	\$ 5,024,175	105.7
Accrued expenses	20,034,602	20,437,692	(403,090)	(2.0)	19,697,598	337,004	1.7
Other current liabilities	23,495,733	22,177,793	1,317,940	5.9	22,716,275	779,458	3.4
Total current liabilities	53,309,047	53,870,602	(561,555)	(1.0)	47,168,410	6,140,637	13.0
Current liab payable from restricted assets							
Accounts payable and retention	(5) 193,133,761	4,487,723	188,646,038	n/a	1,199,500	191,934,261	n/a
Accrued interest payable	(6) 10,048,019	5,024,009	5,024,010	100.0	10,273,769	(225,750)	(2.2)
Short-term insurance	140,587	140,487	100	0.1	140,587	-	-
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	212,952,367	19,282,219	193,670,148	n/a	20,643,856	192,308,511	931.6
Total current liabilities	266,261,414	73,152,821	193,108,593	264.0	67,812,266	198,449,148	292.6
Non-current liabilities							
Other post-employment benefits	62,527,753	62,526,798	955	-	64,599,182	(2,071,429)	(3.2)
Long-term insurance	413,559	396,428	17,131	4.3	300,451	113,108	37.6
Long-term debt	512,056,560	512,480,910	(424,350)	(0.1)	523,406,911	(11,350,351)	(2.2)
Capital lease obligations	119,963,198	118,080,701	1,882,497	1.6	112,588,772	7,374,426	6.5
Unfunded pension liabilities	84,129,093	84,129,093	-	-	82,625,585	1,503,508	1.8
Other non-current liabilities	6,442,571	6,011,744	430,827	7.2	6,183,118	259,453	4.2
Total non-current liabilities	785,532,734	783,625,674	1,907,060	0.2	789,704,019	(4,171,285)	(0.5)
Total liabilities	1,051,794,148	856,778,495	195,015,653	22.8	857,516,285	194,277,863	22.7
Deferred Inflow of Resources							
Deferred gain on hedging instruments	-	677,922	(677,922)	(100.0)	3,498,029	(3,498,029)	(100.0)
Deferred Unfunded OPEB Gain	961,424	986,678	(25,254)	(2.6)	378,826	582,598	153.8
Deferred pension gain 788 ATU and clerical	4,801,443	5,363,364	(561,921)	(10.5)	7,049,127	(2,247,684)	(31.9)
Deferred pension gain IBEW	120,067	133,678	(13,611)	(10.2)	171,705	(51,638)	(30.1)
Deferred pension gain salaried	1,906,427	2,099,385	(192,958)	(9.2)	2,424,789	(518,362)	(21.4)
Total deferred inflow of resources	7,789,361	9,261,027	(1,471,666)	(15.9)	13,522,476	(5,733,115)	(42.4)
Net Position							
Net position - capital investments	412,366,082	412,366,082	-	-	449,890,417	(37,524,335)	(8.3)
Net position	35,600,213	107,298,317	(71,698,104)	(66.8)	32,527,408	3,072,805	9.4
Net income (loss)	(11,962,098)	(76,798,756)	64,836,658	84.4	(13,579,128)	1,617,030	11.9
Total net position	436,004,197	442,865,643	(6,861,446)	(1.5)	468,838,697	(32,834,500)	(7.0)
Total	<u>\$ 1,495,587,706</u>	<u>\$ 1,308,905,165</u>	<u>\$ 186,682,541</u>	<u>14.3</u>	<u>\$ 1,339,877,458</u>	<u>\$ 155,710,248</u>	<u>11.6</u>

Metro Transit
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Receipts from customers	\$ 9,819,125
Payments to employees	(49,720,955)
Payments to vendors	(19,662,642)
Payments for self-insurance	(1,067,158)
Receipts (payments) from inter-fund activity	<u>371,701</u>

**Net cash provided by (used in)
operating activities** (1) (60,259,929)

Cash flows from non capital financing activities

Operating assistance received	(2) 32,076,973
Contributions to outside entities	(110,780)
Net transfers	(658,099)
Nonoperating contributions	<u>(105,443)</u>

**Net cash provided by (used in)
non capital financing activities** 31,202,651

Cash flows from capital and related financing activities

Acquisitions of capital assets	(8,579,597)
Funds received for project & COI account	(3) 20,395,935
Escrow financing	(3) 192,160,231
Interest Paid	(8,853)
Contributed capital	<u>4,850,652</u>

**Cash flows from capital and
related financing activities** (3) 208,818,368

Cash flows from investing activities

Purchases of investments	(8,978,686)
Proceeds from sale of investments	13,487,987
Interest received	<u>1,140,236</u>

**Net cash provided by (used in)
investing activities** 5,649,537

**Net increase (decrease) in cash
and cash equivalents** (4) 185,410,627

Cash and cash equivalents, beginning of year 116,139,704

Cash and cash equivalents, year to date \$ 301,550,331

Supplemental disclosure of cash flow information

Noncash Activities:

Interest received on capital lease	\$ 1,882,497
Interest accrued on capital lease	(1,882,497)
Changes in Unfunded Pension Liability	701,502
Changes in Unrealized Loss on Fuel Hedge	(787,139)
Deferred Loss Amortization	96,623
Deferred charges	(1,669)
Capital tower lease interest amortization	(9,143)
Discounts on bonds	(311,154)
Premium on bonds	52,764
Gain on disposal of fixed assets	49,244
Deferred Unfunded OPEB Loss	465,072

StL Downtown Airport

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St. Louis Downtown Airport – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total revenue** increased 4.6% from prior year primarily due from the net effect of a 41.2% increase in leased acreage revenue offset by a 64.5% decrease in concession revenue.
2. **Materials and supplies** increased 150.5% to \$36.5 thousand from prior year primarily due an increase in Non-revenue vehicle parts and non-capital signage expenses.
3. **Other expense** decreased 80.6% to \$16.6 thousand from prior year primarily due to painting of the airport maintenance building in first quarter 2019.
4. **Total year-to-date expense** decreased 18.0% to \$329.4 thousand from prior year.
5. **Net income before depreciation** is \$94.3 thousand.

Performance Indicators

1. **Fuel sales** decreased 12.4% from prior year.
2. **Aircraft movements** increased 7.7% from prior year.

Balance Sheet

1. **Cash** decrease of 2.6% is primarily due to paying down the interfund and vendor accounts payable.

Cash Flow

1. **Cash flows from capital and related financing activities** created a \$229.0 thousand cash outflow funding the taxiway relocation and the access road reconstruction.
2. **Net cash activity year-to-date** is \$183.7 thousand cash outflow.

St. Louis Downtown Airport – Performance Indicators

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

	Fuel Sales (gallons)		
Quarter	FY 2020	FY 2019	Change
(1) 1st Qtr	434,383	495,857	-12.4%
2nd Qtr	-	-	#DIV/0!
3rd Qtr	-	-	#DIV/0!
4th Qtr	-	-	#DIV/0!
Fiscal Year	434,383	495,857	-12.4%

	Aircraft Movements		
Quarter	FY 2020	FY 2019	Change
(2) 1st Qtr	26,261	24,381	7.7%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	26,261	24,381	7.7%

	Average Based Aircraft		
Quarter	FY 2020	FY 2019	Change
1st Qtr	310	305	1.6%
2nd Qtr			
3rd Qtr			
4th Qtr			

St. Louis Downtown Airport
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Airport parking	\$ 24,548	\$ 33,662	\$ (9,114)	(27.1)	\$ 33,644	\$ 24,548	\$ 33,662	\$ (9,114)	(27.1)	\$ 33,644
Leased acreage	174,986	153,915	21,071	13.7	123,923	174,986	153,915	21,071	13.7	123,923
Hangar rental	132,175	133,337	(1,162)	(0.9)	135,938	132,175	133,337	(1,162)	(0.9)	135,938
Aviation sales flowage	50,711	46,973	3,738	8.0	44,312	50,711	46,973	3,738	8.0	44,312
Other operating revenue	23,303	47,419	(24,116)	(50.9)	30,644	23,303	47,419	(24,116)	(50.9)	30,644
Concessions	10,536	28,479	(17,943)	(63.0)	29,672	10,536	28,479	(17,943)	(63.0)	29,672
Service fee revenue	-	-	-	-	125	-	-	-	-	125
Interest income	7,445	5,000	2,445	48.9	6,977	7,445	5,000	2,445	48.9	6,977
Total revenue	(1) 423,704	448,785	(25,081)	(5.6)	405,235	423,704	448,785	(25,081)	(5.6)	405,235
Expense										
Wages and benefits	195,739	276,209	80,470	29.1	200,046	195,739	276,209	80,470	29.1	200,046
Services	24,139	26,085	1,946	7.5	40,453	24,139	26,085	1,946	7.5	40,453
Fuel and lube consumed	1,273	7,268	5,995	82.5	6,229	1,273	7,268	5,995	82.5	6,229
Materials and supplies	(2) 36,527	34,401	(2,126)	(6.2)	14,582	36,527	34,401	(2,126)	(6.2)	14,582
Utilities	40,162	41,875	1,713	4.1	41,016	40,162	41,875	1,713	4.1	41,016
Casualty and liability costs	14,924	13,917	(1,007)	(7.2)	13,643	14,924	13,917	(1,007)	(7.2)	13,643
Other expenses	(3) 16,636	28,064	11,428	40.7	85,943	16,636	28,064	11,428	40.7	85,943
Total expense	(4) 329,400	427,819	98,419	23.0	401,912	329,400	427,819	98,419	23.0	401,912
Income (loss) before depreciation	(5) 94,304	20,966	73,338	349.8	3,323	94,304	20,966	73,338	349.8	3,323
Depreciation and amortization expense	330,936	378,454	47,518	12.6	307,856	330,936	378,454	47,518	12.6	307,856
Net income (loss)	\$ (236,632)	\$ (357,488)	\$ 120,856	33.8	\$ (304,533)	\$ (236,632)	\$ (357,488)	\$ 120,856	33.8	\$ (304,533)

St. Louis Downtown Airport
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	(1) \$ 1,462,850	\$ 1,646,565	\$ (183,715)	(11.2)	\$ 1,502,219	\$ (39,369)	(2.6)
Accounts and notes receivable	46,444	55,665	(9,221)	(16.6)	29,228	17,216	58.9
Materials and supplies inventory	65,719	65,112	607	0.9	65,457	262	0.4
Other current assets	65,883	45,355	20,528	45.3	71,921	(6,038)	(8.4)
Total current assets	<u>1,640,896</u>	<u>1,812,697</u>	<u>(171,801)</u>	<u>(9.5)</u>	<u>1,668,825</u>	<u>(27,929)</u>	<u>(1.7)</u>
Capital assets							
Capital assets	51,216,296	50,235,398	980,898	2.0	50,138,642	1,077,654	2.1
Accumulated depreciation	<u>(37,413,865)</u>	<u>(37,082,928)</u>	<u>(330,937)</u>	<u>(0.9)</u>	<u>(36,158,238)</u>	<u>(1,255,627)</u>	<u>(3.5)</u>
Total capital assets, net	<u>13,802,431</u>	<u>13,152,470</u>	<u>649,961</u>	<u>4.9</u>	<u>13,980,404</u>	<u>(177,973)</u>	<u>(1.3)</u>
Land	4,542,564	4,542,564	-	-	4,542,564	-	-
Construction-in-process	569,033	1,320,923	(751,890)	(56.9)	508,813	60,220	11.8
Total capital assets	<u>18,914,028</u>	<u>19,015,957</u>	<u>(101,929)</u>	<u>(0.5)</u>	<u>19,031,781</u>	<u>(117,753)</u>	<u>(0.6)</u>
Non-current assets							
Deferred charges	79,435	81,297	(1,862)	(2.3)	212,472	(133,037)	(62.6)
Total non-current assets	<u>79,435</u>	<u>81,297</u>	<u>(1,862)</u>	<u>(2.3)</u>	<u>212,472</u>	<u>(133,037)</u>	<u>(62.6)</u>
Total assets	<u>20,634,359</u>	<u>20,909,951</u>	<u>(275,592)</u>	<u>(1.3)</u>	<u>20,913,078</u>	<u>(278,719)</u>	<u>(1.3)</u>
Total	<u>\$ 20,634,359</u>	<u>\$ 20,909,951</u>	<u>\$ (275,592)</u>	<u>(1.3)</u>	<u>\$ 20,913,078</u>	<u>\$ (278,719)</u>	<u>(1.3)</u>

St. Louis Downtown Airport
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	(1) \$ 22,963	\$ 99,011	\$ (76,048)	(76.8)	\$ 700	\$ 22,263	n/a
Interfund accounts payable	(1) 99,235	269,632	(170,397)	(63.2)	254,782	(155,547)	(61.1)
Accrued expenses	62,300	62,300	-	-	54,900	7,400	13.5
Other current liabilities	66,731	66,117	614	0.9	62,641	4,090	6.5
Total current liabilities	<u>251,229</u>	<u>497,060</u>	<u>(245,831)</u>	<u>(49.5)</u>	<u>373,023</u>	<u>(121,794)</u>	<u>(32.7)</u>
Non-current liabilities							
Other post-employment benefits	336,642	336,638	4	-	347,222	(10,580)	(3.0)
Unfunded pension liabilities	-	-	-	n/a	12,344	(12,344)	(100.0)
Total non-current liabilities	<u>336,642</u>	<u>336,638</u>	<u>4</u>	<u>-</u>	<u>359,566</u>	<u>(22,924)</u>	<u>(6.4)</u>
Total liabilities	<u>587,871</u>	<u>833,698</u>	<u>(245,827)</u>	<u>(29.5)</u>	<u>732,589</u>	<u>(144,718)</u>	<u>(19.8)</u>
Net Position							
Net position - capital investments	19,015,956	19,015,956	-	-	19,031,781	(15,825)	(0.1)
Net position	1,267,164	2,109,378	(842,214)	(39.9)	1,453,241	(186,077)	(12.8)
Net income (loss)	(236,632)	(1,049,081)	812,449	77.4	(304,533)	67,901	22.3
Total net position	<u>20,046,488</u>	<u>20,076,253</u>	<u>(29,765)</u>	<u>(0.1)</u>	<u>20,180,489</u>	<u>(134,001)</u>	<u>(0.7)</u>
Total	<u>\$ 20,634,359</u>	<u>\$ 20,909,951</u>	<u>\$ (275,592)</u>	<u>(1.3)</u>	<u>\$ 20,913,078</u>	<u>\$ (278,719)</u>	<u>(1.3)</u>

St. Louis Downtown Airport
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities			Supplemental disclosure of cash flow information
Receipts from customers	\$	427,343	
Payments to employees		(195,735)	Noncash Activities:
Payments to vendors		(194,120)	None
Payments for self-insurance		(14,924)	
Receipts (payments) from inter-fund activity		<u>(191,582)</u>	
Net cash provided by (used in) operating activities		<u>(169,018)</u>	
Cash flows from non capital financing activities			
None			
Cash flows from capital and related financing activities			
Acquisitions of capital assets	(1)	(229,009)	
Contributed capital		<u>206,868</u>	
Cash flows from capital and related financing activities		<u>(22,141)</u>	
Cash flows from investing activities			
Interest received		<u>7,445</u>	
Net cash provided by (used in) investing activities		<u>7,445</u>	
Net increase (decrease) in cash and cash equivalents	(2)	(183,714)	
Cash and cash equivalents, beginning of year		<u>1,646,564</u>	
Cash and cash equivalents, year to date	\$	<u>1,462,850</u>	

Riverfront Attractions

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Riverfront Attractions – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total year-to-date revenue** decreased 15.6% from prior year to \$1.4 million as a result of record flooding on the Mississippi River and refunds for the cruise portion of events which must be held dockside.
2. **Other expense** increased 236.7% from prior year to \$115.7 thousand due to an increase in advertising expense and the implementation of Agency Fees effective at the start of Fiscal year 2020.
3. **Total year-to-date expense** decreased 7.3% from prior year to \$859.5 thousand as a result of flooding on the Mississippi River. This necessitated slowing business and cancelling scheduled cruises resulting in less seasonal employees, food, beverage, and retail sales.
4. **Net income before depreciation** is \$504.4 thousand.

Balance Sheet

1. **Cash balance** increased 253.6% from prior month to \$93.9 thousand as a result of 1st quarter revenue less the pay down of accounts payable and interfund accounts payable
2. **Accounts Payable and Interfund accounts payable** decreased 126.1% from prior period because cash flow allowed for pay down.

Cash Flow

1. **Net cash activity year-to-date** is \$67.3 thousand cash inflow.

Performance Indicators

1. **Passengers per cruise** decreased 0.6% from prior year even though passengers and cruises each decreased approximately 12%, indicating more passenger per cruise overall.
2. **Flood days** increased by 14 from prior year. In order to avoid completely canceling, events are being held dockside when the boats are unable to cruise and customers are offered a refund for the cruise portion of the ticket price.

Riverfront Attractions – Performance Indicators

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

	Riverboat Passengers		
Quarter	FY 2020	FY 2019	Change
(1) 1st Qtr	59,481	67,740	-12.2%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	59,481	67,740	-12.2%

	Riverboat Cruises		
Quarter	FY 2020	FY 2019	Change
(1) 1st Qtr	456	516	-11.6%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	456	516	-11.6%

	Riverboat Passengers per cruise		
Quarter	FY 2020	FY 2019	Change
(1) 1st Qtr	130	131	-0.6%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	130	131	-0.6%

Riverfront Attractions – Performance Indicators

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

	Riverboat Scheduled Days		
Quarter	FY 2020	FY 2019	Change
1st Qtr	92	92	0.0%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	92	92	0.0%

	Riverboat Days of Operation		
Quarter	FY 2020	FY 2019	Change
1st Qtr	78	92	-15.2%
2nd Qtr	-	-	
3rd Qtr	-	-	
4th Qtr	-	-	
Fiscal Year	78	92	-15.2%

	Riverboat Flood Days		
Quarter	FY 2020	FY 2019	Change
(2) 1st Qtr	14	-	14
2nd Qtr	-	-	-
3rd Qtr	-	-	-
4th Qtr	-	-	-
Fiscal Year	14	-	14

Riverfront Attractions
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Cruise	\$ 976,066	\$ 1,221,494	\$ (245,428)	(20.1)	\$ 1,082,892	\$ 976,066	\$ 1,221,494	\$ (245,428)	(20.1)	\$ 1,082,892
Food and beverage	314,538	505,044	(190,506)	(37.7)	444,780	314,538	505,044	(190,506)	(37.7)	444,780
Retail	48,328	72,222	(23,894)	(33.1)	61,153	48,328	72,222	(23,894)	(33.1)	61,153
Other operating revenue	31,837	47,962	(16,125)	(33.6)	47,568	31,837	47,962	(16,125)	(33.6)	47,568
Sales discount	(6,908)	(17,394)	10,486	60.3	(20,153)	(6,908)	(17,394)	10,486	60.3	(20,153)
Total revenue	(1) 1,363,861	1,829,328	(465,467)	(25.4)	1,616,240	1,363,861	1,829,328	(465,467)	(25.4)	1,616,240
Expense										
Wages and benefits	422,406	477,385	54,979	11.5	504,600	422,406	477,385	54,979	11.5	504,600
Services	109,561	66,415	(43,146)	(65.0)	111,764	109,561	66,415	(43,146)	(65.0)	111,764
Fuel and lube consumed	21,189	18,898	(2,291)	(12.1)	30,730	21,189	18,898	(2,291)	(12.1)	30,730
Materials and supplies	139,228	135,991	(3,237)	(2.4)	188,318	139,228	135,991	(3,237)	(2.4)	188,318
Utilities	10,780	22,757	11,977	52.6	23,361	10,780	22,757	11,977	52.6	23,361
Casualty and liability costs	40,653	41,797	1,144	2.7	34,099	40,653	41,797	1,144	2.7	34,099
Other expenses	(2) 115,685	87,631	(28,054)	(32.0)	34,356	115,685	87,631	(28,054)	(32.0)	34,356
Total expense	(3) 859,502	850,874	(8,628)	(1.0)	927,228	859,502	850,874	(8,628)	(1.0)	927,228
Income (loss) before depreciation	504,359	978,454	(474,095)	(48.5)	689,012	504,359	978,454	(474,095)	(48.5)	689,012
Depreciation and amortization expense	52,693	62,366	9,673	15.5	62,771	52,693	62,366	9,673	15.5	62,771
Net income (loss)	(4) \$ 451,666	\$ 916,088	\$ (464,422)	(50.7)	\$ 626,241	\$ 451,666	\$ 916,088	\$ (464,422)	(50.7)	\$ 626,241

Riverfront Attractions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	(1) \$ 93,901	\$ 26,552	\$ 67,349	253.6	\$ 251,813	\$ (157,912)	(62.7)
Accounts and notes receivable	4,388	5,405	(1,017)	(18.8)	5,457	(1,069)	(19.6)
Materials and supplies inventory	52,600	52,600	-	-	46,197	6,403	13.9
Other current assets	115,863	136,889	(21,026)	(15.4)	110,420	5,443	4.9
Total current assets	266,752	221,446	45,306	20.5	413,887	(147,135)	(35.5)
Capital assets							
Capital assets	5,103,118	5,103,118	-	-	5,103,118	-	-
Accumulated depreciation	(4,285,687)	(4,232,994)	(52,693)	(1.2)	(4,058,798)	(226,889)	(5.6)
Total capital assets, net	817,431	870,124	(52,693)	(6.1)	1,044,320	(226,889)	(21.7)
Construction-in-process	43,878	43,878	-	-	43,878	-	-
Total capital assets	861,309	914,002	(52,693)	(5.8)	1,088,198	(226,889)	(20.8)
Total assets	1,128,061	1,135,448	(7,387)	(0.7)	1,502,085	(374,024)	(24.9)
Total	\$ 1,128,061	\$ 1,135,448	\$ (7,387)	(0.7)	\$ 1,502,085	\$ (374,024)	(24.9)

Riverfront Attractions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	(2) \$ 19,430	\$ 147,029	\$ (127,599)	(86.8)	\$ 24,327	\$ (4,897)	(20.1)
Interfund accounts payable	(2) 507,967	836,469	(328,502)	(39.3)	376,831	131,136	34.8
Accrued expenses	95,900	95,900	-	-	123,100	(27,200)	(22.1)
Other current liabilities	55,247	58,207	(2,960)	(5.1)	45,564	9,683	21.3
Total current liabilities	678,544	1,137,605	(459,061)	(40.4)	569,822	108,722	19.1
Non-current liabilities							
Other post-employment benefits	298,651	298,644	7	-	308,979	(10,328)	(3.3)
Unfunded pension liabilities	315,356	315,356	-	-	243,268	72,088	29.6
Total non-current liabilities	614,007	614,000	7	-	552,247	61,760	11.2
Total liabilities	1,292,551	1,751,605	(459,054)	(26.2)	1,122,069	170,482	15.2
Net Position							
Net position - capital investments	914,002	914,002	-	-	1,088,198	(174,196)	(16.0)
Net position	(1,530,158)	(1,160,228)	(369,930)	(31.9)	(1,334,423)	(195,735)	(14.7)
Net income (loss)	451,666	(369,931)	821,597	222.1	626,241	(174,575)	(27.9)
Total net position	(164,490)	(616,157)	451,667	73.3	380,016	(544,506)	(143.3)
Total	\$ 1,128,061	\$ 1,135,448	\$ (7,387)	(0.7)	\$ 1,502,085	\$ (374,024)	(24.9)

Riverfront Attractions
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Receipts from customers	\$ 1,364,877
Payments to employees	(422,399)
Payments to vendors	(437,781)
Payments for self-insurance	(40,653)
Receipts (payments) from inter-fund activity	(396,695)
	<hr/>

**Net cash provided by (used in)
operating activities**

67,349

Supplemental disclosure of cash flow information

Noncash Activities:

None

Cash flows from non capital financing activities

None

Cash flows from capital and related financing activities

None

Cash flows from investing activities

None

and cash equivalents (1) 67,349

Cash and cash equivalents, beginning of year

26,552

Cash and cash equivalents, year to date

\$

93,901

StL Regional Freightway

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St. Louis Regional Freightway – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total year-to-date revenue** decreased 100.0% from prior year. Agreements with the funding partners have not been concluded.
2. **Total year-to-date expense** decreased 75.6% from prior year to \$46.7 thousand as the result of staffing changes and adjustment of outside contractor services.
3. **Net loss before depreciation** is \$46.7 thousand.

Balance Sheet

1. **Interfund accounts payable increased** due to cash transfers into the Freightway from other Bi-State Development business units.

Cash Flow

1. **Net cash activity year-to-date** is \$933 thousand cash outflow.

**St. Louis Regional Freightway
Statement of Activities
For the Quarter Ended September 30, 2019**
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Partnership fees	\$ -	\$ 112,500	\$ (112,500)	(100.0)	\$ -	\$ -	\$ 112,500	\$ (112,500)	(100.0)	\$ -
Other operating revenue	-	-	-	-	6,200	-	-	-	-	6,200
Interest income	-	-	-	-	117	-	-	-	-	117
Total revenue	(1) -	112,500	(112,500)	(100.0)	6,317	-	112,500	(112,500)	(100.0)	6,317
Expense										
Wages and benefits	52,274	46,249	(6,025)	(13.0)	86,147	52,274	46,249	(6,025)	(13.0)	86,147
Services	(2) (13,336)	71,350	84,686	118.7	94,191	(13,336)	71,350	84,686	118.7	94,191
Materials and supplies	-	875	875	100.0	932	-	875	875	100.0	932
Other expenses	7,783	18,500	10,717	57.9	9,833	7,783	18,500	10,717	57.9	9,833
Total expense	(2) 46,721	136,974	90,253	65.9	191,103	46,721	136,974	90,253	65.9	191,103
Net income (loss)	(3) \$ (46,721)	\$ (24,474)	\$ (22,247)	(90.9)	\$ (184,786)	\$ (46,721)	\$ (24,474)	\$ (22,247)	(90.9)	\$ (184,786)

St. Louis Regional Freightway
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	\$ 18,000	\$ 18,933	\$ (933)	(4.9)	\$ 4,922	\$ 13,078	265.7
Accounts and notes receivable	-	-	-	n/a	(500)	500	100.0
Total current assets	18,000	18,933	(933)	(4.9)	4,422	13,578	307.1
Total assets	18,000	18,933	(933)	(4.9)	4,422	13,578	307.1
Total	<u>\$ 18,000</u>	<u>\$ 18,933</u>	<u>\$ (933)</u>	(4.9)	<u>\$ 4,422</u>	<u>\$ 13,578</u>	307.1

St. Louis Regional Freightway
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	\$ 15,000	\$ 76,524	\$ (61,524)	(80.4)	\$ -	\$ 15,000	n/a
Interfund accounts payable	(1) 113,111	5,799	107,312	n/a	1,582,782	(1,469,671)	(92.9)
Accrued expenses	33,500	33,500	-	-	29,000	4,500	15.5
Other current liabilities	-	-	-	n/a	10,055	(10,055)	(100.0)
Total current liabilities	161,611	115,823	45,788	39.5	1,621,837	(1,460,226)	(90.0)
Non-current liabilities							
Other post-employment benefits	131,326	131,326	-	-	133,975	(2,649)	(2.0)
Unfunded pension liabilities	-	-	-	n/a	3,494	(3,494)	(100.0)
Total non-current liabilities	131,326	131,326	-	-	137,469	(6,143)	(4.5)
Total liabilities	292,937	247,149	45,788	18.5	1,759,306	(1,466,369)	(83.3)
Net Position							
Net position	(228,216)	(1,570,098)	1,341,882	85.5	(1,570,098)	1,341,882	85.5
Net income (loss)	(46,721)	1,341,882	(1,388,603)	(103.5)	(184,786)	138,065	74.7
Total net position	(274,937)	(228,216)	(46,721)	(20.5)	(1,754,884)	1,479,947	84.3
Total	<u>\$ 18,000</u>	<u>\$ 18,933</u>	<u>\$ (933)</u>	<u>(4.9)</u>	<u>\$ 4,422</u>	<u>\$ 13,578</u>	<u>307.1</u>

St. Louis Regional Freightway
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Payments to employees	(52,274)
Payments to vendors	(55,971)
Receipts (payments) from inter-fund activity	<u>107,312</u>

**Net cash provided by (used in)
operating activities**

(933)

Supplemental disclosure of cash flow information

Noncash Activities:

None

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) (933)

Cash and cash equivalents, beginning of year

18,933

Cash and cash equivalents, year to date

\$ 18,000

BSD Research Institute

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Bi-State Development Research Institute – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total year-to-date revenue** decreased 99.9% from prior year due to no in-kind contributions in FY2020.
2. **Total year-to-date expense** decreased 99.9% from prior year to \$356.0 dollars due to no in-kind contributions in FY2020.
3. **Net loss before depreciation** is \$297.

Balance Sheet

Nothing of note.

Cash Flow

Nothing of note.

Bi-State Development Research Institute
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Not for profit revenue	\$ -	\$ 25,000	\$ (25,000)	(100.0)	\$ -	\$ -	\$ 25,000	\$ (25,000)	(100.0)	\$ -
Contributions ¹	59	1,994	(1,935)	(97.0)	46,275	59	1,994	(1,935)	(97.0)	46,275
Total revenue	(1) 59	26,994	(26,935)	(99.8)	46,275	59	26,994	(26,935)	(99.8)	46,275
Expense										
Wages and benefits	-	-	-	-	36,135	-	-	-	-	36,135
Services	88	24,040	23,952	99.6	15,090	88	24,040	23,952	99.6	15,090
Materials and supplies	-	125	125	100.0	-	-	125	125	100.0	-
Utilities	268	125	(143)	(114.4)	381	268	125	(143)	(114.4)	381
Interfund admin fees	-	-	-	-	10,140	-	-	-	-	10,140
Other expenses	-	4	4	100.0	60	-	4	4	100.0	60
Total expense	(2) 356	24,294	23,938	98.5	61,806	356	24,294	23,938	98.5	61,806
Income (loss) before depreciation	(297)	2,700	(2,997)	(111.0)	(15,531)	(297)	2,700	(2,997)	(111.0)	(15,531)
Depreciation and amortization expense	2,929	2,700	(229)	(8.5)	2,700	2,929	2,700	(229)	(8.5)	2,700
Net income (loss)	(3) \$ (3,226)	\$ -	\$ (3,226)	-	\$ (18,231)	\$ (3,226)	\$ -	\$ (3,226)	-	\$ (18,231)

¹ - 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
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	\$ 108,327	\$ 108,327	\$ -	-	\$ 83,130	\$ 25,197	30.3
Other current assets	-	-	-	n/a	45,000	(45,000)	(100.0)
Total current assets	108,327	108,327	-	-	128,130	(19,803)	(15.5)
Capital assets							
Capital assets	292,901	292,901	-	-	270,000	22,901	8.5
Accumulated depreciation	(21,971)	(19,042)	(2,929)	(15.4)	(9,450)	(12,521)	(132.5)
Total capital assets, net	270,930	273,859	(2,929)	(1.1)	260,550	10,380	4.0
Construction-in-process	(20,000)	(20,000)	-	-	-	(20,000)	n/a
Total capital assets	250,930	253,859	(2,929)	(1.2)	260,550	(9,620)	(3.7)
Total assets	359,257	362,186	(2,929)	(0.8)	388,680	(29,423)	(7.6)
Total	<u>\$ 359,257</u>	<u>\$ 362,186</u>	<u>\$ (2,929)</u>	(0.8)	<u>\$ 388,680</u>	<u>\$ (29,423)</u>	(7.6)

Bi-State Development Research Institute
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Interfund accounts payable	\$ 23,516	\$ 23,219	\$ 297	1.3	\$ 21,998	\$ 1,518	6.9
Other current liabilities	106,670	106,670	-	-	81,248	25,422	31.3
Total current liabilities	130,186	129,889	297	0.2	103,246	26,940	26.1
Total liabilities	130,186	129,889	297	0.2	103,246	26,940	26.1
Net Position							
Net position	232,297	303,665	(71,368)	(23.5)	303,665	(71,368)	(23.5)
Net income (loss)	(3,226)	(71,368)	68,142	95.5	(18,231)	15,005	82.3
Total net position	229,071	232,297	(3,226)	(1.4)	285,434	(56,363)	(19.7)
Total	<u>\$ 359,257</u>	<u>\$ 362,186</u>	<u>\$ (2,929)</u>	<u>(0.8)</u>	<u>\$ 388,680</u>	<u>\$ (29,423)</u>	<u>(7.6)</u>

Bi-State Development Research Institute
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Payments to vendors	(297)
Receipts (payments) from inter-fund activity	<u>297</u>

Supplemental disclosure of cash flow information

In-kind donations	\$ 59
In-kind services	(59)
In-kind other operating expenses	-

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) -

Cash and cash equivalents, beginning of year

108,327

Cash and cash equivalents, year to date

\$ 108,327

Arts in Transit

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Arts in Transit, Inc. – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Income Statement

1. **Total year-to-date revenue** decreased 30.0% from prior year to \$53.5 thousand as a result of two less bus paintings and decreased in-kind contributions.
2. **Other non-operating expense** decreased 100.0% from prior year due to less in-kind expenses.
3. **Net loss before depreciation** is \$4.4 thousand.

Balance Sheet

Nothing of note

Cash Flow

1. **Net cash activity year-to-date** is \$2.9 thousand cash inflow.

Arts In Transit, Inc.
Statement of Activities
For the Quarter Ended September 30, 2019
(unaudited)

	Current					Year to Date				
	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	\$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Not for Profit Revenue	(1) \$ 3,500	\$ 7,500	\$ (4,000)	(53.3)	\$ 13,520	\$ 3,500	\$ 7,500	\$ (4,000)	(53.3)	\$ 13,520
Contributions ¹	(1) 50,074	22,018	28,056	127.4	63,064	50,074	22,018	28,056	127.4	63,064
Total revenue	<u>53,574</u>	<u>29,518</u>	<u>24,056</u>	81.5	<u>76,584</u>	<u>53,574</u>	<u>29,518</u>	<u>24,056</u>	81.5	<u>76,584</u>
Expense										
Wages and benefits	29,003	3,930	(25,073)	(638.0)	28,321	29,003	3,930	(25,073)	(638.0)	28,321
Services	17,049	17,628	579	3.3	20,921	17,049	17,628	579	3.3	20,921
Materials and supplies	412	6,150	5,738	93.3	-	412	6,150	5,738	93.3	-
Utilities	-	163	163	100.0	139	-	163	163	100.0	139
Interfund admin fees	11,527	1,563	(9,964)	(637.5)	8,061	11,527	1,563	(9,964)	(637.5)	8,061
Other expenses	-	2,050	2,050	100.0	1,906	-	2,050	2,050	100.0	1,906
Other non-operating expense	(2) -	-	-	-	10,512	-	-	-	-	10,512
Net income (loss)	<u>(3) \$ (4,417)</u>	<u>\$ (1,966)</u>	<u>\$ (2,451)</u>	(124.7)	<u>\$ 6,724</u>	<u>\$ (4,417)</u>	<u>\$ (1,966)</u>	<u>\$ (2,451)</u>	(124.7)	<u>\$ 6,724</u>

¹ - Contributions include in-kind donations of services, supplies and materials from other BSD business units.

Arts In Transit, Inc.
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash	\$ 90,821	\$ 87,904	\$ 2,917	3.3	\$ 79,998	\$ 10,823	13.5
Accounts and notes receivable	-	-	-	n/a	5,000	(5,000)	(100.0)
Interfund accounts receivable	-	7,310	(7,310)	(100.0)	-	-	n/a
Total current assets	90,821	95,214	(4,393)	(4.6)	84,998	5,823	6.9
Total assets	90,821	95,214	(4,393)	(4.6)	84,998	5,823	6.9
Total	<u>\$ 90,821</u>	<u>\$ 95,214</u>	<u>\$ (4,393)</u>	(4.6)	<u>\$ 84,998</u>	<u>\$ 5,823</u>	6.9

Arts In Transit, Inc.
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Interfund accounts payable	\$ 24	\$ -	\$ 24	n/a	\$ -	\$ 24	n/a
Total current liabilities	24	-	24	n/a	-	24	n/a
Total liabilities	24	-	24	n/a	-	24	n/a
Net Position							
Net position	95,214	78,274	16,940	21.6	78,274	16,940	21.6
Net income (loss)	(4,417)	16,940	(21,357)	(126.1)	6,724	(11,141)	(165.7)
Total net position	90,797	95,214	(4,417)	(4.6)	84,998	5,799	6.8
Total	<u>\$ 90,821</u>	<u>\$ 95,214</u>	<u>\$ (4,393)</u>	<u>(4.6)</u>	<u>\$ 84,998</u>	<u>\$ 5,823</u>	<u>6.9</u>

Art In Transit, Inc.
Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Receipts from customers	\$ 3,500
Payments to vendors	(7,917)
Payments for self-insurance	-
Receipts (payments) from inter-fund activity	<u>7,334</u>

**Net cash provided by (used in)
operating activities**

2,917

Supplemental disclosure of cash flow information

In-kind donations	\$ 50,074
In-kind wages and benefits	(29,003)
In-kind services	(9,335)
In-kind materials and supplies	(209)
In-kind utilities	-
In-kind management fees	(11,527)
In-kind other operating expenses	-

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**

2,917

Cash and cash equivalents, beginning of year

87,904

Cash and cash equivalents, year to date

\$ 90,821

Self-Insurance Funds

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Self-Insurance Fund – Financial Highlights

For the Three Months Ended September 30, 2019

(Preliminary, subject to audit)

Highlights

1. **Health Self-Insurance Fund** – Health plan claims and administrative expenses are running at expected budget levels and are favorable to the prior period due to fewer catastrophic medical claimants. This trend is expected to continue
2. **Casualty Self-Insurance Fund** – Casualty plan has less revenue due to a decline in the number of claims over the last year and fewer open claims. Revenue is the ultimate claim cost charged to BSD operational units. Paid claims expense is also down due to a lower number of open claims. This is in line with the actuary's projection for FY20.
3. **Worker's Compensation Fund** – Worker's Compensation plan has a light decrease in revenue (ultimate claim cost) and paid claims for this quarter. Expense variance is primarily due to timing of a self-insurance tax payment. Actuary expects Workers Compensation to rise based on older open claims development

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Self-Insurance Divisions
Combining Statement of Activities by Business Division
For the Three Months Ended September 30, 2019**
(unaudited)

	Health Self-Insurance Division	Casualty Self-Insurance Division	Workers Compensation Self-Insurance Division	Totals	Eliminations	Totals After Eliminations
Revenue						
Employee medical contributions	\$ 1,913,824	\$ -	\$ -	\$ 1,913,824	\$ -	\$ 1,913,824
Employee dental contributions	127,091	-	-	127,091	-	127,091
Employee gym membership	912	-	-	912	-	912
Bi-State Dev medical contributions (1)	7,437,504	-	-	7,437,504	(54,622)	7,382,882
Bi-State Dev dental contributions	159,004	-	-	159,004	(1,473)	157,531
Bi-State Dev EAP contributions	9,574	-	-	9,574	(85)	9,489
Healthy savings plan	(53,099)	-	-	(53,099)	-	(53,099)
Charges for services - Casualty	- (4)	640,044	-	640,044	-	640,044
Charges for services - Workers Compensation	-	- (7)	2,084,336	2,084,336	-	2,084,336
Interest Income	14,573	62,339	39,632	116,544	-	116,544
Total revenue (1)	9,609,383 (4)	702,383 (7)	2,123,968	12,435,734	(56,180)	12,379,554
Expense						
Wages and benefits	182,969 (5)	170,749	87,823	441,541	-	441,541
Services	78,823	308	6,024	85,155	-	85,155
Materials and supplies	1,344	1,098	1,059	3,501	-	3,501
Utilities	1,230	390	139	1,759	-	1,759
Casualty and liability costs	-	221,622	57,871	279,493	-	279,493
Other expenses	564	- (8)	112,277	112,841	-	112,841
Med/Dental/Rx Claims less Rebates (2)	9,341,349	-	-	9,341,349	(56,180)	9,285,169
Stop loss, third party fees, Medicare Part D	58,619	-	-	58,619	-	58,619
Casualty claims paid	-	691,566	-	691,566	-	691,566
Workers Compensation claims paid	-	- (8)	1,484,878	1,484,878	-	1,484,878
Total expense (2)	9,664,898 (5)	1,085,733 (8)	1,750,071	12,500,702	(56,180)	12,444,522
Net income (loss) before transfers	(55,515)	(383,350)	373,897	(64,968)	-	(64,968)
Net transfers in (out)	-	394,167	265,192	659,359	-	659,359
Net income (loss) (3)	\$ (55,515) (6)	\$ 10,817 (9)	\$ 639,089	\$ 594,391	\$ -	\$ 594,391

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Self-Insurance Divisions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

		Health Self-Insurance Division	Casualty Self-Insurance Division	Workers Compensation Self-Insurance Division	Totals	Interfund Eliminations	Totals After Eliminations
Assets							
Current assets							
Cash	(1) \$	2,548,117	\$ 10,918,513	\$ 8,231,577	\$ 21,698,207	\$ -	\$ 21,698,207
Investments		-	-	2,364,620	2,364,620	-	2,364,620
Accounts and notes receivable		42,239	65,733	81,804	189,776	-	189,776
Interfund accounts receivable		-	-	729,559	729,559	(729,559)	-
Restricted accounts receivable		-	-	5,185	5,185	-	5,185
Other current assets		-	664,866	173,613	838,479	-	838,479
Total current assets		<u>2,590,356</u>	<u>11,649,112</u>	<u>11,586,358</u>	<u>25,825,826</u>	<u>(729,559)</u>	<u>25,096,267</u>
Total assets		<u>2,590,356</u>	<u>11,649,112</u>	<u>11,586,358</u>	<u>25,825,826</u>	<u>(729,559)</u>	<u>25,096,267</u>
Total		<u>\$ 2,590,356</u>	<u>\$ 11,649,112</u>	<u>\$ 11,586,358</u>	<u>\$ 25,825,826</u>	<u>\$ (729,559)</u>	<u>\$ 25,096,267</u>

**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Self-Insurance Divisions
Quarterly Statement of Financial Position
September 30, 2019
(unaudited)**

	Health Self-Insurance Division	Casualty Self-Insurance Division	Workers Compensation Self-Insurance Division	Totals	Interfund Eliminations	Totals After Eliminations
Liabilities						
Current liabilities						
Accounts payable	\$ 87,525	\$ -	\$ -	\$ 87,525	\$ -	\$ 87,525
Interfund accounts payable	245,731	734,319	-	980,050	(729,559)	250,491
Accrued expenses	28,900	42,900	20,400	92,200	-	92,200
Total current liabilities	362,156	777,219	20,400	1,159,775	(729,559)	430,216
Current liab payable from restricted assets						
Short-term self-insurance (2)	-	6,400,000	7,012,000	13,412,000	-	13,412,000
Medical self-insurance liability	3,812,073	-	-	3,812,073	-	3,812,073
Total current liabilities payable from restricted assets	3,812,073	6,400,000	7,012,000	17,224,073	-	17,224,073
Total current liabilities	4,174,229	7,177,219	7,032,400	18,383,848	(729,559)	17,654,289
Non-current liabilities						
Other post-employment benefits	162,635	144,516	43,464	350,615	-	350,615
Long-term self-insurance (3)	-	3,193,000	5,750,000	8,943,000	-	8,943,000
Unfunded pension liabilities	52,432	162,407	60,901	275,740	-	275,740
Total non-current liabilities	215,067	3,499,923	5,854,365	9,569,355	-	9,569,355
Total liabilities	4,389,296	10,677,142	12,886,765	27,953,203	(729,559)	27,223,644
Net Position						
Net position	(1,743,425)	961,153	(1,939,496)	(2,721,768)	-	(2,721,768)
Net income (loss)	(55,515)	10,817	639,089	594,391	-	594,391
Total net position	(1,798,940)	971,970	(1,300,407)	(2,127,377)	-	(2,127,377)
Total	\$ 2,590,356	\$ 11,649,112	\$ 11,586,358	\$ 25,825,826	\$ (729,559)	\$ 25,096,267

Self-Insurance Divisions
Combined Statement of Cash Flows
For the Three Months Ended September 30, 2019
(unaudited)

Cash flows from operating activities

Receipts from customers	\$ 3,153,062
Payments to employees	(441,530)
Payments to vendors	(1,510,990)
Payments for self-insurance	(11,775,357)
Receipts (payments) from inter-fund activity	10,018,889

Net cash provided by (used in) operating activities	(555,926)
--	-----------

Supplemental disclosure of cash flow information

Noncash Activities:
None

Cash flows from non capital financing activities

Net transfers	659,358
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Net cash provided by (used in) non capital financing activities	659,358
--	---------

Cash flows from capital and related financing activities

None

Cash flows from investing activities

Purchases of investments	(2,364,620)
Proceeds from sale of investments	2,348,988
Interest received	160,468

Net cash provided by (used in) investing activities	144,836
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Net increase (decrease) in cash and cash equivalents	248,268
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Cash and cash equivalents, beginning of year	21,449,939
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Cash and cash equivalents, year to date	\$ 21,698,207
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**BI-STATE DEVELOPMENT
STAFFING LEVEL REPORT
September 2019**

	EMPLOYEES AT END OF MONTH				BUDGETED POSITIONS	VARIANCE	PERCENT VARIANCE
	PRIOR MONTH	ADDED	DELETED	CURRENT MONTH			
A.T.U. Maintenance & Operations:							
Light Rail Vehicle Operators	99	11	0	110	102	8	7.8%
PT Bus Operators	3	0	0	3	85	(82)	-96.5%
Bus Operators	881	0	(24)	857	828	29	3.5%
Van Operators	180	8	(11)	177	200	(23)	-11.5%
Vehicle Maintenance	267	0	(2)	265	283	(18)	-6.4%
MetroBus Support Services and Facility Maintenance	23	0	0	23	25	(2)	-8.0%
Right of Way Maintenance	46	0	0	46	53	(7)	-13.2%
Revenue Operations & Maintenance	13	0	0	13	15	(2)	-13.3%
Materials Management	23	2	0	25	27	(2)	-7.4%
SUBTOTAL A.T.U. Maintenance & Operations	1,535	21	(37)	1,519	1,618	(99)	-6.1%
Other:							
A.T.U. Clerical Unit	45	1	(2)	44	52	(8)	-15.4%
I.B.E.W.	58	0	(1)	57	66	(9)	-13.6%
Salaried	499	13	(5)	507	540	(33)	-6.1%
SUBTOTAL Other	602	14	(8)	608	658	(50)	-7.6%
TOTAL	2,137	35	(45)	2,127	2,276	(149)	-6.5%
ARCH							
Salaried:	17	0	0	17	17	0	0.0%
Hourly:*	93	5	(10)	88	84	4	4.8%
TOTAL ARCH	110	5	(10)	105	101	4	4.0%
AIRPORT	9	0	0	9	12	(3)	-25.0%
RIVERBOAT CRUISES							
Salaried:	14	0	0	14	11	3	27.3%
Hourly:*	63	4	0	67	49	18	36.7%
TOTAL RIVERBOAT CRUISES	77	4	0	81	60	21	35.0%
EXECUTIVE OFFICE	27	0	0	27	36	(9)	-25.0%
GRAND TOTAL	2,360	44	(55)	2,349	2,485	(136)	-5.5%

Does not include Security Officers, Interns or Temporary Employees

*Includes PT and Seasonal - Actual depends on availability; Budget based on average hours

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BI•STATE
DEVELOPMENT

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Open Session Item

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**BI-STATE DEVELOPMENT
TREASURER'S REPORT
Quarter Ended September 30, 2019**

INVESTMENTS

Yields:

Bi-State investments had an average yield of 1.9% for the month of September, down from 2.13% in June. The Federal Reserve cut the Federal Funds Rate to 2.25% in July, and is expected to cut rates at least one more time in October of 2019, as trade disputes and weak global growth slow the US economy.

Invested Funds:

In September, Bi-State directed approximately \$177 million of cash and investments. Approximately 33.8% of the invested funds were invested in U.S. Treasury or U.S. Government Agency securities, and 2.6% 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 63 days.

DEBT MANAGEMENT

Debt Restructuring, 2019:

On September 12, 2019, Bi-State successfully sold its \$164,430,000 Series 2019 Bonds. The deal closed on September 26, 2019, and a true interest cost of 2.87% was achieved. The bond restructuring refunded all \$97 million of the Series 2009 and \$90 million of the Series 2013A Cross County Bonds, achieving important short and long-term financial objectives for Bi-State:

- Generated \$49.1 million in debt service savings (in 2019 dollars) over the life of the bonds.
- Returned \$19.9 million of these savings to fund public safety infrastructure improvements.
- Eliminated the requirement to secure the Series 2019 debt with a debt service reserve fund, and lowered the required reserve on Series 2013A from \$23.6 to \$19.3 million.
- Brought 2013 subordinate bonds to senior lien status.

Series 2013A and 2013B Bonds:

On July 1, 2013, Bi-State successfully sold its \$381,225,000 Series 2013A Bonds at a rate of 4.75%. Between 2013 and 2015, St Louis County approved three loan advances using the Prop A Capital Reserve to reduce borrowing costs. The first loan for \$75 million was granted in 2013, with an interest rate of 1.06%. St Louis County approved the second loan in 2014 for \$30 million at 1.04%, and the third loan in 2015 for \$30,000 at 1.02%, allowing Bi-State to refund a portion of the 2013A debt. In September 2019, Series 2019 refunded an additional \$90 million, leaving the total 2013A principal outstanding at \$182,175,000.

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 September, in conjunction with its diesel fuel hedging program, Bi-State had a *realized gain* of approximately \$127 thousand and an *unrealized loss* of approximately \$109 thousand on the sale of Home Heating Oil #2 futures contracts. September oil prices ended the month at \$54.07 a barrel, a 7.5% decrease since the end of June. 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-Sep-2019

31-Aug-2019

31-Jul-2019

BI-STATE DIRECTED:	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)
Cash	0	\$12,224	8.7%	0.00%	\$12,224	0	\$12,803	8.8%	0.00%	\$12,803	0	\$13,030	7.8%	0.00%	\$13,030
Certificates of Deposit	39	3,044	2.2%	1.39%	3,044	69	3,044	2.1%	1.39%	3,044	100	3,044	1.8%	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)	212	33,909	24.1%	1.92%	33,984	242	33,909	23.3%	1.92%	33,970	273	33,909	20.4%	1.92%	33,935
U.S. Treasury Securities	113	12,851	9.1%	1.46%	12,855	75	12,835	8.8%	1.60%	12,881	106	12,835	7.7%	1.60%	12,868
Other Investments (3)	1	78,489	55.9%	1.96%	78,489	1	83,170	57.1%	2.01%	83,170	1	103,490	62.2%	2.23%	103,490
SUB-TOTAL BI-STATE	63	\$140,517	100.0%	1.89%	\$140,596	65	\$145,761	100.0%	1.93%	\$145,868	66	\$166,308	100.0%	2.09%	\$166,367
BI-STATE DIRECTED-PROP M:															
Certificates of Deposit	81	\$1,560	4.3%	2.62%	\$1,560	111	\$1,560	3.6%	2.62%	\$1,560	142	\$1,560	3.6%	2.62%	\$1,560
U.S. Agencies (coupon)	201	8,995	24.8%	2.11%	8,999	231	8,995	20.8%	2.11%	8,999	181	8,995	20.6%	2.11%	8,994
U.S. Treasury Securities	77	3,991	11.0%	1.38%	3,994	107	3,991	9.2%	1.38%	3,993	138	3,991	9.2%	1.38%	3,987
Other Investments (3)	1	21,764	59.9%	1.98%	21,764	1	28,747	66.4%	2.01%	28,747	1	29,047	66.6%	2.26%	29,047
SUB-TOTAL PROP M	62	\$36,310	100.0%	1.97%	\$36,317	63	\$43,293	100.0%	1.99%	\$43,299	56	\$43,593	100.0%	2.16%	\$43,588
TOTAL BI-STATE DIRECTED	63	\$176,827		1.90%	\$176,913	64	\$189,054		1.95%	\$189,167	64	\$209,901		2.11%	\$209,955
TRUSTEE DIRECTED:															
Cash	0	\$0	0.0%	0.00%	\$0	0	\$0	0.0%	0.00%	\$0	0	\$0	0.0%	0.00%	\$0
Municipal Bonds	826	6,389	2.5%	2.75%	6,507	856	6,389	11.1%	2.75%	6,460	887	6,389	12.0%	2.75%	6,408
U.S. Agencies (coupon)	958	10,764	4.2%	2.80%	10,953	446	24,232	42.1%	2.22%	24,567	476	24,232	45.7%	2.22%	24,486
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)	1	239,032	93.3%	2.03%	239,032	1	26,906	46.8%	2.05%	26,906	1	22,410	42.3%	2.27%	22,410
SUB-TOTAL TRUSTEE	62	\$256,185	100.0%	2.08%	\$256,492	283	\$57,527	100.0%	2.20%	\$57,933	325	\$53,031	100.0%	2.30%	\$53,304
TOTAL BI-STATE & TRUSTEE	62	\$433,012		2.01%	\$433,405	115	\$246,581		2.01%	\$247,100	117	\$262,932		2.15%	\$263,259
LRV LEASE1:															
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	94	6,358	5.0%	2.36%	6,437	124	6,358	5.1%	2.36%	6,426	155	6,358	5.1%	2.36%	6,426
Other Investments (4)	1	119,963	95.0%	5.80%	119,963	1	119,335	94.9%	5.80%	119,335	1	118,708	94.9%	5.80%	118,708
SUB-TOTAL LRV		\$126,326	100.0%	5.63%	\$126,405		\$125,698	100.0%	5.63%	\$125,766		\$125,071	100.0%	5.62%	\$125,139
Grand Total (5)		\$559,338			\$559,810		\$372,279			\$372,866		\$388,003			\$388,398

Explanatory Notes:

- (1) Approximate weighted average of days to effective maturity, from last business day of the month.
- (2) Market value of government securities provided by safekeeping agent. Cost equals market for other investments.
- (3) Includes money market funds and fuel hedging accounts.
- (4) Investment Contracts (leases). Values of investment contracts adjusted to conform to lease payment schedules.
- (5) All amounts preliminary and subject to audit and adjustment.

Prepared by: *Terry Gudowicz* 1/10/20
Terry Gudowicz Green, Mgr of Treas Ops Date
Reviewed by: *Tammy Fulbright* 1/10/20
Tammy Fulbright, Sr. Dir. of Financial Planning Date
Approved by: *Mark Vago* 1/10/20
Mark Vago, Sr VP & CFO Date



BI-STATE DEVELOPMENT
MONTHLY TREASURER'S REPORT- ALL COMPANIES
BANK / ISSUER SUMMARY as of:

9/30/2019

Section 1 Bank/Issuer Summary

BI-STATE DIRECTED *	CASH	CERTIFICATES OF DEPOSIT	REPURCHASE AGREEMENTS	OTHER	GOVERNMENT SECURITIES	COMMERCIAL PAPER\ BA's	TOTAL	MARKET VALUE	NOTES
<i>all non debt/lease assets, inc. Prop M:</i>									
BANK OF AMERICA MERRILL LYNCH	83,770	0	0	0	0	0	83,770	83,770	FDIC\tri-party collateral(deposits).
BLACK ROCK	0	0	0	27,624,443	0	0	27,624,443	27,624,443	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	50,121,808	0	0	50,121,808	50,121,808	Money Market Fund (First Tier\Prime)
INVESCO	0	0	0	20,083,595	0	0	20,083,595	20,083,595	Money Market Fund (First Tier\Prime)
JEFFERSON BANK & TRUST	96,397	0	0	0	0	0	96,397	96,397	FDIC; repo collateral held at JBT.
JP MORGAN CHASE	(93,606)	0	0	0	0	0	(93,606)	(93,606)	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	11,881,167	0	0	0	0	0	11,881,167	11,881,167	FDIC\FRB collateral.
RBC DAIN RAUSCHER	0	0	0	1,652,758	0	0	1,652,758	1,652,758	Commodities Margin Acct. (fuel hedging)
RU O'BRIEN	0	0	0	770,562	0	0	770,562	770,562	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	(480,980)	0	0	0	0	0	(480,980)	(480,980)	FDIC\FRB Collateral.
FARM CREDIT BANK	0	0	0	0	23,907,587	0	23,907,587	23,972,483	Safekept at Bank of America (BOA).
FEDERAL HOME LOAN BANK	0	0	0	0	18,996,588	0	18,996,588	19,011,490	Safekept at Bank of America (BOA).
U.S. TREASURY	0	0	0	0	16,841,770	0	16,841,770	16,849,135	Safekept by BOA or designated agent.
OTHER	681,949	0	0	0	0	0	681,949	681,949	
sub-total Bi-State directed	12,223,374	4,604,016	0	100,253,166	59,745,945	0	176,826,501	176,913,664	
TRUSTEE DIRECTED									
<u>DEBT ISSUES</u>									
Cross County Bonds									
Series 2009, 2013									
<u>BANK OF NEW YORK -MELLON TRUST</u>									
BANK OF NEW YORK	0	0	0	0	0	0	0	0	FDIC Insured.
GOLDMAN	0	0	0	239,032,034	0	0	239,032,034	239,032,034	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	10,763,564	0	10,763,564	10,952,844	Safekept at Bank of New York
MUNICIPAL BONDS	0	0	0	0	6,389,370	0	6,389,370	6,506,572	Safekept at Bank of New York
U.S. TREASURY	0	0	0	0	0	0	0	0	Safekept at Bank of New York
sub-total	0	0	0	239,032,034	17,152,934	0	256,184,968	256,491,450	
SUB-TOTAL TRUSTEE (BONDS)	0	0	0	239,032,034	17,152,934	0	256,184,968	256,491,450	
SUB-TOTAL BI-STATE AND TRUSTEE	12,223,374	4,604,016	0	339,285,200	76,898,879	0	433,011,469	433,405,114	
LRV Lease\Leaseback 2001 C1 C2									
FSA\AIG	0	0	0	119,963,196	0	0	119,963,196	119,963,196	Guaranteed Investment Contract (GIC).
US TREASURY	5,272	0	0	0	6,357,748	0	6,363,020	6,442,007	Safekept by Lease Trustee.
sub-total	5,272	0	0	119,963,196	6,357,748	0	126,326,216	126,405,203	
sub-total leases	5,272	0	0	119,963,196	6,357,748	0	126,326,216	126,405,203	
GRAND TOTAL	\$12,228,646	\$4,604,016	\$0	\$459,248,396	\$83,256,627	\$0	\$559,337,685	\$559,810,317	

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:

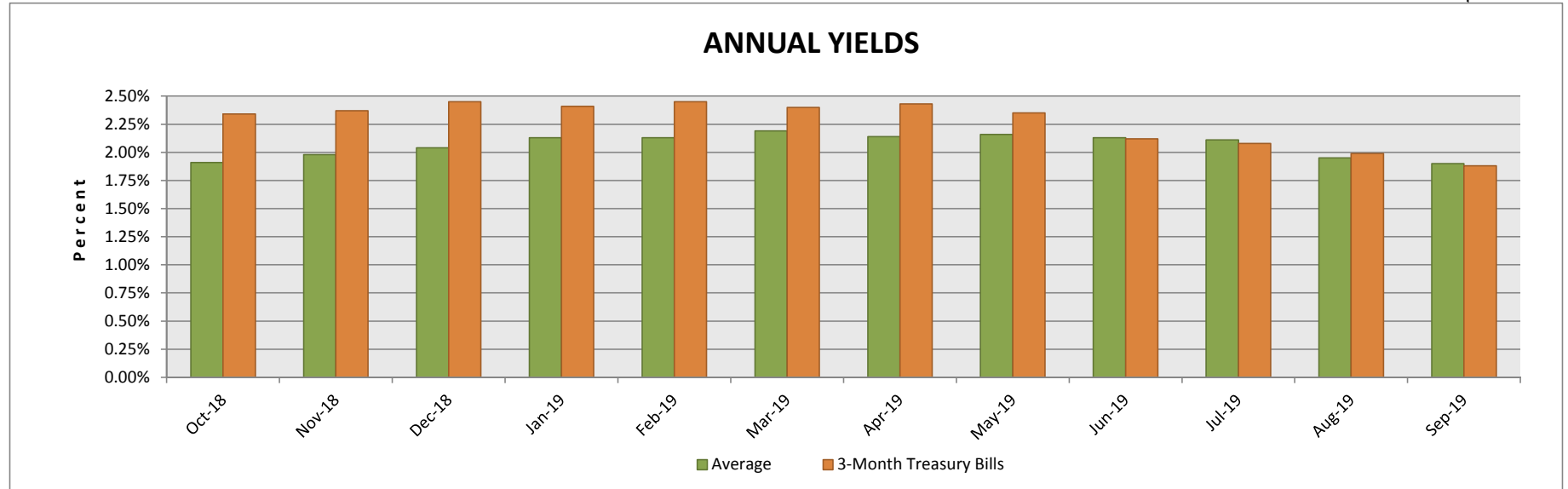
AAA Standard & Poor's, Moody's and Fitch rate credit quality on an A to C scale, with A generally regarded as "upper investment grade" and C as "speculative" (D would indicate default). Within each category are different gradients. The triple A rating indicates that the issuer's long term unsecured debt 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**

Funds (ooo's omitted)	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Bi-State Investments	179,184	172,679	172,578	183,814	181,363	183,380	186,569	169,974	180,786	166,308	145,761	140,517
Bi-State Prop M Investments	45,384	45,217	45,084	44,562	44,618	43,659	44,110	44,407	44,968	43,593	43,293	36,310
Total	224,568	217,896	217,662	228,376	225,981	227,039	230,679	214,381	225,754	209,901	189,054	176,827
Trustee Investments	36,650	39,401	41,643	44,307	46,612	49,325	42,280	45,009	46,816	53,031	57,527	256,185

Yields\Rates Information	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Bi-State	1.95%	2.02%	2.07%	2.16%	2.15%	2.19%	2.14%	2.15%	2.12%	2.09%	1.93%	1.89%
Prop M	1.78%	1.83%	1.95%	2.02%	2.07%	2.15%	2.12%	2.19%	2.17%	2.16%	1.99%	1.97%
Average	1.91%	1.98%	2.04%	2.13%	2.13%	2.19%	2.14%	2.16%	2.13%	2.11%	1.95%	1.90%
Trustee	2.26%	2.25%	2.33%	2.30%	2.31%	2.33%	2.32%	2.29%	2.29%	2.30%	2.20%	2.08%
3-Month Treasury Bills	2.34%	2.37%	2.45%	2.41%	2.45%	2.40%	2.43%	2.35%	2.12%	2.08%	1.99%	1.88%
1 Year Treasury	2.69%	2.70%	2.63%	2.55%	2.54%	2.40%	2.39%	2.21%	1.92%	2.00%	1.76%	1.75%
Fed Funds (target)	2.25%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	2.00%
20-Year Municipals	4.30%	4.22%	4.10%	4.22%	4.22%	4.22%	3.79%	3.51%	3.50%	3.43%	2.97%	2.66%
SIFMA (BMA) Index (month end)	1.61%	1.69%	1.63%	1.43%	1.74%	1.50%	2.12%	1.42%	1.90%	1.40%	1.35%	1.48%



Diesel Fuel Hedging Program - FY 2019

	Diesel Fuel Budget \ Actual Comparison:	Sep-19	Year to Date	Life to Date
a	Gallons consumed-actual	377,240	1,361,926	91,883,183
b=(c/a)	Average cost per gallon-actual	\$ 1.96	\$ 1.96	\$ 2.10
c	Total Diesel Fuel Cost-Actual	\$ 740,069	\$ 2,674,747	\$ 193,148,050
d	Gallons consumed- budget	424,928	1,321,196	95,850,031
e=(f/d)	Average cost per gallon- budget	\$ 2.10	\$ 2.10	\$ 2.29
f	Total Diesel Fuel Cost- Budget	\$ 893,539	\$ 2,778,211	\$ 219,567,597
g=(f-c)	Budget Variance (Unfavorable)	\$ 153,470	\$ 103,464	\$ 26,419,547
h	Realized Futures Gains (Losses)	\$ 126,504	\$ 316,894	\$ 752,285
i=(c-h)	Net Cost of Fuel	\$ 613,565	\$ 2,357,853	\$ 192,395,765
j=(i-f)	Net Budget Variance (Unfavorable)	\$ 279,974	\$ 420,358	\$ 27,171,832
j=(i/f)	Net Cost of Fuel, Per Gallon, inc. Hedge	\$ 1.63	\$ 1.73	\$ 2.09
k=(e-i)	Net Budget Variance Per Gallon	\$ 0.48	\$ 0.37	\$ 0.20

Futures Activity:		Price of Barrel of Oil:	
		Date	Price
Futures Contracts Purchased	38		
Futures Contracts Sold	16	05/31/2019	\$ 53.50
Futures Contracts Net Change at month end	22	06/30/2019	\$ 58.47
Total Open Futures Contracts, at month end	124	07/31/2019	\$ 58.58
Futures Contracts Unrealized Gain/(Loss) *	(\$109,217)	08/31/2019	\$ 55.10
(% of Estimated Future Consumption)	55%	09/30/2019	\$ 54.07

* = At month end

Explanatory Notes:

Consumption budgeted at approximately 120,000 gallons per week.

Current diesel contracts: diesel =Platts +10.17 cents per gal.; B2 diesel= Platts + 10.93 cents per gal.

A futures contract equals 42,000 gallons.

Numbers above rounded.

Amounts do not include transaction or consulting costs.

Futures Contracts are purchased from Nov 2019 through Jul 2021 (21 months).

Background:

Linwood Capital is a consultant retained by Bi-State since April 2004 to assist with its energy price risk management program.

Bi-State manages the cost of fuel by utilizing purchase of exchange traded futures, specifically NYMEX Heating Oil#2 (HO#2) futures.

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.

**Bi-State Development
Monthly Investment Report
Report of Term Investment* Purchases: September 2019**

Item	Investment:	Par Amount	Settled	Maturity Date	Term(days)	Yield	Purchased From	Fund
*Note: There were no new investment purchases in September.								
	Total	\$ -						

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
Trust Companies:							
Bank of New York Mellon Trust	AA-	Aa1	AA+	A-1+	P-1	F1+	NA
Money Market Funds:							
	S&P			Moody's			
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			
Other:	Long-Term Debt Rating						
	S&P	Moody's	Fitch				
AIG (2001 LRV Lease)	A+	A2	A+	NA = Fitch overall bank ratings or LT debt ratings have been withdrawn			
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		2019	Total Cross County
	Refunding	2013A Bonds	2013B Loan	Refunding	
Issue date	9-Nov-09	1-Aug-13	1-Aug-13	26-Sep-19	
Principal (original)	\$97,220,000	\$381,225,000	\$75,000,000	\$164,430,000	
Principal (currently outstanding)	\$97,220,000	\$281,805,000	\$135,000,000	\$164,430,000	\$678,455,000
Lien on 1¼ cent Prop M, Prop M2, Prop A tax	Senior	Senior	Subordinate	Senior	
Stand alone credit rating (S&P\Moody's\Kroll)	AA+\Aa3\NA	AA+\Aa2\NA	NA	AA+\NA\AA+	
Maturity date(s)	2023 – 2039	2048	2053	2048	
Optional Call Date	2019	Various	Anytime	2029	
Optional Put Date	NA	NA	2018	NA	
Interest rate mode	Fixed	Fixed	1% + SIFMA	Fixed	
Rate	4.50%-5.00%	3.00%-5.00%	1.02%-1.06%	3.00%-5.00%	
Interest pmt. Dates (4/1 & 10/1)	April, October	April, October	April, October	April, October	
Annual debt service:					
Interest - FY 2020	\$2,383,988	\$11,499,313	\$1,413,000	\$3,641,674	\$18,937,974
Principal - (Previous payment 10/1/18 - \$9,030,000) (next payment 10/1/19)	\$97,220,000	\$99,630,000	\$0	\$0	\$196,850,000
total princ.&int.	\$99,603,988	\$111,129,313	\$1,413,000	\$3,641,674	\$215,787,974
Debt Service Reserve Fund (DSRF)	NA	\$19 million in DSRF with bond trustee, BONY-Mellon.	NA	NA	
Other	Refunded balance of 2002 A. Balance to be Refunded October 1, 2019	Refunded Series 2002A,B,C, 2007, and Series 2010B. \$90 million to be refunded Oct 1, 2019	Refunded Series 2010A Bonds	Refunding balance of 2009, and 2013A Bonds Maturing in 2019, 2028, 2046 and 2048	

Memorandum

To: Audit, Finance and Administration Committee

From: Gregory A. Smith
Vice President Purchasing, Materials Management and Supplier Diversity

Date: November 4, 2019

Subject: **Quarterly Procurement Activity Report**
First Quarter Fiscal Year 2020

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.

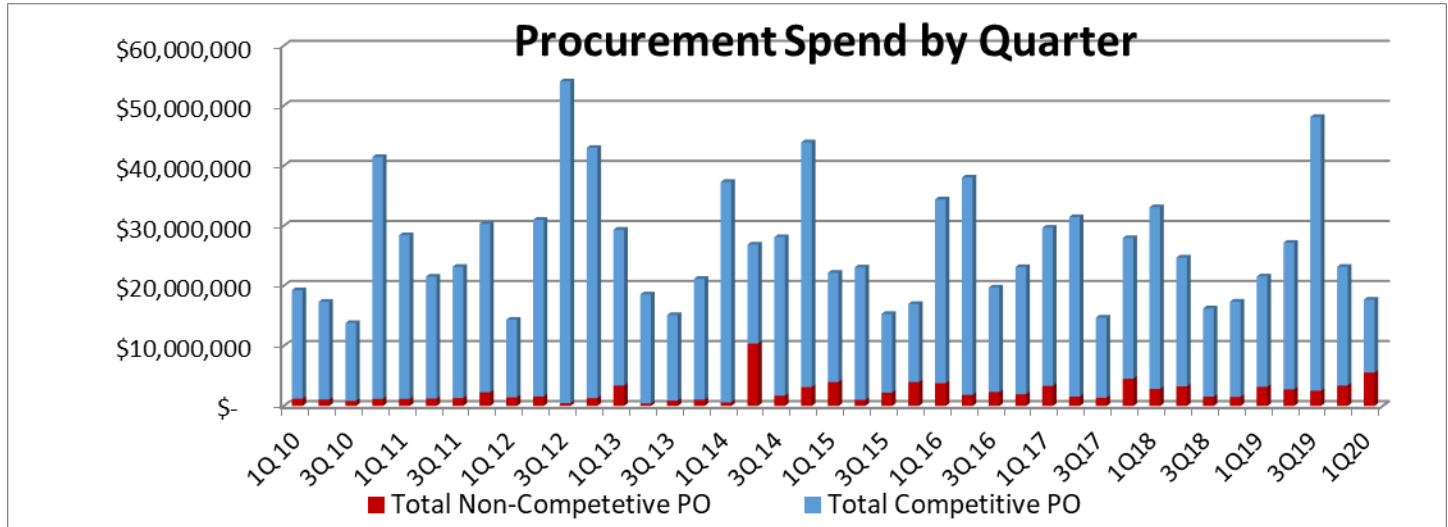
Section 5 – Procurement Card Administration

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.

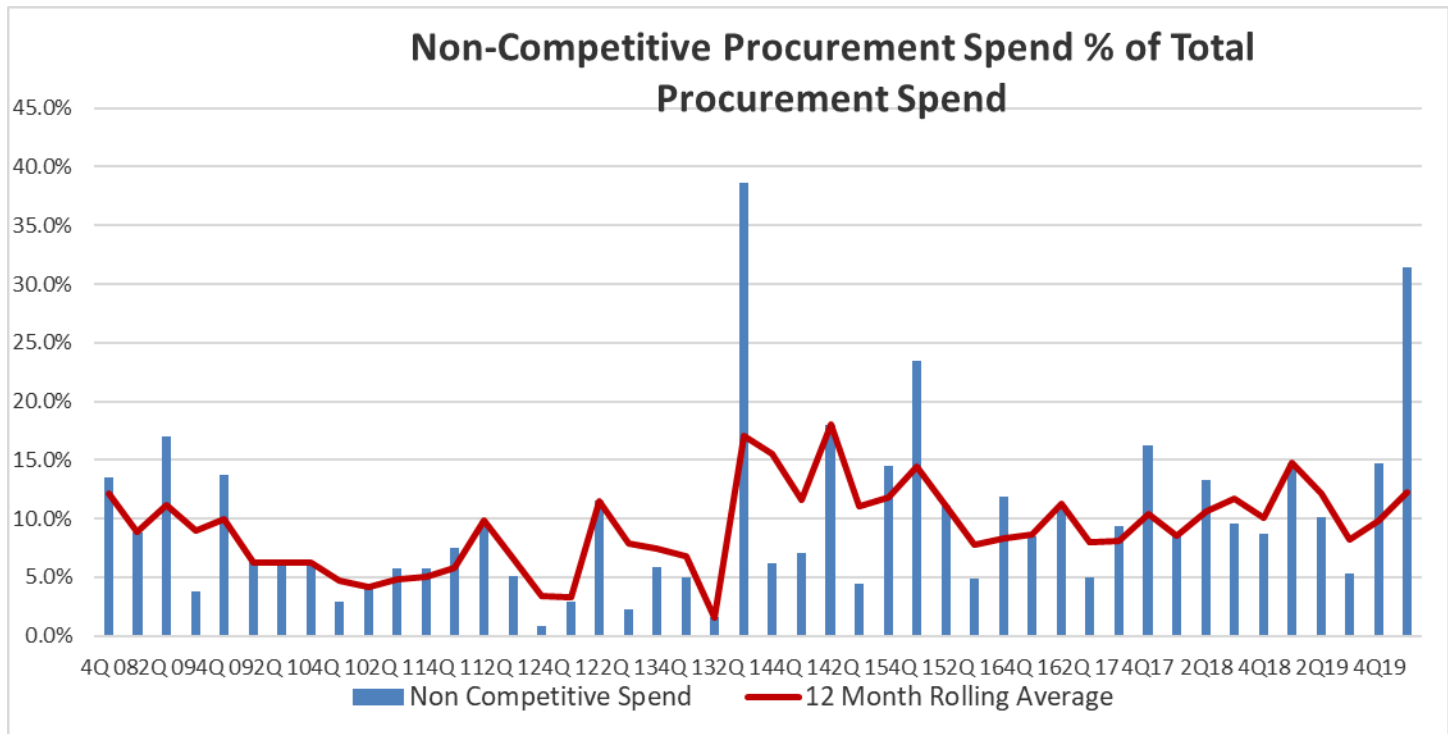
Please feel free to contact me with any suggestions, questions, or information requests that you may have.

Procurement Activity Report
Non-Competitive Procurement Trend
First Quarter FY2020

First Quarter 2020 Non-Competitive Procurements totaled \$5,561,561 or 31.4% of total Purchase Order Commitment volume of \$17,696,761.



Rolling last 12 months Non-Competitive Procurements totaled \$14,252,543 or 12.3% of total Purchase Order Commitment volume of \$116,168,051.



**NEW CONTRACT AWARDS EXCEEDING \$100,000
JULY 1, 2019 - SEPTEMBER 30, 2019**

<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>
64942	0	Arch Transportation System Tram Mechanics & Materials - FY20 Period of Performande, July, 2019 - June, 2020	Standard Purchase Order	7/18/19	NATIONAL PARK SERVICE	\$ 979,082.00	Dillard, Marian Denise	Open	0%
64902	1	19-RFP-105970-MD Gateway Arch Marketing & Advertising Agency, Three Base Years and Two Option Years, Period of Performance, July 16, 2019 - July 15, 2022	Contract Purchase Agreement	7/16/19	PNMG, INC.	\$ 825,000.00	Dillard, Marian Denise	Open	0%
65344	0	19-SB-106178-FP Wellston Walkway and Drainage Improvements, Period of Performance, August 27, 2019 - December 27, 2019	Contract Purchase Agreement	8/26/19	KOZENY WAGNER INC	\$ 657,469.00	Paronish, Francis J Jr	Open	13%
64897	0	20-SB-106272-SG Right of Way Worker Protection System Delivery, Period of Performance Ten (10) Days ARO	Standard Purchase Order	7/15/19	GLOBE ELECTRIC SUPPLY COMPANY	\$ 652,980.00	Griffin, Sandra P	Closed	0%
65570	0	19-RFP-106008-CB ML Audio Frequency Track Circuit Upgrades, Period of Performance, September 18, 2019 - December 31, 2019	Standard Purchase Order	9/17/19	ROCKY MOUNTAIN SYSTEMS SERVICES	\$ 566,313.00	Bonds, Charcita M	Open	0%
65300	0	19-SB-106099-DGR MetroLink Phase 1 Substation AC Breaker Replacement, Period of Performance, September 2019 through December 2020.	Contract Purchase Agreement	8/22/19	ZELLER TECHNOLOGIES INC	\$ 489,468.00	Ramsay, David George	Open	0%
65027	0	20-SS-106323-CG Oracle Annual Maintenance E-Business Suite, One Base Year and Two Option Years, Period of Performance August 1, 2019 - July 31, 2020	Contract Purchase Agreement	7/26/19	MYTHICS INC	\$ 465,156.83	Gates, Carol Renee	Open	0%
64978	0	19-SB-106246 -TJ Missouri Yards & Shop Facility Cleaning, Three Year Base with Two Option Years , Period of Performance, June 10, 2019 - June 9, 2022	Contract Purchase Agreement	7/24/19	WORLD MANAGEMENT, INC	\$ 365,460.00	Johnson, Theresa	Open	15%
65664	0	Sole Source SCF Services, LLC - Install False Inner Bottom on the Mooring Barge	Standard Purchase Order	9/26/19	SCF SERVICES, LLC	\$ 185,845.00	Griffin, Sandra P	Open	0%
64991	0	State Contract # - AR-23 (14-19) - Cisco Hardware Replacement/Upgrade. Contract Code: CISWSCAMO1G - Expiration 05-31-2020	Standard Purchase Order	7/24/19	CDW GOVERNMENT INC	\$ 165,662.25	Dillard, Marian Denise	Closed	0%
64793	0	20-RFQ-106291-CB, Unleaded Gasoline, Period of Performance, July 3, 2019 - September 3, 2019	Standard Purchase Order	7/2/19	PETROLEUM TRADERS CORPORATION	\$ 158,518.38	Bonds, Charcita M	Open	0%

Contract Modifications FY 2020
July 1, 2019 - September 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		17	Security & Fare Enforcement Services	Time Extension/Change in Scope	Securitas Security Services USA, Inc.	10%	\$ 3,235,705	\$ 28,643,807	07/24/19	\$ -	\$ 31,879,512	Operations	360	2
17-SB-104149-DR		11	Boyle Ave/CWE Metrolink Station - Facilities	Change Orders	L. Keeley Construction	14%	\$ 6,405,349	\$ 214,819	09/16/19	\$ 463,652	\$ 7,083,820	MO-79-X004 and Cortex	0	0
17-RFP-103083-DR		2	Enterprise Asset Mangement Software & Implementation	Upgrade of M5 to EAM for Rolling Stock / Time Extension	Trapeze Software Group, Inc.	0%	\$ 3,000,000	\$ (14,862)	08/19//19	\$ 1,027,840	\$ 4,012,978	FTA 5307 & Prop M	1	180
17-SB-103545-CB		2	Elevator Rehab - 6 Units - MO	Change in Scope/Time Extension	The Harlan Company	0%	\$ 2,145,450	\$ 258,119	07/16/19	\$ 819,000	\$ 3,222,569	MO-90-X296, MO-2018-002, MO-54-000, SCCTD & Prop M	540	1
17-RFP-103083-DR		1	Enterprise Asset Mangement Software & Implementation	Change in Scope	Trapeze Software Group, Inc.	0%	\$ 3,000,000	\$ -	07/16/19	\$ (14,862)	\$ 2,985,138	FTA Grant MO-04-0130 & MO-90-X296 & Prop M	0	0
16-RFP-102633-CB		3	Track Maintenance Services	Option Yr 1	Ironhorse, Inc.	0%	\$ 1,737,449	\$ 312,303	09/26/19	\$ 715,788	\$ 2,765,540	Operations	0	0
14-RFP-99256-DAB		5	Brentwood Facility Cleaning Services	Time Extension/ Additional Funds	ISS Facility Services Inc.	15%	\$ 791,168	\$ 1,284,904	09/19/19	\$ 98,152	\$ 2,174,224	Operations	180	2
15-SB-101602-CG		4	Tree Maintenance Services	Option Yr 2/ Additional Funds	Happy Tree Service, LLC	0%	\$ 918,000	\$ 531,000	08/27/19	\$ 464,355	\$ 1,913,355	Operations	0	0
14-RFP-99536-DR		4	Temporary Help Services	Additional Funds	Above All Personnel	0%	\$ 952,825	\$ 568,251	08/21/19	\$ 112,000	\$ 1,633,076	Operations	0	0
16-RFP-102886-CG		2	Development and Implementation of Marketing Activities for BSD	Option Yr. 1	Werremeyer, Inc.	0%	\$ 600,000	\$ 600,000	07/18/19	\$ 400,000	\$ 1,600,000	Operations	0	0

Contract Modifications FY 2020
July 1, 2019 - September 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
16-RFP-102975-CG		1	Development and Implementation of Marketing Activities for Metro Transit	Option Yr 1	PAVLOV Advertising, Inc.	0%	\$ 1,200,000	\$ -	08/27/19	\$ 400,000	\$ 1,600,000	Operations	0	0
15-RFP-101247-DR		2	Occupational Medicine - Medical Examinations & Drug & Alcohol Screening Services	Option Yr 2	BJC/BarnesCare	0%	\$ 941,282	\$ 323,846	08/21/19	\$ 328,698	\$ 1,593,825	Operations	0	0
17-SB-104164-BH		3	Brentwood Bus Cleaning Service	Option Yr 1	Innex Service Co	11%	\$ 598,712	\$ 260,845	07/02/19	\$ 434,920	\$ 1,294,478	Operations	0	0
14-RFP-98761-DR		4	Health & Welfare Consultant Services	Time Extension/ Additional Funds	Arthur J. Gallagher & Co	0%	\$ 427,000	\$ 302,932	08/12/19	\$ 71,000	\$ 800,932	Operations	180	1
17-SB-103489-DAB		3	Central Main Facility Cleaning Svcs	Additional Funds	LRL Commercial Cleaning	12%	\$ 446,400	\$ 274,026	08/19/19	\$ 65,829	\$ 786,255	Operations	0	0
16-SB-102814-TJ/BH		5	North County Transit Center Facility Cleaning	Time Extension	MERS/Goodwill Industries	13%	\$ 140,483	\$ 431,793	07/23/19	\$ 35,121	\$ 607,397	Operations	90	1
17-SB-104153-CG		4	Boyle Avenue Station and CWE Platform Extension Package 4 - Communications	Time Extension/ Additional Funds	Sachs Electric Company	9%	\$ 540,645	\$ -	08/28/19	\$ 49,592	\$ 590,237	FTA #MO79-X004/ Cortex	180	3
17-SB-103398-SG		1	Metro Timetables Panel Size 4 thru 9	Option Yr 1/ 90 Day Extension	James Mulligan Printing	0%	\$ 233,704	\$ -	08/23/19	\$ 166,852	\$ 400,566	Operations	90	1
18-RFP-104845-DR		2	Northside-Southside Corridor TOD Planning Study	Time Extension	N/A	10%	\$ 375,000	\$ 5,000	07/01/19	\$ -	\$ 380,000	Operations	90	2
16-SB-102491		3	Uniform Rental & Cleaning Services	Time Extension	Aramark	0%	\$ 167,773	\$ 142,297	08/11/19	\$ 48,000	\$ 358,070	Operations	120	1
13-RFP-5991-DR/VH/MD	7a	2	On-Call Information Technology Consulting Services	Time Extension/ Additional Funds	Randstad Technologies	0%	\$ 150,000	\$ 97,440	08/20/19	\$ 97,440	\$ 344,880	Operations	105	1

Contract Modifications FY 2020
July 1, 2019 - September 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		3	On Call Public Relations and Community Engagement Support	Additional Funds	The Hauser Group, Inc.	0%	\$ 66,667	\$ 240,000	09/19/19	\$ 34,000	\$ 340,667	Operations	0	0
16-RFP-102859-DR		5	Pre-Employment Background Investigation Services	Option Yr 3	AccuSource, Inc.	0%	\$ 75,000	\$ 182,000	08/28/19	\$ 75,000	\$ 332,000	Operations	0	0
18-SB-105089-CB		4	Feeder Wire Rehabilitation & Substation Waterproofing at MO-05	Change in Scope	Wissehr Electrical	15%	\$ 318,800	\$ 10,557	07/12/19	\$ (9,963)	\$ 319,395	FTA MO-05-0028 & Prop M	180	2
17-RFP-103340-MD		2	On Call Public Relations and Community Engagement Support	Option Yr 2	The Hauser Group, Inc.	0%	\$ 66,667	\$ 120,000	09/06/19	\$ 120,000	\$ 306,667	Operations	0	0
13-RFP-5991-DR/VH/MD	8	1	On-Call Information Technology Consulting Services	Time Extension/ Additional Funds	Randstad Technologies	0%	\$ 119,600	\$ -	09/09/19	\$ 119,600	\$ 239,200	Operations	180	1
19-SB-105737-CB		1	Pedestrian Access Control - Fairview Hts., N. Hanley, Forest Park/DB, Delmar and CWE	Additional Funds/Time Extension	Raineri Construction, LLC	10%	\$ 142,650	\$ -	09/09/19	\$ 43,040	\$ 185,690	FTA #MO-217-033, SCCTD & Prop M	160	1
16-RFQ-101805-DAB		4	Bus and Van Inspection	Option Yr 4	First Transit, Inc	0%	\$ 42,744	\$ 110,953	08/21/19	\$ 30,000	\$ 183,697	SCCTD, MO 2017-033, Prop M, MO 2016-006	0	0
16-RFP-103214-MD		3	License Monitoring Program	Additional Funds / Option Yr 1	Embark Safety	0%	\$ 67,437	\$ 73,719	07/11/19	\$ 42,192	\$ 183,348	Operations	0	0
18-RFP-104818-CG		1	Systemwide Signage & Wayfinding Design	No Cost Time Extension	MERJE	0%	\$ 159,784	\$ -	08/28/19	\$ -	\$ 159,784	N/A	180	1



Prevailing Wage Report Fiscal Year 2020 - July 1, 2019 - September 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
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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: 03/01/2017
3145341030 David Mason & Associates	Start Date: 05/01/2018
3142003550 Enterprise Industrial Construction	Start Date: 07/15/2016
314-329-9300 Flooring Systems	Start Date: 06/01/2017
314-892-7622 Gateway Fire Protection Systems, Inc	Start Date: 05/01/2017
3149977440 GEOTECHNOLOGY, INC.	Start Date: 06/01/2016
6364091115 Hawkins Construction & Flatwork Contracting	Start Date: 07/21/2017
3145346664 ICS CONSTRUCTION SERVICES	Start Date: 06/01/2017
314-658-5203 Kaemmerlen Electric Company	Start Date: 04/25/2016
3148723400 KMEIER Roof Systems, Inc	Start Date: 01/02/2017

618-277-4280 MAYER LANDSCPAING INC	Start Date: 06/01/2016
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 LAWCARE 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
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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
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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	
	Contract Amount: \$179,920.00		
3147710868			
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 CORT

Project Control ID: Is Community Hiring Goal a Requirement: No

Prime Contractor	Subcontractor	Sub Subcontractor	Sub Sub Subcontractor	Sub Sub Sub Subcontractor
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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 CORTEZ

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 ,

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 CORTE

Project Control ID: Is Community Hiring Goal a Requirement: No

Prime Contractor	Subcontractor	Sub Subcontractor	Sub Sub Subcontractor	Sub Sub Sub Subcontractor
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6183987575

WISSEHR ELECTRICAL CONTRACTORS

Start Date: 07/30/2017

End 07/31/2018

Contract Amount: \$726,787.03

P.O. BOX 23798 ,
BELLEVILLE , IL 62223

Project: 17-SB-104153-CG BOYLE AVE STN AND CWE PLATFORM EXT PKG 4 - COMMUNICATIONS FTA GRANT MO-79-X004 & COR'

Project Control ID: Is Community Hiring Goal a Requirement: No

Prime Contractor	Subcontractor	Sub Subcontractor	Sub Sub Subcontractor	Sub Sub Sub Subcontractor
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3145322000

SACHS ELECTRIC

Start Date: 08/23/2017

End 03/01/2018

Date:

PO BOX 96 ,
ST. LOUIS , MO 63166

3144205550

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
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6183379494

L. KEELEY CONSTRUCTION, INC.

Start Date: 08/16/2017

End 12/31/2017

573-893-2335

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**

3149391701

D&K Welding

Start Date: **03/13/2019**

3142911111

Drilling Service Co.

Start Date: **03/01/2019**

314-291-1111

DRILLING SERVICE CO

Start Date: **03/06/2019**

5738932335

Meyer Electric Compnay, Inc.

Start Date: **03/01/2019**

3147850078

BRK ELECTRICAL CONTRACTORS LLC

Start Date: **08/01/2019**

Contract Amount: **\$182,720.00**

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-X00				
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 , 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 , BELLEVILLE , IL 62223				
6369378300				

D & S FENCING CO INC		Start Date: 10/01/2018			
LC9738124		Contract Amount: \$26,420.00			
D&S Fencing Co., Inc		Start Date: 10/07/2018		End Date:	06/01/2019
3146675913		Contract Amount: \$26,420.00			
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 , 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. , 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 , 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. , 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 Date:	07/31/2018
655 LANDMARK DRIVE , 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 ,				

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 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 06/30/2019
Contract Amount: \$142,650.00

1300 Hampton Avenue Ste 200 ,
ST. LOUIS , MO 63109

LC9892717

Empire Fence and Custom Iron Works, Inc. Start Date: 08/01/2019

Project: 19-SB-106178-FP Wellston Walkway and Drainage Improvements

Project Control ID: Is Community Hiring Goal a Requirement: No

Prime Contractor **Subcontractor** **Sub Subcontractor** **Sub Sub Subcontractor** **Sub Sub Sub Subcontractor**

6362962012

KOZENY WAGNER

Start Date: 08/27/2019 End 12/27/2019
Date:

951 WEST OUTER ROAD ,
ARNOLD , MO 63010

**PROCUREMENT CARD PROGRAM
ADMINISTRATIVE REVIEW STATISTICS
JULY 1, 2019 - September 30, 2019**

	1ST QUARTER FY20		FY2020 YTD TOTAL	
	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT
TOTAL TRANSACTIONS	4044	\$ 1,400,653	4044	\$ 1,400,653
TRANSACTIONS REVIEWED	4044	\$ 1,400,653	4044	\$ 1,400,653
PERCENTAGE REVIEWED	100%	100%	100%	100%
TRANSACTIONS INVESTIGATED	138	\$ 119,129	138	\$ 119,129
PERCENTAGE OF TOTAL INVESTIGATED	3.4%	8.5%	3.4%	8.5%
CONFIRMED PROCEDURAL VIOLATIONS	7 TRANS 2 INCIDENTS	\$ 9,214	7 TRANS 2 INCIDENTS	\$ 9,214
CONFIRMED VIOLATION PERCENTAGE OF TOTAL	0.0%	0.7%	0.0%	0.7%
TRANSACTIONS WITH SALES TAX	15	\$ 3,160	15	\$ 3,160
SALES TAX CHARGED	11	\$ 121	11	\$ 121
PERCENTAGE OF TOTAL TRANSACTIONS WITH SALES TAX	0.4%	0.2%	0.4%	0.2%
REFUNDED SALES TAX	4	\$ 104	4	\$ 104

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: James J. Cali, CPA
Chief Audit Executive
Subject: **State Safety Oversight-Safety Accident & Incident Investigations Audit**
Briefing Paper No. 20-08
Disposition: Information
Presentation: James J. Cali, Chief Audit Executive

Objective:

To present to the Committee the “Final” State Safety Oversight (SSO) – Safety Accident & Incident Investigations Audit for Information Only.

SSO Policy:

With the implementation of the Federal Transit Authority (FTA) new regulations for SSO Programs, changes to the Bi-State Development (BSD) Internal Audit Process are needed. In order for the SSO to be in compliance with the provisions of “The Moving Ahead for Progress in the 21st Century Act of 2012” (MAP-21), coupled with the FTA’s requirement for all SSO Agencies to develop and issue new SSO Rules as set forth in 49 Code of Federal Regulations (CFR) Part 674 issued in 2016, the SSO issued in April 2018, the *Bi-State Safety Oversight Program Standards Manual For Oversight Of MetroLink* herein referred to as the “**New Program Standard.**”

The New Program Standard requires that all SSO audits must be conducted by individuals or firms that are independent from the function being audited and be free of any conflict of interest and/or the appearance of a conflict of interest. The New Program Standard’s audit requirement now precludes the Safety Department from performing any SSO audits; therefore, the responsibility for performing all the required SSO audits now rests with the Internal Audit Department (IAD).

Background:

In accordance with the SSO approved Calendar Year 2019 Audit Work Plan, the Internal Audit Department (IAD) performed an audit of the State Safety Oversight - Safety Accident & Incident Investigations for the period of January 1, 2018, through December 31, 2018.

Beginning in 2009, the SSO requested the IAD to begin working with the Safety Department to perform various safety and security audits in accordance with the SSO’s Triennial Audit Program. The SSO Triennial Audit Program requires 20 safety audits and 12 security audits be completed within a predetermined three (3) year period. To date, IAD has exclusively performed

SSO's safety and security audits for elements in which the Safety Department has had operational involvement and; thus, would not be considered to be independent.

The purpose of this audit was to:

1. Ensure Accident/Incident Investigation policies and procedures are understood and implemented properly;
2. Confirm Accident/Incident Investigation policies and procedures are in accordance with the SSO regulations;
3. Verify Metro Transit employees successfully perform their duties related to the Accident/Incident Investigation process;
4. Verify the rail transit agency, Metro Transit notifies the State Safety Oversight agency within two (2) hours of any accident/incident involving a rail transit vehicle or taking place on rail transit-controlled property;
5. Verify Metro Transit is conducting an accurate and complete investigation of the accident/incident as defined by Metro Transit's System Safety Program Plan (**SSPP**);
6. "Assure the highest level of safety for customers, employees and all others who may come in contact with Metro Transit's services and facilities" (SSPP, Revision 12, January 2015); and
7. Verify the Accident/Incident Investigation procedures are carried out in accordance with the Metro Transit's Safety Department Standard Operation Procedures (**SOP**) 4.1 through 4.8.

Conclusion

We believe that our audit provides a reasonable basis for our conclusions. Based upon the completion of this audit, the IAD is of the opinion that the Safety Department is in compliance with all policies and procedures. The internal controls were found to be satisfactory, and no exceptions were noted regarding the SSPP audit of *Chapter 10 SSPP Safety Accident & Incident Investigations*.

During the course of this audit, the employees of the Safety Department were very cooperative and provided the auditors with valuable assistance. The IAD wishes to acknowledge their support and courtesies they extended during this engagement.

Risk Assessment

The Risk Assessment for this SSPP element was determined to be low. A low rating was established for this element because the SSO, in conjunction with the FTA, requires that an audit of each SSPP element be performed at least once every three (3) years.

Analysis

In accordance with the New Program Standard's audit requirement, coupled with the internal safety and security audit provisions contained in 49 CFR Part 674 requiring SSO members to be more involved in the audit process, the IAD SSO Internal Audit Process is as follows:

- ***Step 1** – Upon completion of a SSO Audit, the IAD will present the draft audit report to the BSD Executive Safety & Security Committee. The BSD Executive Safety & Security Committee as defined in the System Safety Program Plan (SSPP) for MetroLink Rail fixed Guideway System, Revision 15.*
- ***Step 2** – Once the draft SSO audit report is approved by the BSD Executive Safety & Security Committee, then the draft SSO audit report will be submitted to the SSO for review and final approval.*
- ***Step 3** – All approved SSO audit reports will be presented to the BSD Audit, Finance and Administration Committee as “information items.”*

Findings and Recommendations:

There are no “Findings and Recommendations” to the review of the State Safety Oversight-Safety Accident & Incident Investigations Audit.

Observations and Improvements:

There are no “Observations and Improvements” to the review of the State Safety Oversight-Safety Accident & Incident Investigations Audit.

Committee Action Requested:

This material is presented for information only; therefore, no action is required of the Combined Committee. The “Draft” State Safety Oversight – Safety Accident & Incident Investigations Audit was reviewed and approved by the BSD Executive Safety and Security Committee on October 17, 2019. On November 19, 2019, the State Safety Oversight Committee also reviewed and approved the Safety Accident & Incident Investigations Audit.

Attachment:

1. Final – SSO – Safety Accident & Incident Investigations Audit

Open Session Item 22
Attachment 1

**INTERNAL AUDIT DEPARTMENT
MANAGEMENT ADVISORY REPORT**

BI-STATE DEVELOPMENT

**STATE SAFETY OVERSIGHT – SAFETY
ACCIDENT AND INCIDENT INVESTIGATIONS
AUDIT**

(For the period January 1, 2018, through December 31, 2018)

**Date Report to be presented to the State Safety Oversight Committee:
November 19, 2019**

**Date Report to be presented to the Executive Safety and Security Committee:
October 17, 2019**

**JAMES J. CALI, CPA, CFF, CGMA
*CHIEF AUDIT EXECUTIVE***

**GARY T. SMITH
*INTERNAL AUDITOR (TRANSIT)***

**RITA T. MARION
*EXECUTIVE ASSISTANT***

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT**

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**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
EXECUTIVE SUMMARY**

SCOPE

In accordance with the State Safety Oversight (SSO) approved Calendar Year 2019 Audit Work Plan, the Internal Audit Department (IAD) performed an audit of the SSO - Safety Accident and Incident Investigations for the audit period January 1, 2018, through December 31, 2018.

OBJECTIVES

The purpose of this audit was to:

1. Ensure Accident/Incident Investigation policies and procedures are understood and implemented properly;
2. Confirm Accident/Incident Investigation policies and procedures are in accordance with the SSO regulations;
3. Verify Metro Transit employees successfully perform their duties related to the Accident/Incident Investigation process;
4. Verify the rail transit agency, Metro Transit, notifies the SSO agency within two (2) hours of any accident/incident involving a rail transit vehicle or taking place on rail transit-controlled property;
5. Verify Metro Transit is conducting an accurate and complete investigation of the accident/incident as defined by Metro Transit's System Safety Program Plan (SSPP);
6. Assure the highest level of safety for customers, employees and all others who may come in contact with Metro Transit's services and facilities (SSPP, Revision 15, January 2018); and
7. Verify the Accident/Incident Investigation procedures are carried out in accordance with the Metro Transit's Safety Department Standard Operation Procedures (SOP) 4.1 through 4.8.

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
EXECUTIVE SUMMARY**

METHODOLOGY

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (**IIA**). These professional standards require that we plan and perform the audit in a manner to obtain a reasonable basis for our judgment and conclusions. This audit includes an assessment of applicable internal controls and compliance with requirements of laws, rules, and regulations, when necessary, to satisfy the stated objectives for the audit.

The IAD performs audits in accordance with the appropriate professional standards, ensures proper accountability of public funds, and adds value by promoting a control environment through open communication, professionalism, expertise and trust.

The review included examining, on a test basis, evidence to determine whether the system of internal controls is operating as designed. There is compliance with applicable laws, rules, regulations and policies, and operations are well-defined and managed.

The procedures performed to evaluate the audit objectives were as follows:

- A review of the 49 Code of Federal Regulations (**CFR**) Part 674;
- A review of the Federal Transit Administration (**FTA**) guidelines, policy and procedures;
- An analysis of the Safety and Security Guidelines, set by the FTA in terms of the Safety Department's cooperation;
- Meetings with members of Metro Transit's Safety and MetroLink Operations Departments regarding the MetroLink Light Rail system accidents to be reviewed;
- An evaluation of the reported accidents to confirm that the guidelines were followed and set by the FTA and Metro Transit;
- Recommendations to be requested for handling similar accidents; and
- Reviewing the previous audit on Accident/Incident Investigation to ensure the recommendations have been implemented.

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
EXECUTIVE SUMMARY**

CONCLUSION

We believe that our audit provides a reasonable basis for our conclusions. Based upon the completion of this audit, the IAD is of the opinion that the Department of Safety is in compliance with all policies and procedures. The internal controls were found to be satisfactory, and no exceptions were noted regarding the SSPP audit of *Chapter 10 - Safety Accident and Incident Investigations*.

During the course of this audit, the employees of the Department of Safety was very cooperative and provided the auditors with valuable assistance. The IAD wishes to acknowledge their support and courtesies they extended during this engagement.

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
LETTER OF TRANSMISSION**

BACKGROUND

BSD and Metro Transit work with the Missouri Department of Transportation (**MoDOT**) and the Illinois Department of Transportation (**IDOT**) to evaluate the Safety Oversight duties. The agency cooperation and collaboration is guided by a formal Memorandum of Understanding (**MOU**) between the two (2) agencies. The single SSO program standard, contained herein, documents Rail Fixed Guideway Systems (**RFGS**) and Safety Oversight Agency activities to implement the State Oversight Rule, and 49 CFR Part 674. The Safety Oversight Agency and Metro Transit implement policies for SSO Agency communication with the Federal Transit Administration (**FTA**), including initial, annual and periodic submissions. MoDOT and IDOT Safety Oversight Program Managers meet quarterly with staff members from BSD and Metro Transit to facilitate coordination and collaboration with respect to Safety and Security Oversight Program (**SSOP**) issues. At the Safety Oversight meeting with Metro Transit, plans were discussed for internal safety programs, Corrective Action Plans (**CAP's**), and other open issues related to the SSOP. The SSOP Managers also participate in the regular meetings of the BSD Executive Safety and Security Committee.

Each year the MoDOT and IDOT SSOP Managers direct IAD to perform a variety of safety and security audits to ensure that the MetroLink's operations and maintenance are in compliance with the SSPP and System Security Plan (**SSP**).

RISK ASSESSMENT

The Risk Assessment for this SSPP element was determined to be low. A low rating was established for this element because the SSO, in conjunction with the FTA, requires that an audit of each SSPP element be performed at least once every three (3) years.

According to the (**IIA**), risk is defined as the possibility that an event will occur, which will impact an organization's achievement of objectives. There are many forms of risk in an organization, including IT risk, financial risk, operational risk, network security risk, and personnel risk. To address risks more effectively, IAD works with Management to prepare an annual Risk Assessment to identify, assess the risk associated with potential events and/or situations.

The goal of Internal Audit is to have an effective risk management analysis in order to allocate audit resources to mitigate the risks that may have a negative impact on the organization.

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
LETTER OF TRANSMISSION**

Once risks are identified, the likelihood level of the risk is classified as either High, Medium, or Low.

- **High Risk** – The source of the threat is highly motivated and sufficiently capable, and controls that could prevent the vulnerability from being realized are somewhat ineffective. High Risks may result in large costly loss of assets; and/or significantly violate, harm, or impede operations; and/or cause serious personal injury and/or death.
- **Medium Risk** – The threat’s source is motivated and capable, but controls are in place that may impede a successful exercise of the vulnerability. Medium risks may result in a costly loss of assets; and/or violate, harm, or impede operations; and/or cause personal injury.
- **Low Risk** – The threat’s source lacks motivation or capability, and controls are in place to prevent or significantly impede the vulnerability from being exercised. Low Risks may result in the loss of some assets and/or may have a minor noticeably affect upon certain operations.

DOCUMENTS REVIEWED

During the audit, the IAD reviewed the following documents to provide valuable evidence for the audit:

- FTA - 49 Code of Federal Regulations Part 674 (**CFR**)
- Metro Transit Safety Department’s SOP ‘s 4.1 thru 4.8
- FTA 2019 Safety and Security Reporting Manual
- SSO Audit Report on previous Accidents and Investigations
- Department of Safety I://Drive 2018 Reporting File (Investigations – 12 Sample reports)

PERSONNEL INTERVIEWED

The following personnel were interviewed during the audit process and also provided documentation and information for the audit:

- | | |
|-------------------------|---|
| – Andrew Ghiassi | Director of Safety/Chief Safety Officer |
| – James Smith | Safety Auditor II |
| – Bob Wilson | Safety Auditor III |

**BI-STATE DEVELOPMENT
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
OBSERVATIONS AND IMPROVEMENTS**

COMPLIANCE ANALYSIS

The IAD coordinated with the Safety Department to find a sample of accidents on file involving the MetroLink Light Rail Vehicles (**LRV**) during the Audit period of January 01, 2018, through December 31, 2018. During 2018, four (4) accidents through December 31, 2018, were both required to be reported and were reported to the SSO.

The IAD reviewed the information received and determined that the accidents were properly investigated and issues were appropriately communicated to the SSO.

**METRO
INTERNAL AUDIT DEPARTMENT
STATE SAFETY OVERSIGHT-
SAFETY ACCIDENT AND INCIDENT INVESTIGATIONS AUDIT
GLOSSARY**

BSD	Bi-State Development
CAP	Corrective Action Plan
CFR	Code of Federal Regulations
FTA	Federal Transit Administration
FY	Fiscal Year
IAD	Internal Audit Department
IDOT	Illinois Department of Transportation
IIA	Institute of Internal Auditors
LRV	Light Rail Vehicle
MODOT	Missouri Department of Transportation
RFGS	Rail Fixed Guideway System
SCCTD	St. Clair County Transit District
SOP	Standard Operation Procedures
SSO	State Safety Oversight
SSOP	Safety and Security Oversight Program
SSP	System Security Plan
SSPP	System Safety Program Plan

Open Session Item

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**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: James J. Cali, CPA
Chief Audit Executive
Subject: **Treasury-Safekeeping Quarterly Accounts –Ending September 30, 2019**
Briefing Paper No. 20-10
Disposition: Information
Presentation: James J. Cali, Chief Audit Executive

Objective:

To provide the Committee with the results of the Treasury - Safekeeping Quarterly Accounts Audit, ending September 30, 2019.

Background:

In accordance with the FY2020 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 September 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 September 30, 2019.

At September 30, 2019, BSD had approximately \$59.8 million in US Treasury and Government Agency Securities. Sales tax capital represented \$45.9 million, Self-Insurance funds consisted of approximately \$2.4 million, internally restricted funds represented \$2 million, FTA funds represented \$8.5 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 September 30, 2019.

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Attachment 1

Internal Audit Department
INDEPENDENT VERIFICATION for SAFEKEEPING ACCOUNTS
Ending September 30, 2019

ATTACHMENT

The Treasurer's Report as of September 30, 2019, indicates the following U. S. Securities held in Agency Safekeeping Accounts:

Issuer-Investment (Bank Safekeeping Agent)	Treasurer's Report Balance Stated At Market Value	Confirmed Balance Per Bank Agent Stated At Fair Value	Variance	Description/Disposition
Farm Credit Bank (Bank of America)	\$23,972,483.00	\$23,972,484.91	\$1.91	N/A
Federal Home Loan (Bank of America)	\$19,011,490.00	\$19,011,490.27	\$0.27	N/A
U.S. Treasury Bills (Bank of America)	\$14,482,473.00	\$14,482,473.00	\$0.00	N/A
U.S. Treasury Bills (Jefferson Bank & Trust)	\$2,366,662.00	\$2,405,000.00	\$38,338.00	Treasurer's Report shows this Security at Market Value. Treasury Confirmation from JBT is shown at Par Value.
Total	\$59,833,108.00	\$59,871,448.18	\$38,340.18	

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.

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda item
January 24, 2020**

From: James J. Cali, CPA
Chief Audit Executive
Subject: **Internal Audit Follow-Up Summary – 2nd Quarter FY2020**
Briefing Paper No. 20-12
Disposition: Information
Presentation: James J. Cali, Chief Audit Executive

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 2nd Quarter Fiscal Year (**FY**) 2020.

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.

In response to the InterCompany Account Balances Audit that was presented to the Board of Commissioners on September 27, 2019, it was suggested that IAD inform the Board of Commissioners of the InterCompany Account Balances quarterly.

Below is the status of the InterCompany Account Balances as of September 30, 2019.

Entities that are owed money:

- Transit was due \$ 5,591,618 from others; and
- The Worker's Compensation Internal Service Fund was due \$ 729,559 from others.

Entities that owe money to others:

- The Gateway Arch owed others \$4,566,382;
- The Casualty Internal Service Fund owed others \$734,320;
- Riverfront Attractions owed others \$507,967;
- The Health and Welfare Internal Service Fund owed others \$245,730;
- The St. Louis Regional Freightway owed others \$113,111;;
- The St. Louis Downtown Airport owed others \$99,235
- Executive Services owed others \$30,892;
- The Research Institute owed others \$23,516; and
- Arts In Transit owed others \$24.

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.

**Second Quarter-FY2020 Audit Follow-Up
Executive Summary**

Report Name	Number of Recommendations	Completed	Outstanding – Not Overdue	Overdue
Compliance & Fraud Helpline Audit	5	4	1	0
InterCompany Account Balances Audit	7	4	3	0
ADA “No Show” Policy Audit	7	3	4	0
Fare Collection System Project Audit	2	2	0	0
Small Purchase Requisition Audit	7	2	5	0
Accounts Receivables Core Credits Audit	3	0	3	0
Passenger Revenue-Working Funds Count Audit	5	5	0	0
Casualty Claims Audit	19	14	5	0
Contract Services - Vehicle Maintenance Audit	3	3	0	0
Benefits in Arrears Audit	12	12	0	0
Payroll Hours of Service Audit	14	11	3	0
Accounts Receivables Audit	5	5	0	0
Drug and Alcohol Program Testing Audit - FY2017	11	10	1	0
ID Badge Access Audit	19	19	0	0
Fuel Inventory Audit	6	6	0	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
TOTAL	148	120	28	0

COMPLETED FOLLOW-UP AUDIT REPORTS:

1. Contract Services-Vehicle Maintenance-Closed 3rd Quarter-FY2019
2. Accounts Receivables Audit-Closed 3rd Quarter-FY2019
3. SSO-Safety Data Collection & Analysis Audit- Closed 4th Quarter-FY2019
4. SSO-Safety Policy Audit-Closed 4th Quarter-FY2019
5. SSO-Safety Goals and Objectives Audit- Closed 4th Quarter-FY2019
6. Passenger Revenue-Working Funds Count Audit- Closed 4th Quarter-FY2019
7. Fare Collection System Project 1279 Audit- Closed 4th Quarter-FY2019
8. ID Badge Access Audit- Closed 4th Quarter-FY2019
9. Fuel Inventory Audit- Closed 1st Quarter-FY2020
10. Benefits in Arrears Audit-Closed 2nd Quarter-FY2020

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: James J. Cali, CPA, CFF, CGMA
Chief Audit Executive
Subject: **Internal Audit Status Report – 2nd Quarter FY2020**
Briefing Paper No. 20-15
Disposition: Information
Presentation: James J. Cali, Chief Audit Executive

Objective:

To present to the Committee the Internal Audit Department's (**IAD**) Status Report for the 2nd Quarter Fiscal Year (**FY**) 2020.

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.

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 – 2nd Quarter FY2020
2. Internal Audit Status Report – Special Projects – 2nd Quarter FY2020

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Attachment 1

Fiscal Year 2020 - 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 2019		Ongoing	51.41%	620.00	134.25	184.50	318.75	301.25
Quarterly IAD Status Report	July 2019		Ongoing	20.63%	240.00	31.00	18.50	49.50	190.50
Quarterly Treasury Safekeeping Audit	July 2019		Ongoing	15.94%	240.00	18.00	20.25	38.25	201.75
On-Call Bi-State Research Institute Consulting Services - IAD Time	December 2016		In Progress	69.58%	240.00	167.00	0.00	167.00	73.00
Passenger Revenue - Pass Unit	February 2018	August 2019	Complete	100.00%	1,000.00	938.50	0.00	938.50	61.50
Self-Funded Insurance Medical Claims Audit - IAD Time	July 2018		In Progress	71.88%	120.00	55.00	31.25	86.25	33.75
Due To and Due From Inter-Company Account Balance Audit	December 2018	August 2019	Complete	100.00%	480.00	416.75	0.00	416.75	63.25
Fuel Hedging Program Audit - IAD Time	January 2019		In Progress	49.17%	240.00	54.50	63.50	118.00	122.00
Disadvantaged Business Enterprise (DBE) - "Mock" Triennial Audit	June 2019		In Progress	68.96%	720.00	294.00	202.50	496.50	223.50
Bi-State Research Institute Audit	May 2019		In Progress	52.71%	120.00	45.25	18.00	63.25	56.75
Compliance & Fraud Helpline Audit	March 2019	August 2019	Complete	100.00%	240.00	239.75	0.00	239.75	0.25
Passenger Revenue - Fare Box Audit	June 2019		In Progress	96.35%	240.00	171.75	59.50	231.25	8.75
ADA "No Show Policy" Audit	June 2019	October 2019	Complete	100.00%	240.00	214.75	5.50	220.25	19.75
Subtotal Audit Hours					4,740.00	2,780.50	603.50	3,384.00	1,356.00

Fiscal Year 2020 - Audit Plan	Start Date	Completion Date	Status	Completion Rate (Percentage)	Budget	Hours Previous Periods	Hours This Quarter	Total Hours	Hours Remaining
Office Supply Program Audit	June 2019		In Progress	81.88%	240.00	142.00	54.50	196.50	43.50
Cortex Metrolink Station Project Audit	July 2019		In Progress	2.64%	360.00	9.00	0.50	9.50	350.50
Procurement Card Audit	November 2019		In Progress	68.54%	120.00	0.00	82.25	82.25	37.75
Facility Lost & Found Audit				0.00%	240.00	0.00	0.00	0.00	240.00
Customer Service Audit				0.00%	360.00	0.00	0.00	0.00	360.00
Freightway USDOL Grant - Truck Driver Apprentice Program Audit				0.00%	160.00	0.00	0.00	0.00	160.00
Legal Expenses Audit	September 2019		In Progress	74.17%	240.00	13.00	165.00	178.00	62.00
Embark Safety Audit				0.00%	120.00	0.00	0.00	0.00	120.00
Small Grants Audit				0.00%	240.00	0.00	0.00	0.00	240.00
Employees on Medical Hold Audit	December 2019		In Progress	6.25%	240.00	0.00	15.00	15.00	225.00
Arch and Riverboat Ticket Sales Audit				0.00%	360.00	0.00	0.00	0.00	360.00
St. Louis Downtown Airport Revenue Audit				0.00%	240.00	0.00	0.00	0.00	240.00
DataServ Audit				0.00%	120.00	0.00	0.00	0.00	120.00
Shift Pick Audit				0.00%	240.00	0.00	0.00	0.00	240.00
Customer Contact Responsiveness Audit				0.00%	240.00	0.00	0.00	0.00	240.00
Subtotal Audit Hours					3,520.00	164.00	317.25	481.25	3,038.75

Fiscal Year 2020 - Audit Plan	Start Date	Completion Date	Status	Completion Rate (Percentage)	Budget	Hours Previous Periods	Hours This Quarter	Total Hours	Hours Remaining
Armored Car Contract Audit				0.00%	240.00	0.00	0.00	0.00	240.00
Worker's Compensation Self-Insurance Fund Audit				0.00%	360.00	0.00	0.00	0.00	360.00
Payroll Hours of Service Audit				0.00%	360.00	0.00	0.00	0.00	360.00
Ticket Vending Machines (TVM's) Audit				0.00%	240.00	0.00	0.00	0.00	240.00
FY 2021 Annual Audit Plan & Risk Assessment				0.00%	120.00	0.00	0.00	0.00	120.00
Grand Total Annual Audit Plan					9,580.00	2,944.50	920.75	3,865.25	5,714.75

Fiscal Year 2020 - Audit Plan Summary On-Call Contract Audit Hours	Start Date	Completion Date	Status	Completion Rate (Percentage)	Budget	Hours Previous Periods	Hours This Quarter	Total Hours	Hours Remaining
Fuel Hedging Program Audit - On-Call Contract				0.00%	480.00	0.00	0.00	0.00	480.00
Research Institute Consulting - On-Call Contract	April 2017		In Progress	67.83%	480.00	323.60	2.00	325.60	154.40
Self-Funded Insurance Medical Claims Audit - On-Call Contract	February 2019		In Progress	92.62%	620.00	560.75	13.50	574.25	45.75
Total On-Call Contract Audit Hours					1,580.00	884.35	15.50	899.85	680.15

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Attachment 2

Fiscal Year 2020 Special Projects	Start Date	Completion Date	Status	Completion Rate (Percentage)	Budget	Hours Previous Periods	Hours This Quarter	Total Hours	Hours Remaining
Board Meeting / Audit Committee Preparations and Meetings			Ongoing			126.50	88.25	214.75	
CEO Meetings/Projects			Ongoing			16.25	0.00	16.25	
DBE Application Review			Ongoing			0.00	27.00	27.00	
IAD Audit Research / Reading			Ongoing			56.00	59.50	115.50	
Records Retention			Ongoing			57.50	72.00	129.50	
Training & Professional Development			Ongoing			69.75	143.75	213.50	
Total Special Projects Hours						326.00	390.50	716.50	0.00

**Bi-State Development Agency
Combined Operations Committee and
Audit, Finance & Administration Committee
Agenda Item
January 24, 2020**

From: James J. Cali, CPA
Chief Audit Executive
Subject: **Internal Audit State Safety Oversight Status Report – 4th Quarter Calendar Year 2019**
Briefing Paper No. 20-16
Disposition: Information
Presentation: James J. Cali, Chief Audit Executive

Objective:

To present to the Committee the Internal Audit Department's (**IAD's**) State Safety Oversight (**SSO**) Status Report for the 4th 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 4th Quarter. The following Audits were submitted, approved and closed by the State Safety Oversight (**SSO**) Committee on November 19, 2019.

- SSO-Security Training & Certification
- SSO-Safety Accident & Incident Investigations

The following “Draft” Audits were completed by SSO Internal Auditor, Gary Smith and submitted to the Department of Public Safety for Management responses.

- Draft SSO-Security Data Collection & Analysis Audit
- Draft SSO-Security Incident Notification & Investigation Audit

The following Audits were initiated and are in process by SSO Internal Auditor, Gary Smith, during the 4th Quarter.

- SSO-System Modification Review and Approval Audit
- SSO- Configuration Management Audit

During this 4th Quarter, Mr. Smith completed the Transportation Safety Institute (**TSI**) required online Safety Management System (**SMS**) course and the Transit Safety and Security Audit class, which resulted in tangible certifications.

During this 4th Quarter, Mr. Smith also assisted the Bi-State Development (**BSD**) Department of Safety by assisting the Department of Safety 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.

Attachment:

1. Internal Audit SSO Status Report – 4th 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	84.17%	120.00	83.50	17.50	101.00	19.00
Training & Professional Development	January 2019		Ongoing	98.91%	320.00	268.50	48.00	316.50	3.50
FTA Required Rail Security Audit - Security Training & Certifications	January 2019	November 2019	Complete	100.00%	320.00	277.75	12.00	289.75	30.25
FTA Required Rail Safety Audit - Safety Policy	January 2019	March 2019	Complete	100.00%	160.00	129.50	0.00	129.50	30.50
FTA Required Rail Safety Audit - Safety Goals & Objectives	January 2019	March 2019	Complete	100.00%	120.00	83.50	0.00	83.50	36.50
FTA Required Rail Safety Audit - Accident & Incident Investigations	April 2019	November 2019	Complete	91.09%	320.00	256.00	35.50	291.50	28.50
FTA Required Rail Security Audit - Security Data Collection & Analysis	July 2019		In Progress	96.88%	160.00	54.50	100.50	155.00	5.00
FTA Required Rail Safety Audit - Security Incident Notification & Investigation	July 2019		In Progress	92.36%	180.00	67.50	98.75	166.25	13.75
FTA Required Rail Safety Audit - Control, Review & Approval of SSPP				2.50%	120.00	0.00	3.00	3.00	117.00
FTA Required Rail Safety Audit - System Modification Review & Approval	October 2019		In Progress	37.71%	120.00	0.00	45.25	45.25	74.75
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						1,454.75	360.50	1,815.25	884.75

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	October 2019		In Progress	28.54%	120.00	0.00	34.25	34.25	85.75
FTA Required Rail Safety Audit - Drug & Alcohol Program	September 2019		In Progress	1.09%	320.00	1.00	2.50	3.50	316.50
FTA Required Rail Safety Audit - Procurement Process				0.00%	80.00	0.00	0.00	0.00	80.00
SSO Litigation Support	December 2019		In Progress	9.27%	240.00	0.00	22.25	22.25	217.75
Grand Total Annual Audit Plan					3,680.00	1,455.75	419.50	1,875.25	1,804.75