BI·STATE DEVELOPMENT

Board of Commissioners

April 22, 2016, 8:00 a.m.

Notice of Meeting and Agenda

Bi-State Development
Board of Commissioners
Friday, April 22, 2016, 8:00 a.m.

Headquarters - Board Room, 6th Floor
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 Metro 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	Chairman Dietzel
2. Roll Call	Quorum	S. Bryant
3. Minutes of February 26, 2016, Open Session Board Meeting	Approval	Chairman Dietzel
4. Report of Treasurer	Information	Commissioner Buehlhorn
5. Report of President	Information	J. Nations
6. Business Services & Economic Development Committee Report	Information	Commissioner Holman
7. Finance & Administration Committee Report	Information	Commissioner Kicielinski
8. Adjustment of Consent Agenda	Approval	Chairman Dietzel
9. Consent Agenda Item(s)	Approval	Chairman Dietzel
(a) Sole Source Contract Award: Gateway Fire Protection Systems, Incorporated (Finance & Administration Committee Recommends Approval)	Approval	J. Nations / R. Friem / L. Jackson
(b) Disadvantaged Business Enterprise Program (Finance & Administration Committee Recommends Approval)	Approval	J. Nations / F. Lyles-Wiggins / L. Jackson
(c) Fiscal Year 2017 Fare Recommendation (Finance & Administration Committee Recommends Approval)	Approval	J. Nations / R. Friem
10. Bi-State Development Operating and Capital Budget, Fiscal Years 2017 – 2019 (Finance & Administration Committee Recommends Approval)	Approval	J. Nations / K. Klevorn / T. Beidleman / M. Vago
11. Contract Modification (Time Extension and Contract Value Increase) With Arcturis, Inc. for Civic Center Transit Center	Approval	J. Nations / R. Friem / F. Bakarich / L. Jackson
12. Financial Statements – Second Quarter, Fiscal Year 2016 (Presented to Finance & Administration Committee)	Information	J. Nations / K. Klevorn

Agenda	Disposition	Presentation
13. Performance Indicators – Second Quarter, Fiscal Year 2016 (Presented to Finance & Administration Committee)	Information	J. Nations / K. Klevorn
14. Procurement Activity Report – Second Quarter, Fiscal Year 2016 (Presented to Finance & Administration Committee)	Information	J. Nations / L. Jackson
15. Unscheduled Business	Approval	Chairman Dietzel
16. Public Comment*	Information	Chairman Dietzel
17. Call of Dates for Future Board Meetings	Information	S. Bryant
18. 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 under §610.021(1), RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel actions under §610.021(3); discussions regarding negotiations with employee groups under §610.021(9); sealed bids, proposals and documents related to negotiated contracts under §610.021(12); personnel records or applications under §610.021(13); records which are otherwise protected from disclosure by law under §610.021(14); records relating to hotlines established for reporting abuse and wrongdoing under §610.021(16); or confidential or privileged communications with the District's auditor, including auditor work products under §610.021(17).*	Approval	Chairman Dietzel

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.

Open Session Item

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BI·STATE DEVELOPMENT

BI-STATE DEVELOPMENT
BOARD OF COMMISSIONERS MEETING
OPEN SESSION MINUTES
FEBRUARY 26, 2016

Board Members in Attendance

Missouri
Vernal Brown, (absent)
Kelley Farrell
Constance Gully, Vice Chair
Aliah Holman, Secretary
Vincent C. Schoemehl, (present @ 8:01 a.m.)

Illinois
Michael S. Buehlhorn, Treasurer
David Dietzel, Chairman (via phone at 8:01 a.m.)
Irma Golliday (via phone)
Tadas Kicielinski (via phone)
Jeffrey Watson (via phone)

Staff in Attendance
John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Shirley Bryant, Certified Paralegal
Jim Cali, Director of Internal Audit
Ray Friem, Executive Director, Metro Transit
Kathy Klevorn, Sr. Vice President, Chief Financial Officer
Larry Jackson, Executive Vice President for Administration
Jenny Nixon, Executive Director of Tourism Innovation
Barbara Georgeff, Director of Executive Services
Kent Swagler, Director, Corporate Compliance and Ethics
John Langa, Vice President, Economic Development
John Wagner, Project Manager, Economic Development
Richard Zott, Chief of Public Safety
Mark Vago, Controller
Tamara Fulbright, Director, Treasury Services
Michael Gibbs, Accountant, Business Enterprises
Jonathan Frederick, Director, Accounting & Budget
Patti Beck, Director, Communications
Matthew Hibbard, Social Media Communications Manager
Kathy Brittin, Director, Risk Management Safety & Claims
Jerry Vallely, External Communications Manager
Les Nations, Chief MetroBus Operations
Bryant Goston, MetroBus Operator
Bryan Moore, MetroBus Operator
Richard Hines, MetroBus Operator
Cartrel James, Transit Service Manager, Bus Operations
Ted Zimmerman, Director of Marketing
Chance Baragary, Manager, Gateway Arch Construction
Kevin Kloever, Manager Insurance & Analysis
Kerry Kinkade, Acting Vice President, Chief Information Officer
Charles Stewart, Vice President Pension & Insurance

Others in Attendance
William Grogan, St. Clair County Transit District
Greg Dodson, Direct Media
Justin Sobeck, Missouri Department of Transportation

1. **Call to Order**
8:00 a.m. Vice Chair Gully called the Open Session Board Meeting to order at 8:00 a.m.

2. **Roll Call**
8:00 a.m. Roll call was taken.

3. **Minutes of November 20, 2015 Open Session Board Meeting**
8:01 a.m. The November 20, 2015, Open Session Board Meeting minutes were provided in the Board packet. A motion to approve the minutes was made by Commissioner Buehlhorn and seconded by Commissioner Holman. **Motion passed unanimously.**

4. **Report of Treasurer**
8:01 a.m. No presentation was made. This agenda item was informational only. The Treasurer's Report was provided in the Board packet and will be kept at the office of the Deputy Secretary.

****Commissioner Schoemehl joined the meeting at 8:01 a.m.**
****Commissioner Dietzel joined the meeting at 8:01 a.m.**

5. **Report of President**
8:02 a.m. John Nations, President & CEO, introduced Ray Friem, Executive Director, Metro Transit, to recognize the heroic deeds of three MetroBus operators who went above and beyond their duties in assisting an individual involved in a car accident. Mr. Friem introduced Les Nations, Chief MetroBus Operations, who provided the background information that led to their heroic actions. Mr. Nations stated that on a relatively peaceful weekday morning at the Riverview Transfer Center at Riverview and Hall Streets, three MetroBus operators were on a layover at the Center. Suddenly the quiet and stillness of the morning was broken by screeching tires and a crash. They witnessed a vehicle hit a utility pole, roll over on its side and burst into flames near the Center. The engine was still running, and they could see that someone was trapped inside the vehicle. The three operators instinctively and without hesitation grabbed their fire extinguishers and rushed towards the vehicle. They assisted in putting out the flames, helped the individual get out of the vehicle, and provided aid while waiting for the emergency services to arrive. For their heroic deeds Bryant Goston, Bryan Moore, and Richard Hines were commended for their bravery and received special recognition for a job well done.

John Nations, President & CEO, reminded the Board of the opening and ribbon cutting at the new North County Transit Center in Ferguson, Missouri that will take place on March 10 at 10:30 a.m. In conclusion, he reported that the Freight District continues to move ahead with a lot of momentum. Mary Lamie, Executive Director Freight District, recently hosted a region-wide meeting at the Marriott Hotel with approximately one hundred people in attendance.

Vice Chair Gully offered her congratulations to the MetroBus operators for the work they do every day and especially for their heroic deed in rescuing an individual in need.

6. **Operations Committee Report**
8:08 a.m. The January 19, 2016, Operations Committee Open Session Minutes were included in the Board packet. Commissioner Buehlhorn stated that the Operations Committee met in Open Session on January 19, 2016, and the draft minutes of that meeting were in the Board packet at tab #6. He advised that the Committee was introducing four items on the Consent Agenda for Board consideration and approval, as follows: Consent Agenda Item #9(a) Contract Extensions – Time of Performance: Three Contracts for the Jefferson National Expansion Memorial Gateway Arch Exhibit Rehabilitation Project; Consent Agenda Item #9(b) Contract Award to Direct Media USA for Bus Shelter Advertising Sales and Services; Consent Agenda Item #9(c) Letter of Agreement Between Bi-State Development and The Jerry Costello Group, LLC for Consulting Services for the St. Louis Regional Freightway; and Consent Agenda Item #9(d) St. Louis Regional Freightway Council Composition. Other items discussed and presented at the Committee meeting by Ray Friem, Executive Director, Metro Transit, included the First Quarter Operations Report and Capital Projects Update, with a more detailed discussion regarding the Eads Bridge Project, CORTEX – Boyle Avenue Station Project, the North County Transit Center and the Downtown Transfer Center. A copy of the report will be kept at the office of the Deputy Secretary.

7. **Audit Committee Report**
8:09 a.m. The January 22, 2016, Audit Committee Open Session Minutes were included in the Board packet. Audit Committee Chair Gully stated that the Committee met in Open Session on January 22, 2016, and the draft minutes of that meeting were in the Board packet at tab #7. She advised that the Committee reviewed the Internal Audit Status Report and the Internal Audit Follow-Up Summary for the Second Quarter of Fiscal Year 2016. The Safekeeping Quarterly Accounts Audit for September 30, 2015, was also presented. Additionally, the Financial Statements and Performance Indicator for the First Quarter of Fiscal Year 2016 were also discussed. This report was informational only and no Board action was required. A copy of the report will be kept at the office of the Deputy Secretary.

8. **Adjustment of Consent Agenda**
8:10 a.m. There was no adjustment of the Consent Agenda.

9. **Consent Agenda Item(s): 9(a) Contract Extensions – Time of Performance: Three Contracts for the Jefferson National Expansion Memorial Gateway Arch Exhibit Rehabilitation Project (Operations Committee Recommends Approval) (Resolution #741); 9(b) Contract Award to Direct Media USA for Bus Shelter Advertising Sales and Services (Operations Committee Recommends Approval) (Resolution #742); 9(c) Letter of Agreement Between Bi-State Development and The Jerry Costello Group, LLC for Consulting Services for the St. Louis Regional Freightway (Operations Committee Recommends Approval) (Resolution #738); and 9(d) St. Louis Regional Freightway Council Composition (Operations Committee Recommends Approval) (Resolution #745).**
8:10 a.m. A motion to approve the Consent Agenda items was made by Commissioner Schoemehl and seconded by Commissioner Holman. **Motion passed unanimously.**

10. **Financial Statements – First Quarter, Fiscal Year 2016 (Presented to Audit Committee)**
8:10 a.m. The Financial Statements – First Quarter, Fiscal Year 2016 were provided in the Board packet. This report was informational only and no additional presentation was made. A copy of the report will be kept at the office of the Deputy Secretary.

11. **Performance Indicators – First Quarter, Fiscal Year 2016 (Presented to Audit Committee)**
8:10 a.m. The Performance Indicators – First Quarter, Fiscal Year 2016 were provided in the Board packet. This report was informational only and no additional presentation was made. A copy of the report will be kept at the office of the Deputy Secretary.

12. **Unscheduled Business**
8:10 a.m. There was no unscheduled business.

13. **Public Comment**
8:11 a.m. There was no public comment.

14. **Call of Dates for Future Board Meetings**
8:11 a.m. The next Business Services & Economic Development Committee meeting is scheduled for Friday, March 11, 2016, at 8:00 a.m.; the next Finance & Administration Committee/Budget Review Meeting is scheduled for Friday, March 18, 2016, at 8:00 a.m.; and the next Board meeting is scheduled for Friday, April 22, 2016, at 8:00 a.m. The Operations Committee, tentatively scheduled for Tuesday, March 15, 2016, will not be held.

15. **Adjournment to Executive Session - If such action is approved by a majority vote of the Bi-State Development's Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters under §610.021(1); RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel actions under §610.021(3); discussions regarding negotiations with employee groups under §610.021(9); sealed bids, proposals and documents related to negotiated contracts under §610.021(12); personnel records or applications under §610.021(13); records which are otherwise protected from disclosure by law under §610.021(14); records relating to hotlines established for reporting abuse and wrongdoing under §610.021(16); or confidential or privileged communications with the District's auditor, including auditor work products under §610.021(17).**
8:11 a.m. Pursuant to the requirements of Section 610.021(1); 610.021(2); 610.021(14); and 610.021(16); of the Revised Statutes of Missouri, Vice Chair Gully requested a motion to allow the Board to go into closed session. A motion to go into Executive Session was made by Commissioner Buehlhorn and seconded by Commissioner Schoemehl. A roll call vote was taken and the Commissioners present, Farrell, Gully, Holman, Schoemehl, Buehlhorn, Dietzel, Golliday, Kicielinski, and Watson voted to approve this agenda item. **Motion passed unanimously and the Open Session meeting was adjourned.**

Deputy Secretary to the Board of Commissioners
Bi-State Development

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT APPROVING THE EXTENSION OF TIME OF PERFORMANCE FOR CONTRACTS WITH CONFERENCE TECHNOLOIGES INC., HALEY SHARPE DESIGN, AND APERTURE FILMS LTD FOR THE JEFFERSON NATIONAL EXPANSION MEMORIAL GATEWAY ARCH EXHIBIT REHABILITATION PROJECT

PREAMBLES:

Whereas, The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "Agency"/"BSD") is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to plan, construct, maintain, own and operate passenger transportation facilities, and to perform all other necessary and incidental functions, and to disburse funds for its lawful activities, to adopt rules and regulations for the proper operation of its passenger transportation facilities and conveyances, to contract and to be contracted with; and

Whereas, Board Policy Chapter 50, §50.010(G)(2) requires Board approval of contract performance extensions exceeding 180 days; and

Whereas, since early 2015 the Jefferson National Expansion Memorial (JNEM) Gateway Arch Exhibit Rehabilitation Project has been planned to be completed during the scheduled shut down of the Arch from January 4, 2016 through March 3, 2016; and

Whereas, due to City-Arch-River design changes in the future exit ramps for the JNEM it will no longer be safe to allow the public, employees or other contractors access to the areas below the ramps during their construction. Since the primary Agency JNEM rehabilitation work will be located in the areas below the exit ramps it was decided to postpone the Agency work until the coming tram outage scheduled for December, 2016 through February, 2017; and

Whereas, in light of the Agency's work schedule adjustment it is necessary to extend three contracts pertaining to the JNEM rehabilitation project with the following contractors through March 31, 2017: Conference Technologies, Inc., Haley Sharpe Design, and Aperture Films, Ltd. All three contractors have indicated there will be no need for additional costs, so no equitable adjustments are anticipated as a result of this delay; and

Whereas, it is feasible, necessary and in the public interest for the Board to approve extensions of the time for performance of the contracts with Conference Technologies, Inc., Haley Sharpe Design, and Aperture Films, Ltd. through March 31, 2017, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Contract Extensions. The Board of Commissioners hereby approves extensions of the current contracts with Conference Technologies, Inc., Haley Sharpe Design, and Aperture Films, Ltd. through March 31, 2017, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO, and the Vice President of Procurement are hereby authorized and directed to execute 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 and the Contracts and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency and Conference Technologies, Inc., Haley Sharpe Design, and Aperture Films, Ltd.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Payment of Expenses. The Senior Vice President and CFO is hereby authorized and directed to pay or cause to be paid all costs, expenses and fees incurred in connection with or incidental to this Resolution and Contract.

Section 9. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 26th day of February, 2016.

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

By Constance O'Malley

Title Chair

[SEAL]

ATTEST:

By

Deputy Secretary to the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AWARDING A CONTRACT TO DIRECT MEDIA USA FOR BUS SHELTER ADVERTISING SALES AND SERVICES

PREAMBLES:

Whereas, The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "Agency"/"BSD") is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to plan, construct, maintain, own and operate passenger transportation facilities, and to perform all other necessary and incidental functions, and to disburse funds for its lawful activities, to adopt rules and regulations for the proper operation of its passenger transportation facilities and conveyances, to contract and to be contracted with; and

Whereas, Board Policy Chapter 50, §50.010(A)(2) and §50.010 (E)(1)(a), requires Board approval of all negotiated procurements exceeding $500,000; and

Whereas, funding for this contract is generated through advertising placements on bus shelters throughout the transit system; and

Whereas, the current contract for Bus Shelter Advertising Sales and Services was entered into with Lamar Transit, LLC on March 1, 2013 with the contract ending on February 29, 2016. It was decided not to exercise the Option Year with Lamar Transit; and

Whereas, Request for Proposal 16-RFP-102263-SG was issued on October 27, 2015 seeking proposals from qualified parties interested in providing bus shelter advertising sales and services. Proposals were due on December 8, 2015. The solicitation was advertised on Metro's website and sent to companies identified as being qualified to provide transit advertising services. Six companies requested and received copies of the solicitation. A pre-proposal conference was held November 2, 2015 with three companies in attendance; and

Whereas, two proposal were received and Direct Media USA was deemed the most advantageous proposal that was both responsive and responsible. Direct Media USA offered a more favorable revenue share than the previous provider by proposing a fifty-five percent (55%) revenue share of all media sales with guaranteed revenue for the three year period of $1,273,440, and with additional guaranteed revenue of $476,408 for the one option year; and

Whereas, it is feasible, necessary and in the public interest for the Agency to approve the award to Direct Media USA for Bus Shelter Advertising Sales and Services for a contract period not to exceed three years, with one option year, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Award Contract. The Board of Commissioners hereby approves the negotiated procurement contract award to Direct Media USA for Bus Shelter Advertising Sales and Services for a contract period not to exceed three years, with one option year, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO, and Vice President of Procurement are hereby authorized and directed to execute 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 and the Contract and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency and Direct Media USA.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Payment of Expenses. The Senior Vice President and CFO is hereby authorized and directed to pay or cause to be paid all costs, expenses and fees incurred in connection with or incidental to this Resolution and Contract.

Section 9. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 26th day of February, 2016.

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

By Conrad G Bulley

Title Chair

[SEAL

ATTEST:

By

Deputy Secretary to the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT APPROVING AN AGREEMENT WITH THE JERRY COSTELLO GROUP LLC FOR CONSULTING SERVICES FOR THE FREIGHTWAY

PREAMBLES:

Whereas, The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "Agency"/"BSD") is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to acquire by gift, purchase or lease, sell or otherwise dispose of, and to plan, construct, operate and maintain, or lease to others for operation and maintenance, airports, wharves, docks, harbors, and industrial parks adjacent to and necessary and convenient thereto, bridges, tunnels, warehouses, grain elevators, commodity and other storage facilities, sewage disposal plants, passenger transportation facilities, and air, water, rail, motor vehicle and other terminal or parking facilities; to contract and to be contracted with; and to perform all other necessary and incidental functions; and

Whereas, Board Policy Chapter 50, §50.010(A)(8) and §50.010 (E)(1)(b), requires Board approval of all Non-competitive ("sole source or single bid") Procurements exceeding $100,000; and

Whereas, the mission of the St. Louis Regional Freightway (Freightway) is to develop and grow the freight industry in the St. Louis region and to optimize the region's freight portfolio. The Freightway will work to initiate and support key public and private infrastructure projects, freight-related investments and land use requirements, in addition to marketing and advocating for the region's freight opportunities, focusing specifically on freight industry elements of pipeline, roadways, rivers, runways and rail; and

Whereas, The Jerry Costello Group LLC (Consultant) entered into a prior Letter of Agreement with BSD which commenced on August 1, 2015 and will expire March 31, 2016 for consulting services to the Freightway while it was being established. Freightway desires to continue the services of Consultant; and

Whereas, Consultant will provide strategic advice and planning to the Freightway and work closely with its Executive Director. In addition the Consultant will coordinate activities between the Freightway and the U.S. Secretary of Transportation and its office as well as with members of the U.S. Congress and other government officials in the St. Louis region. Consultant will also work with Class I railroads in the St. Louis region to identify strategies to fund Freightway projects; and

Whereas, Consultant will provide services at the rate of $10,000 per month for twelve (12) months commencing on April 1, 2016; and

Whereas, it is feasible, necessary and in the public interest for the Agency to approve a sole source agreement for twelve months at the rate of $10,000 per month commencing on April 1, 2016 with The Jerry Costello Group LLC, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Sole Source Agreement. The Board of Commissioners hereby approves the sole source agreement for twelve months at the rate of $10,000 per month commencing on April 1, 2016 with The Jerry Costello

Group LLC, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Form of the Agreement. The form of the Agreement (as provided in the Attachment to the Briefing Paper and made a part hereof), in substantially the form presented to this meeting is hereby approved, and officers of the Agency, including without limitation, the President and CEO, are hereby authorized and directed to negotiate, execute and deliver and attest, respectively, the Agreement, with such changes, modifications, insertions and omissions as may be deemed necessary or desirable to effect the Agreement, with the necessity or desirability of such changes, modifications, insertions and omissions being conclusively evidenced by their execution thereof.

Section 4. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO, are hereby authorized and directed to execute 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 and the Contract and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 5. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 6. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency and The Jerry Costello Group, LLC.

Section 7. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 8. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 9. Payment of Expenses. The Senior Vice President and CFO is hereby authorized and directed to pay or cause to be paid all costs, expenses and fees incurred in connection with or incidental to this Resolution and Contract.

Section 10. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 26th day of February, 2016.

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

By: Constance Vonzelly

Title: Chair

[SEAL]

ATTEST

Barbara Enneking

Deputy Secretary of the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT APPROVING THE COMPOSITION OF THE ST. LOUIS REGIONAL FREIGHTWAY COUNCIL

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "Agency"/"BSD") is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to acquire by gift, purchase or lease, sell or otherwise dispose of, and to plan, construct, operate and maintain, or lease to others for operation and maintenance, airports, wharves, docks, harbors, and industrial parks adjacent to and necessary and convenient thereto, bridges, tunnels, warehouses, grain elevators, commodity and other storage facilities, sewage disposal plants, passenger transportation facilities, and air, water, rail, motor vehicle and other terminal or parking facilities; to contract and to be contracted with; and to perform all other necessary and incidental functions; and

Whereas, the mission of the St. Louis Regional Freightway (Freightway) is to develop and grow the freight industry in the St. Louis region and to optimize the region's freight portfolio. The Freightway will work to initiate and support key public and private infrastructure projects, freight-related investments and land use requirements, in addition to marketing and advocating for the region's freight opportunities, focusing specifically on freight industry elements of pipeline, roadways, rivers, runways and rail; and

Whereas, in accordance with the Freightway Operations Manual the Agency Board of Commissioners must approve the composition of the Freightway Council; and

Whereas, the Freightway Council shall act in a nonbinding advisory role to formulate short and long range organizational and development plans in order to further the mission of the Freightway. The Council will also analyze and assess trends and regional needs related to the mission of the Freightway as well as optimize the use of present and future resources to accomplish the purposes of the Freightway. The proposed Council is comprised of twenty-three (23) individuals representing area governments and industries and are listed in the attached Table 1; and

Whereas, it is feasible, necessary and in the public interest for the Agency to approve the composition of the Freightway Council as presented in the attached Table 1, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Composition of the Freightway Council. The Board of Commissioners hereby approves the composition of the Freightway Council as presented in Table 1 (as provided in the Attachment to the Briefing Paper and made a part hereof), under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The Officers of the Agency, including without limitation, the President and CEO, are hereby authorized and directed to execute 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 the payment of all costs, expenses, and fees incurred in the connection with or incidental to this Resolution; and the execution of such documents or taking of such actions shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section, and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof, and that the Board intends to adopt each part, section, and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine the valid portions, standing alone, are incomplete and are therefore incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency, its officers and employees.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Payment of Expenses. The Senior Vice President and CFO is hereby authorized and directed to pay or cause to be paid all costs, expenses and fees incurred in connection with or incidental to this Resolution.

Section 9. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 26th day of February, 2015.

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

By [signature]
Title Chair

[SEAL]

ATTEST:

By [signature]
Deputy Secretary to the Board of Commissioners

Open Session Item

4

BI-STATE DEVELOPMENT
TREASURER'S REPORT
February 29, 2016

INVESTMENTS

Yields:
Bi-State investments had an average yield of .45% in February. The Federal Reserve has held the federal funds rate steady at .5% since December, and another rate hike is unlikely until June at the earliest.

Invested Funds:
In February, Bi-State directed $190 million in invested funds compared to $194 million invested in January. Approximately 42% of the invested funds for February were invested in U.S. Treasury or U.S. Government Agency securities, and 15% were invested in collateralized Certificates of Deposit (CDs) or Repurchase Agreements (Repos). The balance was invested in AAA rated money market funds. The average maturity of Bi-State investments was approximately 181 days.

DEBT MANAGEMENT

Debt Restructuring, 2013:
On July 1, 2013, Bi-State successfully sold its $381,225,000 Series 2013A Bonds. More than $1.5 billion in orders were placed for the bonds. The deal closed on August 1, 2013. An effective cost of funds of 4.44% was achieved. The effects of the $75 million County loan bring the true interest cost to 3.68%. The bond restructuring, of essentially all of the Cross County Bonds, with the exception of the $97 million Series 2009 Bonds, achieved important long-term financial objectives for Bi-State:

- Improved debt ratings. The bonds were assigned ratings of 'AA+' and 'Aa3' by S&P and Moody's, respectively. The higher ratings will benefit Bi-State in future financings.
- Eliminated exposure of Bi-State to variable and short-term debt obligations.
- Brought 2010 subordinate bonds to senior lien status, and began their amortization.
- Optimized the debt service funding requirements to preserve long-term funding flexibility for operations and capital.
- Incorporated the availability of the County Loan by using the Prop A Capital Reserve to reduce borrowing costs.
- Returned $18 million of Federal funding from the 2002 Debt Service Reserve Fund to Bi-State's capital program.

In 2014, St Louis County approved the appropriation of the 2nd loan advance in the amount of $30 million to Bi-State. The Series 2052 bonds were redeemed on October 1, 2014. This lowered the interest rate on $30 million in debt from 4.75% to 1.04%.

In August 2015, St Louis County approved the appropriation of the 3rd loan advance and the Series 2050 bonds were redeemed on October 1, 2015. The interest rate on this $30 million in debt decreased from 4.75% to 1.02%. The debt service reserve fund requirement on the 2013A bonds also decreased. The new debt service reserve requirement is now approximately $23.6 million.

Arch Tram Revenue Bonds, 2014:
On December 3, 2014, Bi-State closed on the Series 2014 Taxable Arch Tram Revenue Bonds. These bonds have a par value of $7,656,000 and a 30-year term. The initial fixed rate term is 10 years with a fixed interest rate of 4.016%. The funds from this bond issuance will pay for the cost of issuance, a portion of the interior roof

over the Arch visitor's center, and the replacement of the motor generator sets. The debt service requirement is approximately $454 thousand.

Bi-State Development/St. Clair County Transit District Revenue Bonds Refunding, 2014:
On December 4, 2014, Bi-State and St Clair County Transit District closed on the $4,160,000 issuance of the Series 2014 Bi-State Development/St Clair County Metrolink Extension Project Refunding Revenue Bonds. The refunding provides a savings of approximately $700,000 in debt service expenses. It also eliminated the need for the debt service reserve funding of approximately $450 thousand.

Capital Leases:
Bi-State has one remaining capital lease, its 2001 LRV Lease (C1, C2 Tranches). In February 2011, staff negotiated a default cure agreement with the 2001 C1 C2 lease investor. The agreement provided that Bi-State deposit additional collateral with the lease trustee, of which the St. Clair County Transit District (SCCTD) provided 70%. We currently have approximately $7.8 million in collateral.

FUEL HEDGING

In February, in conjunction with its diesel fuel hedging program, Bi-State had a *realized loss* of $540 thousand on the sale of Home Heating Oil #2 futures contracts. Oil prices increased from January by approximately .4%. Bi-State's *unrealized gains* for February were approximately $563 thousand. 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 - MONTHLY TREASURER'S REPORT

AS OF: 29-Feb-2016 | 31-Jan-2016

BI-STATE DIRECTED:	Wt. Avg. Maturity (1)	Dollars (,000 omitted)	Of Total	Rate	Market Value (2)	Wt. Avg. Maturity (1)	Dollars (,000 omitted)	Percentage Of Total	Rate	Market Value (2)
Cash	0	$25,346	18.4%	0.00%	$25,346	0	$28,422	20.2%	0.00%	$28,422
Repurchase Agreements	1	23,564	17.1%	0.33%	23,564	3	23,332	16.6%	0.34%	23,332
Certificates of Deposit	447	4,150	3.0%	0.51%	4,150	476	4,150	3.0%	0.51%	4,150
U.S. Agencies (discounted)	186	5,981	4.3%	0.34%	5,986	215	5,981	4.3%	0.34%	5,982
U.S. Agencies (coupon)	492	18,331	13.3%	0.73%	18,344	480	21,329	15.2%	0.71%	21,339
U.S. Treasury Securities	256	24,754	18.0%	0.50%	24,812	258	18,783	13.4%	0.50%	18,847
Other Investments (3)	1	35,675	25.9%	0.27%	35,675	3	38,569	27.4%	0.20%	38,569
SUB-TOTAL BI-STATE	**133**	**$137,801**	**100.0%**	**0.42%**	**$137,877**	**132**	**$140,566**	**100.0%**	**0.40%**	**$140,641**
BI-STATE DIRECTED-PROP M:										
Certificates of Deposit	476	$1,510	2.9%	0.87%	$1,510	505	$1,510	2.9%	0.87%	$1,510
U.S. Agencies (discounted)	186	3,987	7.6%	0.34%	3,991	215	3,987	7.5%	0.34%	3,988
U.S. Agencies (coupon)	656	19,992	38.3%	0.87%	20,017	685	21,987	41.6%	0.90%	22,012
U.S. Treasury Securities	188	7,479	14.3%	0.30%	7,480	116	4,493	8.5%	0.17%	4,495
Other Investments (3)	1	19,266	36.9%	0.27%	19,266	3	20,868	39.5%	0.26%	20,868
SUB-TOTAL PROP M	**306**	**$52,234**	**100.0%**	**0.53%**	**$52,264**	**327**	**$52,845**	**100.0%**	**0.54%**	**$52,873**
TOTAL BI-STATE DIRECTED	**181**	**$190,035**		**0.45%**	**$190,141**	**185**	**$193,411**		**0.44%**	**$193,514**
TRUSTEE DIRECTED:										
Cash	0	$0	0.0%	0.00%	$0	0	$0	0.0%	0.00%	$0
Municipal Bonds	1861	9,125	17.6%	2.42%	9,240	1890	9,125	18.3%	2.42%	9,215
U.S. Agencies (coupon)	1587	23,429	45.2%	1.97%	23,915	1616	23,429	47.0%	1.97%	23,793
Commercial Paper	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0
Other Investments (3)	1	19,265	37.2%	0.08%	19,265	3	17,258	34.6%	0.07%	17,258
SUB-TOTAL TRUSTEE	**1,046**	**$51,819**	**100.0%**	**1.35%**	**$52,420**	**1,107**	**$49,812**	**100.0%**	**1.39%**	**$50,266**
TOTAL BI-STATE & TRUSTEE	**366**	**$241,854**		**0.64%**	**$242,561**	**374**	**$243,223**		**0.63%**	**$243,780**
LRV LEASE\LEASEBACK 2001:										
Cash	0	7,816	7.6%	0.00%	7,816	0	0	0.0%	0.00%	0
US Treasury Securities	0	0	0.0%	0.00%	0	0	0	0.0%	0.00%	0
Other Investments (3)	0	0	0.0%	0.00%	0	3	7,523	7.3%	0.18%	7,523
Other Investments (4)		95,572	92.4%	5.80%	95,572		95,054	92.7%	5.80%	95,054
SUB-TOTAL LRV 2001		**$103,388**	**100.0%**	**5.36%**	**$103,388**		**$102,577**	**100.0%**	**5.37%**	**$102,577**
SUB-TOTAL LEASES		**$103,388**			**$103,388**		**$102,577**			**$102,577**
Grand Total (5)		**$345,242**			**$345,949**		**$345,800**			**$346,357**

Explanatory Notes:

(1) Approximate weighted average of days to effective maturity, from last business day of the month.

(2) Market value of goverment 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: 4/5/16
Terri Gudowicz Green, Mgr of Treas Ops — Date

Reviewed by: 4/5/16
Tammy Fulbright, Dir of Treasury Services — Date

Approved: 4/6/16
Kathy Klevorn, CFO — Date

BI-STATE DEVELOPMENT
MONTHLY TREASURER'S REPORT- ALL COMPANIES
BANK / ISSUER SUMMARY as of: 2/29/2016

Section 1 Bank/issuer Summary

BI-STATE DIRECTED * *all non debt/lease assets, inc. Prop M:*	CASH	CERTIFICATES OF DEPOSIT	REPURCHASE AGREEMENTS	OTHER	GOVERNMENT SECURITIES	COMMERCIAL PAPER\ BA's	TOTAL	MARKET VALUE	NOTES
BANK OF AMERICA MERRILL LYNCH	24,897,925	0	0	15,645,956	0	0	40,543,881	40,543,881	FDIC\tri-party collateral(deposits).
BLACK ROCK	0	0	0	1,304,433	0	0	1,304,433	1,304,433	Money Market Fund (Govt. Securities).
COMMERCE BANK	0	5,009,952	0	0	0	0	5,009,952	5,009,952	FDIC\FRB collateral.
FIDELITY	0	0	0	10,976,059	0	0	10,976,059	10,976,059	Money Market Fund (First Tier\Prime)
FIRST CLOVERLEAF	0	650,000	0	0	0	0	650,000	650,000	FDIC\tri-party collateral(deposits).
JEFFERSON BANK & TRUST	25,004	0	2,558,088	0	0	0	2,583,092	2,583,092	FDIC; repo collaterl held at JBT.
JP MORGAN CHASE	(40,748)	0	0	12,005,078	0	0	11,964,330	11,964,330	FDIC (bank acct.)MMKT (First Tier\Prime)
OPTUM	15,429	0	0	0	0	0	15,429	15,429	FDIC\FRB collateral.
HEALTHSCOPE	50,370	0	0	0	0	0	50,370	50,370	FDIC\FRB collateral.
PNC BANK	130,139	0	0	0	0	0	130,139	130,139	FDIC\FRB collateral.
RBC DAIN RAUSCHER	0	0	0	2,703,899	0	0	2,703,899	2,703,899	Commodities Margin Acct. (fuel hedging)
RJ O'BRIEN	0	0	0	1,875,515	0	0	1,875,515	1,875,515	Commodities Trading Acct. (fuel hedging)
REGIONS BANK	183,697	0	0	0	0	0	183,697	183,697	FDIC Insured.
UBS FINANCIAL	0	0	0	9,989,019	0	0	9,989,019	9,989,019	Money Market Fund (First Tier\Prime).
UMB BANK	769	0	21,006,000	0	0	0	21,006,769	21,006,769	FDIC\FRB Collateral.
U.S. BANK	83,959	0	0	0	0	0	83,959	83,959	FDIC\FRB Collateral.
ILLINOIS FUNDS	0	0	0	440,808	0	0	440,808	440,808	Illinois State Treasurer Investment Pool.
FARM CREDIT BANK	0	0	0	0	36,455,360	0	36,455,360	36,482,261	Safekept at Bank of America (BOA).
FEDERAL HOME LOAN BANK	0	0	0	0	11,834,983	0	11,834,983	11,855,604	Safekept at Bank of America (BOA).
U.S. TREASURY	0	0	0	0	32,233,371	0	32,233,371	32,291,855	Safekept by BOA or designated agent.
sub-total Bi-State directed	***25,346,544***	***5,659,952***	***23,564,088***	***54,940,767***	***80,523,714***	***0***	***190,035,065***	***190,141,071***	
TRUSTEE DIRECTED									
DEBT ISSUES									
Cross County Bonds									
Series 2009, 2013									
BANK OF NEW YORK -MELLON TRUST									
BANK OF NEW YORK	0	0	0	0	0	0	0	0	FDIC Insured.
BLACK ROCK	0	0	0	12,336,036	0	0	12,336,036	12,336,036	Money Market Fund (First Tier\Prime).
GOLDMAN	0	0	0	1,902,927	0	0	1,902,927	1,902,927	Money Market Fund (First Tier\Prime).
FEDERATED GOVT OBLIG	0	0	0	1,833,045	0	0	1,833,045	1,833,045	Safekept at Bank of New York
MORGAN STANLEY	0	0	0	3,193,273	0	0	3,193,273	3,193,273	Safekept at Bank of New York
GOVERNMENT AGENCIES	0	0	0	0	23,429,075	0	23,429,075	23,914,838	Safekept at Bank of New York
MUNICIPAL BONDS	0	0	0	0	9,124,982	0	9,124,982	9,240,376	Safekept at Bank of New York
sub-total	0	0	0	19,265,281	32,554,057	0	51,819,338	52,420,495	
SUB-TOTAL TRUSTEE (BONDS)	***0***	***0***	***0***	***19,265,281***	***32,554,057***	***0***	***51,819,338***	***52,420,495***	
SUB-TOTAL BI-STATE AND TRUSTEE	***25,346,544***	***5,659,952***	***23,564,088***	***74,206,048***	***113,077,771***	***0***	***241,854,403***	***242,561,566***	
LRV Lease\Leaseback 2001 C1 C2									
FSA\AIG	0	0	0	95,571,888	0	0	95,571,888	95,571,888	Guaranteed Investment Contract (GIC).
Wells Fargo Money Market	0	0	0	7,815,800	0	0	7,815,800	7,815,800	Safekept by Lease Trustee.
sub-total	0	0	0	103,387,688	0	0	103,387,688	103,387,688	
sub-total leases	***0***	***0***	***0***	***103,387,688***	***0***	***0***	***103,387,688***	***103,387,688***	
GRAND TOTAL	**$25,346,544**	**$5,659,952**	**$23,564,088**	**$177,593,736**	**$113,077,771**	**$0**	**$345,242,091**	**$345,949,254**	

* *Please refer to Pages 5 and 10 for explanatory notes and credit ratings.*

+ ABBREVIATIONS (above):
FDIC- Federal Deposit Insurance Corp.
FRB - Federal Reserve Bank

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:

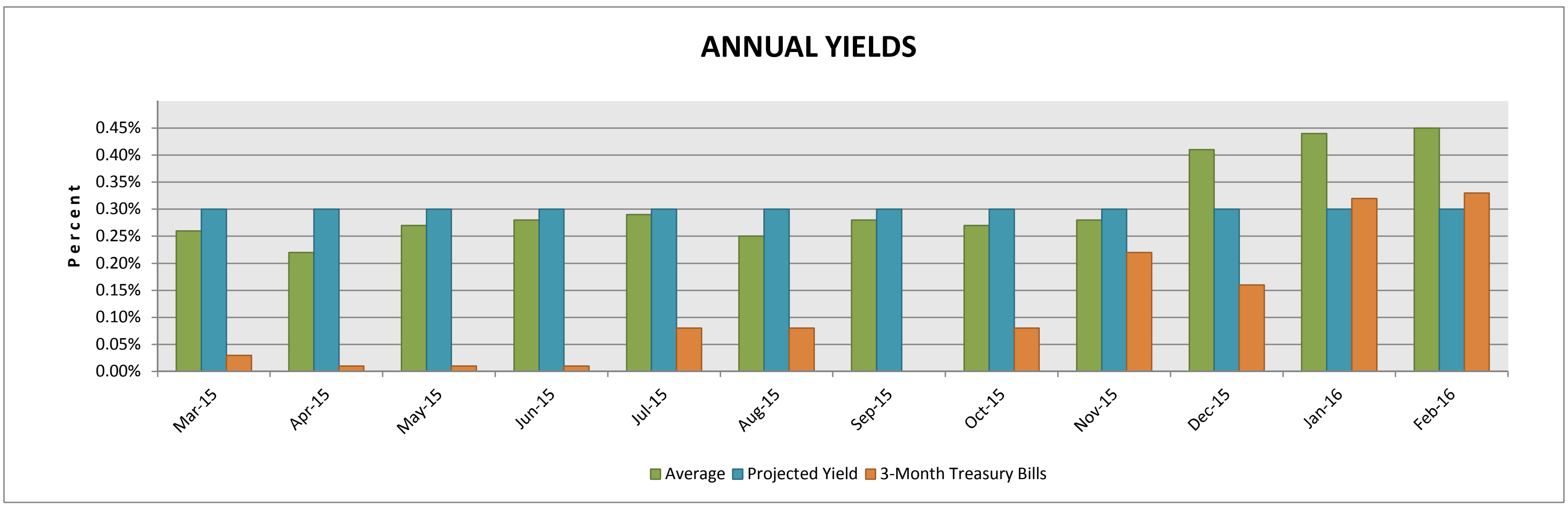
AAA Standard & Poor's, Moody's and Fitch rate credit quality on an A to C scale, with A generally regarded as "upper investment grade" and C as "speculative" (D would indicate default). Within each category are different gradients. The triple A rating indicates that the issuer's long term unsecured debt 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)	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	**Feb-16**
Bi-State Investments	138,409	155,553	139,961	142,512	127,764	120,216	146,970	142,105	139,346	135,576	140,566	**137,801**
Bi-State Prop M Investments	54,582	55,026	55,845	57,812	57,153	56,396	56,843	56,570	56,301	54,763	52,845	**52,234**
Total	192,991	210,579	195,806	200,324	184,917	176,612	203,813	198,675	195,647	190,339	193,411	**190,035**
Projected Total	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	**145,000**
Trustee Investments	56,193	46,760	49,325	51,842	57,738	61,678	88,714	42,492	45,196	47,571	49,812	**51,819**

Yields\Rates Information	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	**Feb-16**
Bi-State	0.18%	0.16%	0.20%	0.21%	0.24%	0.22%	0.22%	0.21%	0.22%	0.37%	0.40%	**0.42%**
Prop M	0.47%	0.38%	0.45%	0.43%	0.43%	0.31%	0.45%	0.42%	0.42%	0.51%	0.54%	**0.53%**
Average	0.26%	0.22%	0.27%	0.28%	0.29%	0.25%	0.28%	0.27%	0.28%	0.41%	0.44%	**0.45%**
Projected Yield	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	**0.30%**
Trustee	0.99%	1.18%	1.42%	1.35%	1.23%	1.15%	0.81%	1.25%	1.53%	1.43%	1.39%	**1.35%**
3-Month Treasury Bills	0.03%	0.01%	0.01%	0.01%	0.08%	0.08%	0.00%	0.08%	0.22%	0.16%	0.32%	**0.33%**
1 Year Treasury	0.26%	0.23%	0.25%	0.27%	0.31%	0.37%	0.31%	0.32%	0.48%	0.61%	0.44%	**0.60%**
Fed Funds (target)	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	**0.50%**
20-Year Municipals	3.52%	3.62%	3.73%	3.80%	3.75%	3.79%	3.71%	3.66%	3.63%	3.57%	3.38%	**3.34%**
SIFMA (BMA) Index (month end)	0.02%	0.11%	0.10%	0.05%	0.02%	0.02%	0.02%	0.01%	0.01%	0.01%	0.01%	**0.01%**



Diesel Fuel Hedging Program - FY 2016

	Diesel Fuel Budget \ Actual Comparison:	***Feb-16***	***Year to Date***	***Life to Date***
a	Gallons consumed-actual	437,013	3,656,976	72,417,534
b=(c/a)	Average cost per gallon-actual	$ 1.12	$ 1.53	$ 2.16
c	***Total Diesel Fuel Cost-Actual***	**$ 489,760**	**$ 5,607,066**	**$ 156,745,638**
d	Gallons consumed- budget	451,394	3,760,208	75,725,620
e=(f/d)	Average cost per gallon- budget	$ 3.20	$ 3.20	$ 2.36
f	***Total Diesel Fuel Cost- Budget***	**$ 1,444,461**	**$ 12,032,666**	**$ 178,979,581**
g=(f-c)	**Budget Variance (Unfavorable)**	**$ 954,701**	**$ 6,425,600**	**$ 22,233,943**
h	**Realized Futures Gains (Losses)**	**$ (540,049)**	**$ (4,048,913)**	**$ (354,904)**
i=(c-h)	**Net Cost of Fuel**	**$ 1,029,809**	**$ 9,655,979**	**$ 157,100,542**
j=(i-f)	***Net Budget Variance (Unfavorable)***	**$ 414,652**	**$ 2,376,687**	**$ 21,879,039**
j=(i/f)	Net Cost of Fuel, Per Gallon, inc. Hedge	$ 2.36	$ 2.64	$ 2.17
k=(e-i)	Net Budget Variance Per Gallon	$ 0.84	$ 0.56	$ 0.19

Futures Activity:		***Price of Barrel of Oil:***	
		Date	***Price***
Futures Contracts Purchased	13		
Futures Contracts Sold	18	10/31/2015	$ 46.59
Futures Contracts Net Change at month end	(5)	11/30/2015	$ 41.65
Total Open Futures Contracts, at month end	249	12/31/2015	$ 37.04
Futures Contracts Unrealized Gain/(Loss) *	$562,909	01/31/2016	$ 33.62
(% of Estimated Future Consumption)	72%	02/29/2016	$ 33.75

* = 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 Apr 2016 through Dec 2018 (33 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: February 2016

Item	Investment:	Par Amount	Settled	Maturity Date	Term(days)	Yield	Purchased From	Fund
1	US Treasury Bill	$ 995,318	02/24/16	02/02/17	344	0.50%	Bank of America	Transit Sales Tax
2	US Treasury Bill	$ 1,990,636	02/24/16	02/02/17	344	0.50%	Bank of America	Internally Restricted
3	US Treasury Bill	$ 2,985,953	02/24/16	02/02/17	344	0.50%	Bank of America	Prop A
4	US Treasury Bill	$ 2,985,953	02/24/16	02/02/17	344	0.50%	Bank of America	Prop M City
	Total	**$ 8,957,860**						
					344	**0.50%**		

Notes:

* Investments with an original term of over 14 days.

Bi-State Development

FY'16 Projected Cash Flow (draft, discussion only)

(dollars in thousands)

	Actuals	*Actuals*	*Actuals*	*Actuals*	*Actuals*	*Actuals*	*Actuals*	*Actuals*	*Actuals*												
Note- Figures are estimates of CASH	***Fiscal Yr***	**JULY**	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**JAN**	**FEB**	MAR	APR	MAY	JUNE	***Fiscal Yr***	JULY	AUG	SEPT	OCT	NOV	DEC	***FY'17***
receipts and disb.: subject to change	***2016***	**2015**	**2015**	**2015**	**2015**	**2015**	**2015**	**2016**	**2016**	2016	2016	2016	2016	***2017***	2016	2016	2016	2016	2016	2016	***0***
BEGINNING CASH BAL. OPER.&REV. FUNDS	**$51,300**	**$50,600**	**$33,900**	**$21,200**	**$52,300**	**$41,800**	**$38,000**	**$39,000**	**$41,700**	**$40,000**	**$44,397**	**$57,975**	**$46,367**	**$50,600**	**$50,780**	**$45,684**	**$44,587**	**$51,949**	**$41,434**	**$37,594**	**$50,780**
CASH RECEIPTS- SALES TAXES :																					
St Louis County 1/2 cent (est. 1974)	42,087	0	0	11,278	3,601	2,796	3,908	3,819	3,091	4,252	3,416	2,652	3,761	42,574	3,759	3,759	3,759	3,601	2,796	3,908	21,582
St Louis City 1/2 cent (est. 1974)	19,716	1,825	1,090	2,217	1,614	1,126	1,967	1,717	1,001	2,092	1,548	1,079	2,076	19,352	1,825	1,090	2,217	1,614	1,126	1,967	9,839
sub-total 1/2 cent (1974)	**61,803**	**1,825**	**1,090**	**13,495**	**5,215**	**3,922**	**5,875**	**5,536**	**4,092**	**6,344**	**4,964**	**3,731**	**5,837**	**61,926**	**5,584**	**4,849**	**5,976**	**5,215**	**3,922**	**5,875**	**31,421**
Pledged to debt service X-County Bonds:																					
St Louis County 1/4 cent Prop M (1994)	42,907	0	0	11,360	3,710	2,824	4,026	3,866	3,148	3,292	2,999	2,332	3,294	40,851	3,787	3,787	3,787	3,710	2,824	4,026	21,920
St Louis City 1/4 cent Prop M (1994)	10,322	0	0	2,660	846	618	1,037	880	514	1,001	779	496	975	9,806	887	887	887	846	618	1,037	5,161
St Louis County 1/2 cent Prop A (2010)	52,081	0	0	14,149	4,614	3,512	5,003	4,799	3,904	5,318	4,851	3,765	4,424	54,339	4,716	4,716	4,716	4,614	3,512	5,003	27,278
St Louis City 1/4 cent Prop M2 (2010)	10,324	0	0	2,660	846	618	1,037	880	514	1,001	779	496	975	9,806	887	887	887	846	618	1,037	5,162
sub-total pledged sales taxes	**115,634**	**0**	**0**	**30,829**	**10,016**	**7,572**	**11,103**	**10,425**	**8,080**	**10,612**	**9,408**	**7,089**	**9,668**	**114,802**	**10,277**	**10,277**	**10,277**	**10,016**	**7,572**	**11,103**	**59,521**
Debt Service X-County Bonds, Interest	(22,484)	0	0	(4,959)	(1,773)	(1,773)	(1,775)	(1,775)	(1,775)	(1,775)	(1,775)	(1,775)	(1,775)	(20,930)	(1,775)	(1,775)	(1,775)	(1,700)	(1,700)	(1,700)	(10,425)
Debt Service X-County Bonds, Principal	(7,172)	0	0	(1,806)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(7,719)	(657)	(657)	(657)	(689)	(689)	(689)	(4,038)
sub-total debt service	**(29,656)**	**0**	**0**	**(6,765)**	**(2,430)**	**(2,430)**	**(2,432)**	**(2,432)**	**(2,432)**	**(2,432)**	**(2,432)**	**(2,432)**	**(2,432)**	**(28,649)**	**(2,432)**	**(2,432)**	**(2,432)**	**(2,389)**	**(2,389)**	**(2,389)**	**(14,463)**
sub-total pledged sales tax less debt	**85,978**	**0**	**0**	**24,064**	**7,586**	**5,142**	**8,671**	**7,993**	**5,648**	**8,180**	**6,976**	**4,657**	**7,236**	**86,153**	**7,845**	**7,845**	**7,845**	**7,627**	**5,183**	**8,714**	**45,058**
TOTAL SALES TAX RECEIPTS LESS DEBT	**147,781**	**1,825**	**1,090**	**37,559**	**12,801**	**9,064**	**14,546**	**13,529**	**9,740**	**14,524**	**11,940**	**8,388**	**13,073**	**148,079**	**13,429**	**12,694**	**13,821**	**12,842**	**9,105**	**14,589**	**76,479**
CASH RECEIPTS- OTHER:																					
Passenger Revenue, inc. Paratransit	60,390	4,780	4,657	4,505	4,664	4,073	4,123	5,270	3,930	6,107	5,785	4,723	4,802	57,419	4,780	4,657	4,505	4,664	4,073	4,123	26,802
Other	18,571	4,827	1,422	4,544	1,058	1,596	1,372	512	1,461	2,372	2,343	2,210	2,710	26,427	4,827	1,422	4,544	1,058	1,596	1,372	14,819
St. Clair County (inc. State of Illinois)	55,306	0	5,006	4,518	4,437	5,275	9,504	166	4,605	4,237	4,931	2,860	5,860	51,399	0	5,006	4,518	4,437	5,275	9,504	28,740
State of Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Federal Assistance:																					0
Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CMAQ\ARC\ARRA\Other grants\reimb.	51,475	0	3,610	4,059	14	7,026	9,189	11,669	3,828	1,279	13,949	1,976	3,387	59,986	0	3,610	4,059	14	7,026	9,189	23,898
TOTAL CASH RECEIPTS	**333,523**	**11,432**	**15,785**	**55,185**	**22,974**	**27,034**	**38,734**	**31,146**	**23,564**	**28,519**	**38,948**	**20,157**	**29,832**	**343,310**	**23,036**	**27,389**	**31,447**	**23,015**	**27,075**	**38,777**	**170,738**
CASH DISBURSEMENTS:																					
Payroll & Related (not inc. OPEB)	(129,525)	(11,541)	(10,612)	(10,228)	(12,270)	(10,702)	(13,156)	(10,159)	(11,159)	(10,728)	(10,770)	(11,400)	(10,556)	(133,281)	(11,541)	(10,612)	(10,228)	(12,270)	(10,702)	(12,156)	(67,509)
Accounts Payable	(148,878)	(13,260)	(14,275)	(10,491)	(14,024)	(15,067)	(22,957)	(11,354)	(10,107)	(9,333)	(10,256)	(12,286)	(12,190)	(155,600)	(13,260)	(14,275)	(10,491)	(14,024)	(15,067)	(10,957)	(78,074)
Self-Insurance	(28,199)	(2,391)	(2,231)	(2,528)	(81)	(589)	(728)	(3,569)	(584)	(2,644)	(2,582)	(2,889)	(2,164)	(22,980)	(2,391)	(2,231)	(2,528)	(81)	(589)	(728)	(8,548)
Other (capital fund transfer., OPEB set aside)	(27,621)	(940)	(1,367)	(838)	(7,099)	(4,476)	(893)	(3,364)	(3,414)	(1,417)	(1,762)	(5,190)	(509)	(31,269)	(940)	(1,367)	(838)	(7,155)	(4,557)	(956)	(15,813)
TOTAL CASH DISBURSEMENTS	**(334,223)**	**(28,132)**	**(28,485)**	**(24,085)**	**(33,474)**	**(30,834)**	**(37,734)**	**(28,446)**	**(25,264)**	**(24,122)**	**(25,370)**	**(31,765)**	**(25,419)**	**(343,130)**	**(28,132)**	**(28,485)**	**(24,085)**	**(33,530)**	**(30,915)**	**(24,797)**	**(169,944)**
CASH SURPLUS (DEFICIT)	**(700)**	**(16,700)**	**(12,700)**	**31,100**	**(10,500)**	**(3,800)**	**1,000**	**2,700**	**(1,700)**	**4,397**	**13,578**	**(11,608)**	**4,413**	**180**	**(5,096)**	**(1,096)**	**7,362**	**(10,515)**	**(3,840)**	**13,980**	**794**
CUMULATIVE CASH SURPLUS (DEFICIT)	**50,600**	**33,900**	**21,200**	**52,300**	**41,800**	**38,000**	**39,000**	**41,700**	**40,000**	**44,397**	**57,975**	**46,367**	**50,780**	**50,780**	**45,684**	**44,587**	**51,949**	**41,434**	**37,594**	**51,574**	**51,574**
STABILIZATION FUND:																					
Beginning Balance	3	3	3	6	6	7	7	7	8	54	69	74	0	0	3	6	9	35	41	54	54
Fund Transfer - OPEB Trust	(74)	0	0	0	0	0	0	0	0	0	0	(74)	0	0	0	0	0	0	0	0	0
Ending Balance	**(71)**	**3**	**3**	**6**	**6**	**7**	**7**	**7**	**8**	**54**	**69**	**0**	**0**	**0**	**3**	**6**	**9**	**35**	**41**	**54**	**54**
INTERNALLY RESTRICTED FUND:																					
Beginning Balance	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659	14,659
Cumulative	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance (1)	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**	**14,659**

(1) = Additional temporary working capital for operations is provided, if needed, by Sales Tax Capital, Self-Insurance and Prop M Funds. Current balances: Sales Tax Capital $12 million; Prop M $61 million; Self Insurance $15 million.
A large portion of these additional funds are encumbered for long range capital projects, local match, liability claims, or restricted for debt service or lease issues, but are currently liquid.

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	A1	AA-	A-1	P-1	F1	NA
Commerce Bank	A	A2			P-1		NA
PNC Bank	A	Aa2	AA-	A-1	P-1	F1+	NA
Regions Bank	BBB+	A3	BBB	A-2	P-2	F2	NA
U.S. Bank		Aa1	AA+		P-1	F1+	NA
UMB Bank	A-		A+	A-2		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 FFI Treasury	AAAm	Aaa-mf
Black Rock Temp	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 Prime	AAAm	Aaa-mf
Federated Treasury	AAAm	Aaa-mf
Federated Government	AAAm	Aaa-mf
Fidelity Prime	AAAm	Aaa-mf
Fidelity Treasury Only	AAAm	Aaa-mf
Goldman Sachs Prime	AAAm	Aaa-mf
JP Morgan Prime	AAAm	Aaa-mf
Morgan Stanley Government Institutional	AAAm	Aaa-mf
UBS Select Prime	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+
U.S. Treasury	AA+	Aaa	AAA
Federal Home Loan Bank (FHLB)	AA+	Aaa	
Federal Farm Credit Bank (FCB)	AA+	Aaa	AAA

NA = Fitch overall bank ratings or LT debt ratings have been withdrawn

Bi-State Development				
Mass Transit Sales Tax Appropriation Cross-County Bonds & St Louis County Loan				
Series	**2009**	**2013**		**Total Cross County**
	Refunding	**2013A Bonds**	**2013B Loan**	
Issue date	9-Nov-09	1-Aug-13	1-Aug-13	
Principal (original)	$97,220,000	$381,225,000	$75,000,000	
Principal (currently outstanding)	**$97,220,000**	**$306,990,000**	**$135,000,000**	**$539,210,000**
Lien on 1\4 cent Prop M, Prop M2, Prop A tax	Senior	Senior	Subordinate	
Stand alone credit rating (S&P\Moody's)	AA+\A2	AA+\Aa3	NA	
Maturity date(s)	2023 – 2039	2048	2053	
Optional Call Date	2019	Various	Anytime	
Optional Put Date	NA	NA	2018	
Interest rate mode	Fixed	Fixed	1% + SIFMA	
Rate	4.50%-5.00%	3.00%-5.00%	1.02%-1.06%	
Interest pmt. Dates (4/1/16 &10/1/16)	April, October	April, October	April, October	
Annual debt service:				
Interest	**$4,767,975**	**$15,095,513**	**$1,413,000**	**$21,276,488**
Principal - (1st pymt 10/1/14-$7,015,000, 2nd pymt 10/1/15 $7,220,000) (next payment 10/1/16 - $7,880,000)	**$0**	**$7,880,000**	**$0**	**$7,880,000**
total princ.&int.	**$4,767,975**	**$22,975,513**	**$1,413,000**	**$29,156,488**
Debt Service Reserve Fund (DSRF)	$9.1 million in DSRF with bond trustee, BONY-Mellon.	$23.7 million in DSRF with bond trustee, BONY-Mellon.	NA	
Other	Refunded balance of 2002 A	Refunded Series 2002A,B,C, 2007, and Series 2010B	Refunded Series 2010A Bonds	

Open Session Item
6

BI-STATE DEVELOPMENT
BUSINESS SERVICES & ECONOMIC DEVELOPMENT COMMITTEE MEETING
OPEN SESSION MINUTES
MARCH 11, 2016

Committee Members in Attendance

Missouri
Aliah Holman, Chair
Vincent C. Schoemehl (absent)

Illinois
Michael Buehlhorn
Irma Golliday (absent)
Tadas Kicielinski (absent)

Other Commissioners in Attendance
Vernal Brown

Staff in Attendance
John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Kyra Nichols, Sr. Administrative Assistant
Jim Cali, Director, Internal Audit
Erick Dahl, Director, St. Louis Downtown Airport
Kathy Klevorn, Sr. Vice-President and Chief Financial Officer
Mark Vago, Controller
Jonathan Frederick, Director, Accounting & Budget
Michael Gibbs, Accountant-Business Enterprises
Darcy Bates, Marketing Specialist
Tom Dunn, Director, Gateway Arch Riverboats
Jenny Nixon, Executive Director Tourism Innovation
Larry Jackson, Executive Vice President for Administration
Jerry Vallely, External Communications Manager
Patti Beck, Director, Communications
Kerry Kinkade, Vice President Chief Information Officer
Reginald Cavitt, ATU 788
Chance Baragary, Manager, Gateway Arch Construction
Sarah Clarke, Director, Gateway Arch Operations
Mary Lamie, Executive Director Freight District
Barbara Georgeff, Director, Executive Services

Others in Attendance
None

1. **Call to Order**
   8:00 a.m. Chair Holman called the Open Session Business Services & Economic Development Committee Meeting to order at 8:00 a.m.

2. **Roll Call**
   8:00 a.m. Roll call was taken.

3. **Public Comment**

8:00 a.m. There was no public comment.

4. **Minutes from October 16, 2015 Business Services & Economic Development Committee Meeting - Open Session**
8:01 a.m. The October 16, 2015, Open Session Business Services & Economic Development Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Buehlhorn and seconded by Commissioner Brown. **Motion passed unanimously.**

5. **Update on CityArchRiver Project and the National Park Services 100th Anniversary**
8:02 a.m. The PowerPoint presentation on the CityArchRiver Project and the National Park Services 100th Anniversary was provided in the Committee packet. A brief overview was provided by Jenny Nixon, Executive Director Tourism Innovation; Tom Dunn, Director, Gateway Arch Riverboats; and Sarah Clarke, Director, Gateway Arch Operations. Ms. Nixon discussed the CityArchRiver Project that includes the area from Kiener Plaza, which is currently under construction, to Leonor K. Sullivan Blvd. The entrance portal located on the eastern edge of the Old Cathedral Parking Lot is completed, and it provides clear visitor direction to the Arch. The Luther Ely Smith Square was completed October 28, 2015, and included new landscaping, lighting, seating and bike racks. The grand opening for the Central Riverfront renovations is scheduled for June 2, 2016. The south and north grounds are scheduled to be completed in the fall of 2016. The North Gateway that replaces the Arch Parking Garage on the north end of the Park is expected to be completed in the fall of 2016. Kiener Plaza is scheduled to be completed in the spring of 2017, and it will include new landscaping, lighting, seating, and bike racks. The amphitheater and Market Street medians will be removed. The Plaza will retain its name and the Runner statue. The Visitor Center West Entrance is scheduled to be completed in the summer of 2017, and will include a new ticketing center, and expanded space and mezzanine. The new Museum and Exhibits also are scheduled to be completed in the summer of 2017, and will include six new galleries, a dream wall, and interactive exhibits. The new ticketing system is called Galaxy by Gateway Ticketing Systems, and it went live March 4, 2016. It is user friendly and features access control utilizing barcode scanners for tram tour entry and riverboat boarding. Users can also print tickets at home for online reservations and get same day online sales, which is a first for the Park. The motor generator set replacement begins with the tram closure in December 2016, and is scheduled to reopen at the end of February 2017. It will feature technological upgrades to the current system. At the same time the Load Zone Exhibits will be updated; installation will begin in January 2017 and be completed in March 2017. It will include a new tour-guided experience for visitors, and updated exhibits with mid-century theme in the northern tram load zones.

Sarah Clarke and Tom Dunn discussed the impact that these projects have had on Bi-State Development Operations. Ms. Clarke highlighted the key performance indicators for the Arch from FY13 through FY17. The Park has been under construction since the summer of 2013, and the impact of construction and reduced tram ridership has been factored into fiscal year projections for 2015, 2016, and 2017. The budget includes an 8.2% decrease in annual tram ticket sales due to construction. When the Park reopens, the ticket prices will increase to $10 for children and $13 for adults, which is forecasted to increase the revenue in FY16 by 8.3%. The FY17 budgeted revenue for the year also takes into consideration the new ticket pricing and the plan closure that begins in December 2016 for motor generator work.

Mr. Dunn stated that the biggest challenges the riverfront faces have been the construction and the river conditions. The forecast for the entire year of 2015 was 49 days of flooding and the third highest flood on record occurred in January 2016. Although business was not affected because the riverfront was closed, this highlights the unpredictability of the variables that impact riverfront business.

Some discussion followed regarding the flooding and the impact of the work being completed on Leonor K. Sullivan Blvd.

Ms. Nixon continued her presentation discussing the National Park Service 100th Anniversary celebration that will be held on August 25, 2016. The celebration will provide an opportunity to invite a new generation of visitors to reconnect with the Gateway Arch and other national parks within Missouri; and generate energy and excitement around the CityArchRiver transformation. A Missouri National Park Service Passport Program is being developed as well as a smart phone application to access the passport program.

Some additional discussions followed regarding the ownership of Kiener Plaza and how best to ensure that tourists visiting downtown St. Louis are provided with information to help them easily get around St. Louis. The main website: getaroundstl.com links tourists and locals to sites within St. Louis as well as parking and mass transit. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

6. **Update on Freight District**

8:19 a.m. The PowerPoint presentation on the Freight District was provided in the Committee packet. Mary Lamie, Executive Director Freight District, provided a brief overview. East West Gateway did a freight study in 2013 to determine how our region could best take advantage of the anticipated 60% growth in the freight industry over the next 20 years. Peer cities like Kansas City, Memphis, Nashville, Columbus, and Indianapolis have had very aggressive marketing campaigns, resulting in a higher freight growth rate than ours. As a region, a better job of marketing the freight network and setting multi modal transportation priorities needs to be done. This region is central for U.S. manufacturing, home to specialized industries, and the largest manufacturing workforce compared to our peer cities. Not only does the St. Louis region have a multi-modal infrastructure, it also has the ability to move product from one mode of transportation to another. There are four highways with national access; five airports with available capability; six class one railroads; and St. Louis is the third largest inland port. The two largest inland ports are New Orleans and Pittsburgh. Consideration is being given to meeting with the Corps of Engineers to see if the St. Louis Region can get its limits expanded, similar to Pittsburgh, and if successful, the St. Louis Region could be rated higher as an inland port. This region also has six natural gas and nine refined product pipelines.

In the fall of 2015, representatives for the St. Louis Regional Freightway met with our regional Missouri and Illinois Congressional Delegates in Washington, DC. The Congressional Delegations indicated that the freight industry is one of their top priorities and that this is the greatest opportunity to grow and expand our regional economy. Ms. Lamie stated that she also met with the Real Estate industry in early December 2015. There is a small working group representing the barge industry, and that group is working on ways to improve efficiency for barge and fleeting operations on the Mississippi River. There also was a meeting with the six class one railroads who overwhelmingly supported continued investment in our infrastructure with an emphasis on the Merchant's Bridge, which provides service to the six class one railroads and Amtrak.

Discussion followed regarding a visit to Washington, DC by Mr. Nations and Ms. Lamie and the helpful information provided by the Assistant to the Secretary of Transportation regarding applying for a TIGER Grant or a Freight Grant Application. Efforts are being made in conjunction with private industry to increase training opportunities to help with the truck driver workforce shortfall. We must continue to build on regional successes, promote industry specialization, strengthen modal flexibility, enable e-commerce growth, and capitalize on Panama Canal expansion. This report was informational only, and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

7. **Unscheduled Business**
8:36 a.m. There was no unscheduled business.

8. **Call of Dates for Future Committee Meetings**
8:38a.m. The next Finance and Administration Committee/Budget Review meeting is scheduled for Friday, March 18, 2016, at 8:00 a.m.; the next Board meeting is scheduled for Friday, April 22, 2016, at 8:00 a.m.

9. **Executive Session - If such action is approved by a majority vote of the Bi-State Development's Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters under §610.021(1); RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel actions under §610.021(3); discussions regarding negotiations with employee groups under §610.021(9); sealed bids, proposals and documents related to negotiated contracts under §610.021(12); personnel records or applications under §610.021(13); records which are otherwise protected from disclosure by law under §610.021(14); records relating to hotlines established for reporting abuse and wrongdoing under §610.021(16); or confidential or privileged communications with the District's auditor, including auditor work products under §610.021(17).**
8:40 a.m. Pursuant to the requirements of Section 610.021(1) and 610.021(2) of the Revised Statutes of Missouri, Chair Holman requested a motion to allow the Committee to go into closed session. A motion to go into Executive Session was made by Commissioner Buehlhorn and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Holman, Buehlhorn, and Brown voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned.**

Deputy Secretary to the Board of Commissioners
Bi-State Development

Open Session Item
7

BI-STATE DEVELOPMENT
FINANCE & ADMINISTRATION COMMITTEE MEETING
OPEN SESSION MINUTES
MARCH 18, 2016

Committee Members in Attendance

Missouri
Vernal Brown
Constance Gully
Aliah Holman

Illinois
Tadas Kicielinski, Chairman
David Dietzel (absent)

Other Commissioners in Attendance
Michael Buehlhorn (via phone @ 8:25 a.m.)
Irma Golliday (via phone)

Staff in Attendance
John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Brenda Krieger, Executive Assistant
Dixie Dahlke, Temporary Assistant – Program Development and Grants
Kathy Klevorn, Sr. Vice-President and Chief Financial Officer
Mark Vago, Controller
Jim Cali, Director, Internal Audit
Erick Dahl, Director, St. Louis Downtown Airport
Jackie Covington, Capital Program Analyst
David Beal, Capital Budget & Program Development Administrator
Charlie Pogorelac, Manager, Financial Planning & Budget
Dan Hinrichs, Business Analyst
Adam Schisler, Budget System Administrator
Tracy Beidleman, Director, Program Development & Grants
Tammy Fulbright, Director, Treasury Services
Tom Dunn, Director, Gateway Arch Riverboats
Jonathan Frederick, Director, Accounting & Budget
Michael Gibbs, Accountant-Business Enterprises
Charles Stewart, Vice President Pension & Insurance
Kent Swagler, Director, Corporate Compliance
Francoise Lyles-Wiggins, Supplier Diversity Manager
Larry Jackson, Executive Vice President for Administration
Melva Pete, Vice President, Human Resources
Kathy Brittin, Director, Risk Management Safety & Claims
Dianne Williams, Vice President, Communications & Marketing
David Toben, Director, Benefits
Kerry Kinkade, Vice President, Chief Information Officer
Jerry Vallely, External Communications Manager
Patti Beck, Director, Communications
Ray Friem, Executive Director Metro Transit
John Wagner, Project Manager, Economic Development
Barbara Georgeff, Director of Executive Services

Others in Attendance
None

1. **Call to Order**
8:05 a.m. Chairman Kicielinski called the Open Session Finance and Administration Committee Meeting to order at 8:05 a.m.

2. **Roll Call**
8:05 a.m. Roll call was taken.

3. **Public Comment**
8:05 a.m. There was no public comment.

4. **Minutes from August 28, 2015 Finance and Administration Committee Meeting - Open Session**
8:06 a.m. The August 28, 2015, Open Session Finance and Administration Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Holman and seconded by Commissioner Gully. **Motion passed unanimously.**

5. **Fiscal Year 2017 Fare Recommendation**
8:07 a.m. The briefing paper regarding the Fiscal Year 2017 Fare Recommendation was provided in the Committee packet. A brief overview was provided by Ray Friem, Executive Director Metro Transit. The *Moving Transit Forward Long Range Plan* (the **"Plan"**) was adopted in 2010 by Bi-State Development **(BSD)** and East West Gateway Council of Governments **(EWGCG)**. The Plan included a financial model on projected growth of all sources of revenue. Passenger revenue growth along with the appropriate levels of capital and operating support provided for a restored and expanded transit system for the metropolitan area over a twenty (20) year period. BSD implemented fare increases in FY11, FY13, FY15, and one is scheduled for FY17. In FY15, changes in ridership began to emerge due primarily to the combination of regional events, lower fuel prices, and the FY15 fare increase. These changes resulted in a negative trend on the system's ridership and revenues. In the current operating environment, an increase in fares in FY17 would erode an already fragile ridership base resulting in additional revenue losses. Due to the ridership loss and the deployment of the smart card system, management's recommendation is not to implement a fare increase in FY17. This would give BSD an opportunity to re-establish better ridership levels and new technologies. A motion for the Finance & Administration Committee to approve and recommend to the Board that no fare increase be implemented in FY17; and that the issue be reviewed again in the operational and business planning for the FY18 budget was made by Commissioner Gully and seconded by Commissioner Holman. **Motion passed unanimously.**

6. **Sole Source Contract Award: Gateway Fire Protection Systems, Inc.**
8:08 a.m. The briefing paper regarding the Sole Source Contract Award to Gateway Fire Protection Systems, Inc. report was provided in the Committee packet. Ray Friem, Executive Director of Metro Transit, and Larry Jackson, Executive Vice President of Administration, provided a brief overview. A bid was issued on January 6, 2016, seeking companies to replace the Illinois Bus Facility Underground Loop Fire Suppression System. One bid was received on February 9, 2016, from Gateway Fire Protection Systems, Inc. **("Gateway")**. This bid was compared to the Independent Cost Estimate, prepared by the Transit Operations Division, and invoices received from Gateway for like services provided to their customers. Based on this review, it was determined that the bid was fair and reasonable. A motion for the Finance and Administration Committee to approve and forward to the Board for approval to award a sole source contract in the amount of $346,511 to Gateway Fire Protection Systems for an Underground Loop Fire

Suppression System was made by Commissioner Gully and seconded by Commissioner Brown. **Motion passed unanimously.**

7. **Disadvantaged Business Enterprise Program Update**
8:10 a.m. The briefing paper regarding the Disadvantaged Business Enterprise Program Update was provided in the Committee packet. Larry Jackson, Executive Vice President of Administration, introduced Francoise Lyles-Wiggins, Manager, Office of Supplier Diversity, to provide a brief overview. Ms. Lyles-Wiggins discussed the three-year Disadvantaged Business Enterprise **(DBE)** goal of 20%, for the period of October 1, 2015, through September 30, 2018. The U.S. Department of Transportation 49 CFR, Part 26 ensures that DBE firms are afforded viable opportunities to participate on BSD projects agency-wide. The BSD Office of Supplier Diversity **(OSD)** administers the DBE Program, and as a recipient of federal financial assistance through the Federal Transit Administration **(FTA)**, BSD is required to maintain a DBE Program. OSD sets BSD's three-year goals and monitors progress toward goal attainment. BSD's report submitted to the FTA on December 28, 2015, projected that BSD would achieve overall 20% DBE participation with 15% of the goal achieved through race neutral means and 5% through race conscious means. The FTA approved BSD's 2016 – 2018 DBE goal on January 20, 2016. BSD exceeded its projected goal of 16% during Federal Fiscal Year **(FFY)** 2012 and 2013, and as a result an adjustment to the use of contract goals was implemented. The adjustment resulted in a shortfall at the end of FFY15 and as required a shortfall analysis report was developed and submitted to FTA for review and approval. The analysis outlined OSD's corrective action plan and implementation of the plan has begun. A motion for the Finance and Administration Committee to discuss and forward to the Board for approval BSD's revised three-year DBE goal of 20%, for the period of October 1, 2015 through September 30, 2018 was made by Commissioner Brown and seconded by Commissioner Golliday. **Motion passed unanimously.**

8. **Bi-State Development Operating and Capital Budget FY 2017 – 2019**
8:15 a.m. The briefing paper regarding the Bi-State Development Operating and Capital Budget FY 2017 – 2019, and the draft Budget were provided in the Committee packet. Tracy Beidleman, Director of Program Development & Grants, and Mark Vago, Controller, provided a brief overview. Mr. Vago stated that the 2017 – 2019 Budget incorporates the rebranding as Bi-State Development, relocating the headquarters, reorganizing BSD and implementing three internal service funds. John Nations, President & CEO, and Ray Friem, Executive Director, Metro Transit were featured in an article in *Mass Transit Magazine* discussing the economic benefits of mass transit. This is just one of the industry related magazines in which articles about Metro have been featured. BSD/Metro Transit has been recognized internationally for its world class vehicle maintenance program; and in the past 12 months BSD has won awards in procurement, marketing, communications, finance and other areas of the company. Mr. Nations was awarded the 2015 Good Scout Award for his many contributions to the region.

The annual budget is presented in accordance with Board Policy and the funding source for the Operating and Capital Budget includes operating revenue of each entity, local, state, and federal funding sources. The FY17 – FY19 Operating and Capital Budgets take into account the current economic conditions and conservatively estimate revenue, expense, and capital replacement and rehabilitation needs. BSD has focused its expertise on resources for regional economic development through the St. Louis Regional Freightway and the Research Institute. The opening of the North County Transit Center, rehabilitating infrastructure, modernizing the bus and rail fleet and equipment, and collaborating with CityArchRiver project renovations will enhance the customer's experience. The transit operating and non-operating revenues total $309.4 million, with the largest contributions from St. Louis County, St. Clair County, St. Louis City, and passenger revenue. The transit operating and non-operating expenses total $310.8 million, with compensation making up the largest portion. Source of funds for the Capital Budget for FY17 - FY19 are $159 million from local funding and $474.9 million from federal funding for a total of $633.9 million.

****8:25 a.m. Commissioner Buehlhorn joined the meeting via phone.**

Ms. Beidleman discussed the new transportation law that was recently enacted, the Fixing America's Surface Transportation (FAST) Act that was signed by President Obama on December 4, 2015. It became effective October 1, 2015, and will extend through September 30, 2020. The FAST Act was intended to provide steady predictable funding over the five (5) year authorization period with an increase in funding to transit programs. FAST maintains other formula based funding source programs authorized under the prior transportation law, MAP-21. In addition, several discretionary programs have been maintained including the Congestion Mitigation and Air Quality and Surface Transportation programs. One of the biggest changes was the reintroduction of the Bus and Bus Facility Discretionary Program. Funding was reestablished to support competitive grant opportunities. There will be $55 million per year set aside to provide funding to support Low and No Emission vehicles that support clean air efforts. The change to Section 5307 Urbanized Area Formula Program eliminates the 1% Enhancement set aside. Physical art was eliminated from the program under MAP-21. FAST now makes the incremental costs of incorporating art into a project or incorporating non-functional landscaping into facilities, as well as the cost of an artist on a design team, an ineligible expense. BSD will have to identify other funding options to support artist collaboration and facility landscaping needs. BSD will also be required to maintain equipment and facilities in accordance with the transit asset management plan. Approximately 69% of the federal funding is planned from formula programs that include 5307 Urbanized Area Formula, 5337 State of Good Repair, 5339 Bus and Bus Facility funding and the remaining funding previously apportioned under the Fixed Guideway program. Approximately 31% of the funds are planned from various discretionary sources such as the TIGER program, CMAQ program, STP, Enhanced Mobility of Individuals and Seniors with Disabilities, and Homeland Security, as well as funding previously appropriated under the New Freedom and JARC programs. The Missouri local sales tax makes up approximately 57% of the local match required for capital projects. The Illinois local match, including funding from SCCTD and grant funds through IDOT, make up 8.9% of the planned local funds to support Illinois related capital projects. These capital funds will be allocated to capital activities and planned major project expenditures over the next three years.

Some discussion followed regarding fare enforcement infrastructure changes. Mr. Friem advised the Board that he would provide a link to the independent analysis that would show that there would be no return on this type of investment. The physical barrier equipment is estimated to cost approximately $40 million. MetroLink was designed to be open with multiple walk up points. BSD would have to build ADA compatible ingress and egress and a plaza at every station to eliminate track access. The new smart card system is expected to make fare enforcement easier and reduce losses. Although the smart card system return on investment is difficult to quantify, management believes it would provide better revenue enforcement, control discounts, offer customer convenience, and greatly reduce transfer abuse.

The presentation also included a discussion regarding Tourism Innovation that includes the Gateway Arch, the Riverboats, and the Heliport. The Gateway Arch Tram System total revenue was $7.6 million, and the total expenses were $5.5 million. The Other Expense category was up because of additional promotional and advertising related to the opening of the Arch. The net income totaled $2.1 million before depreciation. Discussions continued regarding the Gateway Arch Tram System capital projects. The Riverboat sightseeing and dinner cruise ticket prices increased by $2 for both children and adults. Based on historical trends, 18 flood days were included in the financial statements for the 2017 budget; and there was one capital project related to the engine rebuild for the Becky Thatcher riverboat. The Riverfront Attractions for the 2017 budget had revenue of $2.7 million, which includes the increases related to the change in ticket prices. The Heliport rental is $5,500 per month. In addition, when receipts reach certain thresholds, BSD receives a percentage of those receipts. The expenses were $2.6 million, resulting in a net income of approximately $100,000 before depreciation. The St. Louis Downtown Airport **(Airport)** revenue was $1.5 million, total expenses were $1.6 million, with a net income loss before depreciation of $122,214. Discussions followed on plans to better improve revenue at the Airport.

A motion for the Committee to approve and refer to the Board to approve the FY17 – FY19 Operating and Capital Budget was made by Commissioner Gully and seconded by Commissioner Brown. **Motion passed unanimously.**

9. **2nd Quarter Financial Statements**
9:10 a.m. The 2nd Quarter Financial Statements Report was provided in the Committee packet. This report was informational only and no Committee action was required. A copy of this report will be kept at the office of the Deputy Secretary.

10. **2nd Quarter Performance Indicators**
9:10 a.m. The 2nd Quarter Performance Indicators Report was provided in the Committee packet. This report was informational only and no Committee action was required. A copy of this report will be kept at the office of the Deputy Secretary.

11. **2nd Quarter Procurement Report**
9: 18 a.m. The 2nd Quarter Procurement Report was provided in the Committee packet. This report was informational only and no Committee action was required. A copy of this report will be kept at the office of the Deputy Secretary.

12. **January Treasury Report**
9:19 a.m. The January 31, 2016, Treasury Report was provided in the Committee packet. Tammy Fulbright, Director, Treasury Services provided a brief overview. The total Bi-State Development directed investments were $194 million, and the average rate of return was 44 basis points or .44%. In comparison to June 2015, we had about $200 million of BSD directed investments, with an average return of 28 basis points or .28%. It is a good sign that the average rate of return is improving. Trustee Directed Funds are $50 million with an average rate of return of 1.39%. BSD is able to invest these funds for a longer duration. The Federal funds rate was increased from the 0 to .25% range to .25% to .50% range. For the consumer and corporate borrowing, the increase results in higher cost of borrowing. Speculation is that the rates may increase twice this year. The short term rates as of January 31, 2016, for T Bill was .44%, Agency Discount Notes was .68%, and Collateralized CD was .65%. The long term rate for 2 year Agency Bonds was 1.00%, and for 3-year Agency Bonds was 1.25%. The current rates for March are about the same with the exception of Treasury bills. In anticipation of a possible Fed increase, Treasury bills were up about a quarter percent. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

13. **Pension Plan & 401(k) Retirement Savings Program Investment Performance Update as of 12/31/15**
9:21 a.m. The briefing paper and attachments regarding the Pension Plan and 401(k) Retirement Savings Program Investment Performance Update as of 12/13/15 were provided in the Committee packet. Charles Stewart, Vice President Pension and Insurance, provided a brief overview. Mr. Stewart discussed the year-ended December 31, 2015 Pension Plan and 401(k) Retirement Savings Program Investment Performance Reports that were presented to the respective trustees by Ellwood Associates, at the February 2016 trustee meetings.

Salaried Pension Plan: The Salaried Pension Plan total assets as of December 31, 2015 were $54.7 million. After falling to $33.4 million in 2008, assets have steadily grown, increasing by over $20 million since the financial crisis. Weak investment performance, together with modestly negative cash flows have resulted in a lower 2015 Portfolio value. Total assets are lower by $1.1 million, and the portfolio experienced a net spending outflow of $800,000 since the beginning of 2015. During the fourth quarter, the Salaried Pension Portfolio had a 2.4% rate of return. The Portfolio declined by 40 basis points for calendar year ended December 31, 2015. Since inception the total portfolio has a 7.6% average annual rate of return outpacing its benchmark by 40 basis points. The portfolio's investments are in line with its target allocations. The portfolio investment managers are performing in line with expectations.

401(k) Retirement Savings Program: The total assets for the 401(k) Program are $40.3 million as of the end of the fourth quarter 2015. Participant contributions have been consistent throughout the market environment. The Program had $3.5 million in new contributions during 2015. Allocations to individual funds and asset types remain relatively unchanged from the beginning of the year. The T. Rowe Price Lifecycle Funds continue to grow in popularity. No changes to the investment manager lineup was recommended. Each investment is performing in line with Ellwood's expectations.

IBEW Pension Trust – Local 2 and Local 309: The total assets as of December 31, 2015, were $3.7 million, gaining approximately $200,000. Total portfolio market values have steadily increased. The portfolio rallied strongly following the sell-off that occurred during the third quarter. All Portfolio investment managers are performing in line with expectations, and no recommendations for replacement were advised. Asset allocation continues to split with 65% equities and 35% fixed income. Ellwood recommended rebalancing $70,000 of the Plan's cash balance. The Committee approved purchasing $50,000 of Harbor International and $20,000 of Vaughn Nelson.

788 Pension: The total assets are $116.9 million. Fund flows to date have been modestly negative with contributions of $13.3 million compared to benefit payments of $14.8 million. This trend is consistent with previous calendar years. The fourth quarter rate of return was 2.5%. Longer term performance remains favorable. The Portfolio's current real estate allocation is modestly overweight. Underweight exposures to equities and hedge funds offset the real estate allocation. No action to rebalance the portfolio is recommended at this time. In November 2015, BlueCrest announced their decision to close their business to outside investors. BlueCrest returned 75% of the Trust's money by the end of January 2016, with an additional 15% to be received by the end of March. A 10% reserve will be withheld until July 2016, when the Fund completes its audit. Due to the fund closure, Ellwood recommended redeploying the proceeds from the BlueCrest redemption to the existing hedge fund managers (approximately $2 million each). The existing managers (HBK and Och-Ziff) are adequately diversified, and should retain the hedge fund portfolio's expected risk/return profile. All other investment managers are performing in line with Ellwood's expectations. No additional recommendations were advised. These reports were informational only and no Committee action was required. A copy of the reports will be kept at the office of the Deputy Secretary.

14. Pension Audit Update

9:40 a.m. The briefing paper and Pension Audit Update Report were provided in the Committee packet. Charles Stewart, Vice President Pension and Insurance, provided a brief overview. The Pension Data Audit, issued by Bi-State Development's Internal Audit Department (IAD) in March 2012, identified policy, procedures, recordkeeping and internal control deficiencies that affected both financial reporting and the general administration of the pension plans. A recommendation was made by IAD for the pension trustees to engage an independent certified public accounting firm to perform an annual financial statement audit. This recommendation was implemented and the audit reports reflect significant progress in addressing the deficiencies noted by IAD. The four pension plans financial audit reports for fiscal years 2007, 2008, 2009, and 2010 were issued by Mayer, Hoffman, McCann, PC (MHM) in September 2012. Audit reports for fiscal years 2011 and 2012 were issued in February 2014; for fiscal years 2013 and 2014, the reports were issued in May 2015; and for fiscal year 2015, in September 2015. The financial audit report for the 401(k) Plan for fiscal years 2006 to 2012 was issued in September 2014; and issued for fiscal years 2013 and 2014 in February 2016. At the February 2016 Pension Committee meetings, the Pension Trustees for all committees voted to seek audit proposals for the next round of annual audits. MHM issued clean audit opinions for fiscal year ended 2015 for all four pension plans; and for 2013 and 2014 for the 401(k) Retirement Savings Program. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

15. **2015 Pension Valuation Update**
9:43 a.m. The briefing paper and attachments regarding the 2015 Pension Valuation Update were provided in the Committee packet. Charles Stewart, Vice President Pension and Insurance, provided a brief overview. As of June 1, 2015, the funded ratio for the Salaried Pension Plan was 78.3%, and the unfunded liability was $16,062,541. As of April 1, 2015, the funded ratio for the IBEW Pension Plan was 86.5% and the unfunded liability was $559,229. As of April 1, 2015, the funded ratio for the Local 788 Pension Plan was 59.6% and the unfunded liability was $80,003,001. ATU Local 788 agreed to merge the Division 788 O&M and the Clerical Pension Plans, effective April 1, 2015. As of April 1, 2014, the funded ratio for Local 788 O&M Pension Plan was 56.4% and the unfunded liability was $80,652,709. For the Clerical Plan, the funded ratio was 45.0% and the unfunded liability was $6,424,007. If the Plans had been merged on April 1, 2014, the funded ratio for the combined plans would have been 55.7% and the unfunded liability would have been $87,076,716. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

16. **Pension & Insurance – Internal Service Funds Update**
9:53 a.m. The briefing paper and Pension and Insurance Internal Service Funds Update were provided in the Committee packet. Charles Stewart, Vice President Pension and Insurance, provided a brief overview. The accounting, reporting, and management of the Self-Funded Health Insurance, General Liability and Worker's Compensation programs, which includes the current activities of the Benefits and Risk Management Departments, are being reorganized to achieve the accountability objectives of the Board. The Finance and Internal Audit Departments are playing significant roles in the development of the infrastructure and the financial reporting processes for this reorganization. The three Internal Service Funds established are: 41- Health Self-Insurance Internal Service Fund; 42 – Casualty Self-Insurance Internal Service Fund; and 43 – Workers Compensation Self-Insurance Service Fund. Mr. Stewart has been given full authority and responsibility for all operations relating to these Internal Service Funds. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

17. **Health Care Reform Impact Update**
10:00 a.m. The briefing paper regarding the Health Care Reform Impact Update was provided in the Committee packet. Dave Toben, Director of Benefits, provided a brief overview. The Benefits Department along with a health and welfare plan consultant are engaged in monitoring the guidance being released by the U.S. Health and Human Services (HHS) Department enacting this legislation. Major impacts from the legislation began to be felt in 2014 for individuals and in 2015 for employer groups. Mr. Toben's remarks highlighted the state and federal Health Care Exchanges as well as

employer mandates. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

18. **Other Post-Employment Benefits (OPEB) Trust Review**
10:12 a.m. The briefing paper regarding Other Post-Employment Benefits **(OPEB)** Trust Review was provided in the Committee packet. Dave Toben, Director of Benefits, provided a brief overview. On May 30, 2008, the Board passed a resolution authorizing the establishment of an OPEB trust. By establishing an OPEB trust, certain initiatives were addressed. On May 10, 2010, a trust was established naming the Bank of New York Mellon Trust Company N.A. as the custodial trustee and the initial contribution was $3 million. In June 2013, the trustees retained Ellwood Associates as investment advisor and established a formal Statement of Investment Policy **(SOIP)** effectively moving the trust asset management responsibility from the BSD Treasury Department to Ellwood Associates. As of June 30, 2010, the total OPEB Unfunded Actuarial Accrued Liability **(UAAL)** was $188,244,000. Primarily through modifications made to our retiree health plan for those post-65 participants that become Medicare eligible, as of June 30, 2015, the OPEB UAAL was reduced to $64,846,100. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

19. **Unscheduled Business**
10:21 a.m. There was no unscheduled business.

20. **Call of Dates for Future Committee Meetings**
10:21 a.m. The next Board meeting is scheduled for Friday, April 22, 2016; the next Finance and Administration Committee meeting is scheduled for Friday, May 13, 2016.

21. **Executive Session - If such action is approved by a majority vote of the Bi-State Development's Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters under §610.021(1); RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel actions under §610.021(3); discussions regarding negotiations with employee groups under §610.021(9); sealed bids, proposals and documents related to negotiated contracts under §610.021(12); personnel records or applications under §610.021(13); records which are otherwise protected from disclosure by law under §610.021(14); records relating to hotlines established for reporting abuse and wrongdoing under §610.021(16); or confidential or privileged communications with the District's auditor, including auditor work products under §610.021(17).**
10:21 a.m. Pursuant to the requirements of Section 610.021(1) of the Revised Statutes of Missouri, Chairman Kicielinski requested a motion to allow the Committee to go into closed session. A motion to go into Executive Session was made and seconded. A roll call vote was taken and the Commissioners present, Gully, Brown, Holman, Buehlhorn, Kicielinski and Golliday voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned.**

Deputy Secretary to the Board of Commissioners
Bi-State Development

Open Session Item
9(a)

Bi-State Development
Board of Commissioners
Agenda Item
April 22, 2016

From:	John M. Nations, President & CEO
Subject:	**Sole Source Contract Award: Gateway Fire Protection Systems, Incorporated**
Disposition:	Approval
Presentation:	Raymond A. Friem – Executive Director of Metro Transit; Larry B. Jackson, Executive Vice President of Administration

Objective:
To present to the Board of Commissioners a request for authorization to award Gateway Fire Protection Systems, Incorporated a contract to replace the buried loop fire protection system and install an overhead system. Services are to be performed at the Illinois Bus Facility located at 801 N. 47th Street, East St. Louis, Illinois.

Committee Disposition:
This item was presented and discussed at the Finance & Administration Committee meeting on Friday, March 18, 2016. The Committee voted to recommend that the Board of Commissioners approve this award to Gateway Fire Protection Systems, Incorporated.

Board Policy:
Chapter 50 - accordance with Board Policy Chapter 50.010.E – Purchasing, requires Board approval of all non-competitive procurements exceeding $100,000.00.

It is the policy of the Agency to conduct all procurements in a manner which fosters full and open competition. In some cases, competition is not feasible or practical. Sole source procurements totaled 11.3% of all procurements over the last four quarters.

Funding Source:
The funding sources for this project are Federal Transit Administration (**FTA**) Grant number MO-90-X296 and Local Funding.

Background:
The existing Illinois Underground Fire Suppression System Loop has had several breaks due to an excess of 32 years of settlement and site soil condition. It is necessary and prudent to replace the system in order to maintain reliable function as originally intended and meet fire code requirements.

Analysis:
Sealed Bid (**SB**) 15-SB-102506-CG was issued on January 6, 2016, seeking bids from companies that could replace the Illinois Bus Facility Underground Loop Fire Suppression System. The Sealed Bid was advertised in the Bi-State Development iSupplier Portal. The iSupplier Portal is Bi-State's web-based communication tool structured to allow interested bidders full and open access to view, communicate, and submit bids on active solicitations. Twenty-five companies were invited to participate and were provided an electronic copy of the solicitation.

To encourage competitive bidding from other suppliers, a transmittal was sent to all invited suppliers prior to the bid due date, requesting the status of their intentions to participate. One company indicated their intent to bid and four replied that they were not interested in the project. On February 9, 2016, one bid was received from Gateway Fire Protection Systems, Incorporated.

The bid was compared to the Independent Cost Estimate prepared by the Transit Operations Division and invoices received from Gateway Fire Protection, Incorporated for like services provided to their most favored customers.

Gateway Fire Protection System Bid	Like Services Provided to similar firm by Gateway per invoices received.	Independent Cost Estimate
Lump Sum $346,511.00	Lump Sum $363,261.53	Lump Sum $505,835

Based on the information above, the Gateway Fire Protection System, Incorporated bid has been determined to be fair and reasonable.

Board Action Requested:

Approval by the Board of Commissioners to award a sole source contract in the amount of $346,511.00 to Gateway Fire Protection Systems, Incorporated for replacement of the Underground Loop Fire Suppression System. The contract period shall not exceed ninety days.

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE BI-STATE DEVELOPMENT AGENCY
OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT
APPROVING THE AWARD OF CONTRACT TO GATEWAY FIRE PROTECTION SYSTEMS, INCORPORATED FOR REPLACMENT OF THE UNDERGROUND LOOP FIRE SUPPRESSION SYSTEM

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 between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to plan, construct, maintain, own and operate passenger transportation facilities, and to perform all other necessary and incidental functions, and to disburse funds for its lawful activities, to adopt rules and regulations for the proper operation of its passenger transportation facilities and conveyances, to contract and to be contracted with; and

Whereas, Board Policy Chapter 50, §50.010(a)(8) and §50.010(E)(1)(b), requires Board approval of all Non-Competitive ("sole source" or "single bid") Procurements exceeding $100,000; and

Whereas, this Project is funded through FTA grant MO-90-X296 and Local Funding; and

Whereas, the existing Illinois Bus Facility Underground Loop Fire Suppression System has had several breaks due to an excess of 32 years of settlement and site soil condition. It is necessary and prudent to replace the system in order to maintain reliable function as originally intended and to meet fire code requirements; and

Whereas, on January 6, 2016 BSD issued sealed bid 15-SB-102506-CG for the replacement of the Illinois Bus Facility Underground Loop Fire Suppression System and twenty-five companies were invited to participate. One company indicated its intent to bid and four replied that they were not interested in the project. On February 9, 2016 one bid was received from Gateway Fire Protection Systems, Incorporated and its bid has been determined to be fair and reasonable; and

Whereas, it is feasible, necessary and in the public interest for the Agency to approve the award of a sole source contract to Gateway Fire Protection Systems, Incorporated in an amount not to exceed $346,511 for replacement of the Illinois Bus Facility Underground Loop Fire Suppression System, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Sole Source Contract. The Board of Commissioners hereby approves the award of a sole source contract to Gateway Fire Protection Systems, Incorporated in an amount not to exceed $346,511 for replacement of the Illinois Bus Facility Underground Loop Fire Suppression System, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preamble hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO, and the Vice President of Procurement are hereby authorized and directed to execute 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 the payment of all costs, expenses and fees incurred in connection with or incidental to this Resolution and Contract; and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency and Gateway Fire Protection Systems, Incorporated.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 22th day of April, 2016.

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

By______________________________________
Title______________________________________

[SEAL]

ATTEST:

By______________________________________
Deputy Secretary to the Board of Commissioners

Open Session Item

9(b)

Bi-State Development
Board of Commissioners
Agenda Item
April 22, 2016

From: John M. Nations, President & CEO
Subject: **Disadvantaged Business Enterprise Program**
Disposition: Approval
Presentation: Francois Lyles-Wiggins – Manager, Office of Supplier Diversity; Larry B. Jackson, Executive Vice President of Administration

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Objective:
To present to the Board of Commissioners for approval, the Bi-State Development (**BSD**) Disadvantaged Business Enterprise goal for the period October 1, 2015, through September 30, 2018.

Committee Disposition:
This item was presented and discussed at the Finance & Administration Committee meeting on Friday, March 18, 2016. The Committee voted to recommend that the Board of Commissioners approve Bi-State Development's revised three-year Disadvantaged Business Enterprise goal of 20%, for the period October 1, 2015, through September 30, 2018.

Board Policy:
Section 50.030-Disadvantaged Business Enterprises:
B. DBE Plan. The Bi-State Development Agency recognizes its responsibilities to the communities it serves. It is the policy of the Agency to involve, to the greatest extent possible, socially and economically disadvantaged individuals in all phases of procurement activities. In order to honor this commitment, the Board reviews and approves a management-prepared, comprehensive DBE Plan every five years. Each year specific goals for participation are established, and accomplishments are assessed in an annual summary, which is reviewed by the Board.

Funding Source:
Funding for the BSD Office of Supplier Diversity is provided through the annual operating budget.

Background:
As a recipient of federal financial assistance via Federal Transit Administration (**FTA**), Bi-State Development is required to maintain a Disadvantaged Business Enterprise (**DBE**) Program. The BSD Office of Supplier Diversity (**OSD**) administers the DBE Program as outlined in U.S. Department of Transportation 49 CFR, Part 26 and ensures that DBE firms are afforded viable opportunities to participate on BSD projects agency wide.

OSD sets the agency's overall three year goal and monitors progress toward goal attainment; sets contract goals on various construction projects, goods and service contracts; manages the DBE Certification Program, monitors and enforces 49 CFR, Part 26 on its projects funded in whole or part with federal funds and provides various outreach services. The OSD is supported by one Disadvantaged Business Enterprise Liaison Officer (**DBELO**)/Manager; one-Senior Diversity Specialist; one-Diversity Specialist and an Administrative Assistant.

Analysis:

OSD submitted BSD's overall DBE goal setting report for the period October 1, 2015, and ending September 30, 2018, to the FTA on December 28, 2015. The report projects that the agency will achieve overall 20% DBE participation, with 15% of the overall goal achieved through race neutral means and 5% through race conscious means. FTA approved BSD's 2016 - 2018 DBE goal on January 20, 2016. (**See Attachment A - Goal Setting Report and Concurrence Letter**)

FTA requires that recipients monitor goal attainment annually and make adjustments in their approach to goal attainment based on whether the agency is exceeding or falling short of the overall goal. During Federal Fiscal Years **(FFY**) 2012 and 2013, BSD exceeded its projected goal of 16%; therefore, an adjustment to the use of contract goal was implemented. This adjustment resulted in a shortfall at the end of FFY 2015. As required under 49 CFR, Part 26, a shortfall analysis report was developed and submitted to FTA for review and approval on January 19, 2016. Within this analysis, OSD outlined a corrective action plan and began implementation of that plan.

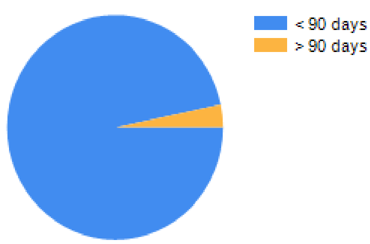
BSD utilizes an on-line application process to receive and review new applications for DBE certification and No Change Affidavits (**NCA**). OSD is required to review applications within 90 days. Additionally, DBE firms whose initial applications were processed by BSD are required to submit every year on the anniversary date of their certification a NCA, the firm's balance sheet and income statement and a completed and signed copy of their firm's federal tax return. The NCA affirms that there have been no changes in the firm's circumstances affecting its ability to meet the requirements of size, disadvantaged status, ownership, or control.

DBE Certification Application Statistics

OSD has reviewed a total of 59 firms in less than 90 days (96.72%) and 2 firms past 90 days (3.28%) from July 1, 2015 through March 1, 2016.

Certification Processing Time

Threshold (days):	**90**	
Total Records:	**61**	
	< 90 days	> 90 days
Count:	**59**	**2**
Percent:	**96.72%**	**3.28%**



Monitoring and Enforcement

OSD reviews DBE participation on every bid and/or proposal. Once a bid/proposal becomes a contract, monitoring and enforcement through document review, verification of payment, and site visits is initiated and continues until project completion. Below is a list of projects currently being monitored:

Bi-State Development Project Compliance Summary from 7/1/14-3/1/16						
Project Number	Project Name	Prime Contractor	Amount	FTA	DBE Goal	Current Particpation
46814	SM Tactile Warning Strip Replacement II Project	L. Keeley Construction	$ 718,062.00	Yes	15.0%	10.8%
47066	Shrewsbury Station Pavement and Wall Repair (Complete)	St Louis Bridge Co	$ 576,890.25	Yes	17.0%	20.5%
47229	Purchase & Installation of Analog Addressable Fire Alarm System	Artisan Constructors	$ 147,144.00	Yes	0.0%	0.0%
47400	Microsoft Office 2013	World Wide Tech, Inc.	$ 285,982.50	Yes	0.0%	0.0%
47439	PROJECT 1869 - SOLE SOURCE	Gets Global Signaling	$ 256,333.52	Yes	0.0%	0.0%
47605	North County Transfer Center - Phase I	C. Rallo Contracting	$ 5,085,000.00	Yes	27.0%	15.9%
48247	Wood Ties & Spikes	Natural Wood Sol.	$ 612,000.00	Yes	0.0%	0.0%
48398	Spruce St Bridge Replacement Design & Construction Phase Ser.	URS Corporation	$ 605,120.81	Yes	0.0%	0.0%
49319	Feeder Wire Rehab & Substation Waterproofing@MO-08&09	TGB, Inc.	$ 568,286.00	Yes	9.5%	15.8%
49533	Missouri Radio System Tower Site Upgrades	IHC Construction	$ 1,811,307.56	Yes	0.0%	0.0%
49639	Design/Build Ewing Yard Retaining Wall Remediation Part 2	St Louis Bridge Co	$ 4,142,110.00	Yes	23.0%	10.4%
49778	MO Rail Tie Replacement Services	Mussellman & Hall	$ 950,015.00	Yes	0.0%	0.0%
50446	**Spruce Street Bridge Replacement**	**Kozeny Wagner Inc**	**$ 5,283,792.70**	**Yes**	**0.0%**	**4.8%**
50745	Union Station Track Z-Crosing/DTC-Clark Avenue Improvements	Raineri Construction	$ 246,938.25	Yes	0.0%	0.0%
38009	Eads Bridge Rehabilitation	St. Louis Bridge Co	$ 40,565,704.00	Yes	11.79%	23.32%
46375	DeBaliviere Facility Cleaning	ISS Facility Services	$ 391,697.72	No	15.0%	0.0%
47039	MetroLink Manual Ticket Sales/Revenue Services	SM Huber ENT, INC	$ 666,638.08	No	10.0%	35.0%
50787	JNEM Arch Transportation System MG Set Replace	Harlan Company	$ 5,002,100.00	No	7.0%	0.0%
42991	Illinois Slope Stabilization Services & Scour Protection Phase 2	Illinois Excavators, Inc.	$ 1,704,357.61	No	15.0%	17.25%

Project 50446-Spruce Street Bridge Replacement has a 0% DBE goal set because this project was bid during the period which BSD had suspended its use of race-conscious goal setting. Kozeny Wagner, Inc., committed to 8.19% DBE participation even though no goal was set. Bi-State Development's Office of Supplier Diversity encourages prime contractors on projects with 0% DBE participation goals to evaluate the projects for contracting opportunities and attempt to maximize inclusion.

Outreach

OSD determined that some DBE contractors within the area were not aware of BSD's wide range of contracting opportunities. To address this issue and broaden interest in all BSD's contracting opportunities, meetings have been scheduled with various small, minority, and community organizations in the area to make them aware of the BSD procurement process and encourage them to register with the BSD on-line procurement registry so they will receive notification of upcoming opportunities. Participation in various outreach sessions hosted for the disadvantaged, minority and women contracting community has increased. Additionally, we have organized informational sessions for prime contractors on counting DBE participation and what corrective actions they need to perform when confronted with situations that may arise to hinder goal attainment.

Board Action Requested:

Approval by the Board of Commissioners for Bi-State Development's revised three-year Disadvantaged Business Enterprise goal of 20%, for the period October 1, 2015, through September 30, 2018.

Attachments:

Attachment A:	FTA FY 2014 DBE Goal Correction Action Letter dated 1/30/15
Attachment B:	BSD Corrective Action Plan Letter dated
Attachment C:	BSD Overall Goal Setting Report FY 2016-2018
Attachment D:	BSD DBE Participation Shortfall Analysis Report FFY 2014-2015

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE BI-STATE DEVELOPMENT AGENCY
OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT
APPROVING THE DISADVANTAGED BUSINESS ENTERPRISE GOAL

PREAMBLES:

Whereas, The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the "Agency"/"BSD") is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the "Board of Commissioners"); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact") to purchase or lease, sell or otherwise dispose of, and to plan, construct, operate and maintain, or lease to others for operation and maintenance, passenger transportation facilities, and motor vehicle and other terminal or parking facilities; to contract with municipalities or other political subdivisions for the services or use of any facility owned or operated by the Agency, or owned or operated by any such municipality or other political subdivision; to contract and to be contracted with; and to perform all other necessary and incidental functions; and

Whereas, Board Policy Section 50.030 (B) – Disadvantaged Business Enterprises, DBE Plan. provides that it is the policy of the Agency to involve, to the greatest extent possible, social and economically disadvantaged individuals in all phases of procurement activities and therefore reviews and approves a management-prepared comprehensive DBE plan every five years; and

Whereas, as a recipient of federal funding BSD is required to maintain a Disadvantaged Business Enterprise Program (Program). The BSD Office of Supplier Diversity (OSD) administers the Program as outlined in the U.S. Department of Transportation 49 CFR, Part 26 and ensures that DBE firms are afforded viable opportunities to participate on BSD projects Agency wide; and

Whereas, OSD sets Agency's overall three year goal and monitors progress toward goal attainment, sets contract goals on various construction projects and goods and service contracts, manages the DBE Certification Program, monitors and enforces 49 CFR, Part 26 on its projects funded in whole or in part with federal funds and provides various outreach services; and

Whereas, OSD submitted BSD's overall DBE goal setting report for the period October 1, 2015, and ending September 30, 2018 to the FTA on December 28, 2015. The report projects that the Agency will achieve overall 20% DBE participation, with 15% of the overall goal through race neutral means and 5% through race conscious means. FTA approved BSD's 2016 – 2018 DBE goal on January 20, 2016; and

Whereas, it is feasible, necessary and in the public interest for the Board of Commissioners to approve the BSD DBE goal of 20% for the period October 1, 2015 through September 30, 2018, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the DBE Goal. The Board of Commissioners hereby approves the Agency goal of 20% for the period October 1, 2015 through September 30, 2018 (as provided in the Attachments to the

Briefing Paper and made a part hereof), under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO or Designated Individual, are hereby authorized and directed to take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution, and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency, its officers and employees.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 22nd day of April, 2016.

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

By____
Title____

[SEAL]

ATTEST
By:____
Deputy Secretary to the Board of Commissioners

Open Session Item 9(b)

Attachment A

Attachment A

U.S. Department
Of Transportation
Federal Transit Administration

Headquarters

1200 New Jersey Avenue S.E.
Washington DC 20590

January 30, 2015

Bi-State Development Agency
707 North First Street
St. Louis, MO 63102

Attn: John Nations, CEO
Elke Campbell, DBELO

Re: FY2014 DBE Goal — Corrective Action Required

The Federal Transit Administration (FTA) has Bi-State Development Agency's (Bi-State) FY2014 Disadvantaged Business Enterprise (DBE) Semi-Annual Reports. These reports are used to annually access Bi-State's DBE participation and determine whether your agency achieved its DBE goal in accordance with the U.S. Department of Transportation's DBE regulations at 49 C.F.R. Part 26. The methods used to meet your agency's goal are paramount to overall compliance and help ensure the DBE program is narrowly tailored to combat discrimination, and its effects, during federally-assisted projects.

The DBE Program is, primarily, a race-neutral initiative that incorporates race-conscious elements, as needed. After reviewing Bi-State's DBE participation for the past two years, FTA noticed that your agency has exceeded its overall DBE goal and continues to incorporate race-conscious measures as part of its program. While there is no blanket prohibition against using race-conscious measures, your agency must reduce the use of contract goals "proportionately" when it exceeds the overall goal in two consecutive years. 49 C.F.R. 26.51(f)(4).

Bi-State is not required to eliminate all use of contract goals. It must, however, adjust the race-neutral/race-conscious breakdown in FY2015 to eliminate any potential misuse or overuse of contract goals. Your agency should first examine its FY14 semi-annual reports to determine the actual percentage of race-neutral and race-conscious participation attained throughout the fiscal year.

Bi-State must submit its adjusted race-neutral/race-conscious breakdown for FY2015 to the FTA Regional Civil Rights Officer (RCRO) by February 27, 2015. The submission must include the following: 1) the race-neutral and race-conscious attainment from FY2014; 2) the adjusted race-neutral projection for FY2015 and how your agency determined this adjusted percentage; 3) the race-neutral measures that will be used in FY2015 to achieve your agency's goal; and 4) the adjusted race-conscious projection for FY2015 and how your agency determined this adjusted percentage.

Please be mindful that your agency must, meet the "maximum feasible portion of [its] overall goal [...] using race-neutral measures" and must establish contract goals to meet any portion of the overall goal it does not anticipate meeting using race-neutral means. 49 C.F.R. 26.51 Bi-State's FY2015 race-neutral/race-conscious adjustment must reflect this standard.

We appreciate your cooperation and dedication to the DBE program. Please contact Kevin Osborn at Kevin.Osborn@dot.gov with any questions or concerns.

Sincerely,

Linda Ford
Director, Office of Civil Rights

Open Session Item 9(b)

Attachment B

Attachment B

Larry B. Jackson
VP – Procurement, Inventory
Management & Supplier Diversity
Email: LBJackson@metrostlouis.org

Metro

707 North First Street
St. Louis, Missouri 63102-2595
PH: 314.982.1400
www.metrostlouis.org

March 27, 2015

Ms Linda Ford
Director, Office of Civil Rights
U. S. Department of Transportation
Federal Transit Administration
Office of Civil Rights
East Building, 5th floor - TCR
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Bi-State Development Agency
FY2014 DBE Goal – Corrective Action Request dated January 30, 2015

Ms Ford;

BSDA/Metro has completed its review of the corrective action noted in your letter of January 30, 2015. Currently we are half way through the last year of our 3-year goal period and are starting to compile information for our upcoming goal submission for FY2016-18. In order to provide some insight to the goal setting process, we propose to complete FY2015 utilizing a race neutral process whereby contract goals will not be established for contract procurements.

If there are additional questions or concerns, please don't hesitate to contact us.

Best Regards,

Larry B Jackson

Larry B. Jackson

cc: J. M. Nations
Kevin Osborn (FTA)

Open Session Item 9(b)

Attachment C

Attachment C

Bi-State Development Bi-State Development
Overall DBE Goal Setting Report
FY 2016-2018
Federal Transit Administration

TABLE OF CONTENTS

OVERALL DISADVANTAGED BUSIENSS ENTERPRISE GOAL-SETTING METHODOLOGY REPORT FEDERAL FISCAL YEAR 2016-2018

I. INTRODUCTION

This report details the methodology and the process utilized by Bi-State Development (Bi-State Development) to formulate its three (3) year Fiscal Year (FY) 2016-2018 goal for US DOT-assisted projects. It describes the efforts by Bi-State Development to comply with the goal setting provisions outlined in 49 CFR Part 26.

The Board approves Bi-State Development's Operating and Capital Budget annually in March of each year. This scenario will be repeated in 2016 and 2017. Some projects included in the goal setting process may not be under taken and other projects may be added based on changing priorities of the Agency and Board authorizations.

Planned USDOT-assisted expenditures for FY 2016-18 encompass a wide range of initiatives meeting the Agency's major priorities. Included in the budget is a three-year program designed to build, maintain or replace Bi-State Development's core infrastructure critical to the efficient operation of the region's public transit system. The capital budget provides the funding to implement necessary improvements and upgrades to the system infrastructures, as well as various expenditures for asset replacements that occur on an infrequent basis. Capital expenditures for FY 2016-2018 include current and future rail projects, vehicle and supporting equipment purchases, transit development (i.e. facility, centers, stations, parking lots, etc.) and information technology improvements.

II. PROPOSED OVERAL GOAL FOR FEDERAL FISCAL YEAR (FFY) 2016-2018

Based on the requirements set forth in 49 CFR Part 26, Bi-State Development formerly known as Bi-State Development is submitting a goal for FFY 2016-2018. The recommended overall DBE goal for the period is 20 percent (20%).

III. OVERALL GOAL SETTING METHODOLOGY AND EVIDENCE

In preparation for the 2016-2018 goal, the Disadvantaged Business Enterprise Liaison Officer (DBELO) obtained capital budget information from the grants department. Projects evaluated for contracting opportunities cover several NAICS codes-construction, professional services, electric, operating (CMAQ, JARC, ARRA, PM), consulting, materials/supplies, and other areas such as IT equipment.

Table 1 lists all anticipated DOT-assisted contracts by NAICS for projects during the FFY 2016-2018:

TABLE 1. CONTRACTING OPPORTUNTIES

	NAICS Code	Project	Amount of DOT funds on project:		% of total DOT funds (weight)
1)	237990	Other Heavy & Civil Engineering	$	95,190,090.00	0.2783
2)	236220	Commercial and Institutional	$	22,614,399.00	0.0661
3)	237310	Highway, Street and Bridge	$	36,085,035.00	0.1055
4)	237130	Power & Communication Line	$	2,591,764.00	0.0076
5)	238220	Plumbing, Heating, and Air	$	1,403,770.00	0.0041
6)	238210	Electrical Contractors	$	29,025,109.00	0.0848
7)	2381	Foundation Structure & Bldg.	$	3,612,444.00	0.0106
8)	423430	Computer & Computer Peripheral	$	12,987,526.00	0.0380
9)	423850	Service Est. Equip & Supplies	$	20,260,207.00	0.0592
10)	441310	Automotive Parts & Accessories	$	21,783,323.00	0.0637
11)	423690	Other Electronic Parts & Equip	$	42,896,527.00	0.1254
12)	541	Professional, Scientific, Technical	$	8,227,453.00	0.0241
13)	541512	Computer Sys. Design Services	$	4,475,750.00	0.0131
14)	532420	Office Machinery and Equipment	$	6,038,958.00	0.0177
15)	423420	Office Equipment Merchant	$	12,987,526.00	0.0380
16)	561730	Landscaping Services	$	899,179.00	0.0026
17)	561720	Janitorial Services	$	5,000,000.00	0.0146
18)	238	Specialty Trade Contractors	$	16,000,000.00	0.0468
					0.0000
					0.0000
	Total FTA-Assisted Contract Funds			**$342,079,060.00**	**1.0000**

49 CFR §26.45 requires a two-step process for setting the transit DBE goal that reflects the level of DBE participation on Bi-State Development contracts expected absent the effects of discrimination. Bi-State Development examined the relevant market area. The overall goal is based upon the availability of DBE firms ready, willing and able to work in the local market area. The local market area for Bi-State Development is known as the St. Louis Metropolitan Statistical Area (SMSA) which consists of eight counties and a portion of Crawford, County in Missouri (St. Charles, St. Louis City, St. Louis County, Lincoln, Warren, Washington, Franklin, Jefferson and the portion of Sullivan City in Crawford County, Missouri) and eight counties in Illinois (Bond, Monroe, Macoupin, Jersey, Clinton, Calhoun, St. Clair and Madison).

In order to determine the base figure for the availability of DBEs, Bi-State Development carefully examined the Missouri Unified Certification Program (MUCP)-Missouri Regional Certification Committee (MRCC) DBE directory. However, to ensure the goal reflects the actual availability of ready, willing and able DBEs in the SMSA, Bi-State Development examined the MBE/WBE Directories of the City of St. Louis, State of Missouri-Office of Administration/Office of Equal Opportunity and the Illinois UCP Directory to determine whether they contained firms which should be considered ready, willing and able DBEs within the NAICS identified within Bi-State Development's contracting opportunities. Additionally, data available for 2013 from the United States Census Bureau-County Business Patterns database (http://censtats.census.gov/cgi-bin/msanaic/msasel/pl)[1] was utilized.

IV. STEP 1-BASE FIQURE CALCULATION

The initial phase of the Step 1 analysis requires that recipient's first step is the calculation of a base figure for the relative availability of able, willing and ready DBEs. Bi-State Development utilized the number of DBEs within the relevant market area and NAICS codes determined to be within Bi-State Development's anticipated federally funded projects for FY 2016-2018. The number of ready, willing and able DBE firms within the market area totaled 1,354 (see Table 2). Bi-State Development examined the total number of establishments, including DBEs, available to perform within the same NAICS. The total number of establishments based off data reviewed in the County Business Patterns database totaled 16,630 (see Table 2). US DOT Tips requires the calculation of the relative base figure by dividing the total number of available, willing and able DBEs in the market area (1,354) by the total number of all market area businesses (16,630) multiplied by 100. The base figure estimate of DBE availability equals 8.14 percent as shown in Table 2.

[1]2014 County Business Pattern data was not available at the time the DBE goal was calculated.

TABLE 2. DBE AVAILABILITY ANALYSIS

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	237990	Other Heavy & Civil Engineering	10	33	0.3030	
2)	236220	Commercial and Institutional	90	385	0.2338	
3)	237310	Highway, Street and Bridge	40	96	0.4167	
4)	237130	Power & Communication Line	7	56	0.1250	
5)	238220	Plumbing, Heating, and Air	96	842	0.1140	
6)	238210	Electrical Contractors	120	490	0.2449	
7)	238110	Foundation Structure & Bldg.	85	959	0.0886	
8)	423430	Computer & Computer Peripheral	10	67	0.1493	
9)	423850	Service Est. Equip & Supplies	5	54	0.0926	
10)	441310	Automotive Parts & Accessories	1	321	0.0031	
11)	423690	Other Electronic Parts & Equip	3	84	0.0357	
12)	541	Professional, Scientific ,Technical	300	7249	0.0414	
13)	541512	Computer Sys. Design Services	70	425	0.1647	
14)	532420	Office Machinery and Equipment	10	8	1.2500	
15)	423420	Office Equipment Merchant	1	84	0.0119	
16)	561730	Landscaping Services	58	1003	0.0578	
17)	561720	Janitorial Services	48	577	0.0832	
18)	238	Specialty Trade Contractors	400	3897	0.1026	
	Combined Totals		**1354**	**16630**	***0.0814***	***Overall availability of DBEs***

The number of DBEs ready, willing and able to bid on Bi-State Development's contracting opportunities is 1,354. The number of all establishments (DBEs and non-DBEs) within the appropriate NAICS codes associated with Bi-State Development's contracting opportunities is 16,630. 1,354 divided by 16,630 multiplies by 100 indicates that the overall availability of DBEs is 8.14%.

In the application of the overall DBE goal, not all DBEs have equal opportunity for participation as opportunity depends on the spend in each NAICS code. Weighting is recommended in USDOT tips to ensure the overall goal accurately reflects the scope of work. NOTE: The USDOT Tips for Goal Setting advises recipients to look to relevant data sources to supplement your DBE directory. When using the DBE directory and census data in goal setting and there is concern that the directory does not accurately reflect the number of potential DBEs in your area, you should seriously consider supplementing the number of firms in your DBE directory for the purposes of goal-setting. One of the listed tips is to examine lists of other DBEs and MBE/WBEs from other sources to ensure your list of DBEs and potential DBEs is accurate. Bi-State Development weighted the availability of firms based on

the spend in each NAICS, which resulted in a weighted step one base figure of 21 percent as indicated in Table 3.

TABLE 3-DBE GOAL ANALYSIS

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	237990	Other Heavy & Civil Engineering	0.27827	x	0.30303	0.0843
2)	236220	Commercial and Institutional	0.06611	x	0.23377	0.0155
3)	237310	Highway, Street and Bridge	0.10549	x	0.41667	0.0440
4)	237130	Power & Communication Line	0.00758	x	0.12500	0.0009
5)	238220	Plumbing, Heating, and Air	0.00410	x	0.11401	0.0005
6)	238210	Electrical Contractors	0.08485	x	0.24490	0.0208
7)	2381	Foundation Structure & Bldg.	0.01056	x	0.08863	0.0009
8)	423430	Computer & Computer Peripheral	0.03797	x	0.14925	0.0057
9)	423850	Service Est. Equip & Supplies	0.05923	x	0.09259	0.0055
10)	441310	Automotive Parts & Accessories	0.06368	x	0.00312	0.0002
11)	423690	Other Electronic Parts & Equip	0.12540	x	0.03571	0.0045
12)	541	Professional, Scientific, Technical	0.02405	x	0.04139	0.0010
13)	541512	Computer Sys. Design Services	0.01308	x	0.16471	0.0022
14)	532420	Office Machinery and Equipment	0.01765	x	1.25000	0.0221
15)	423420	Office Equipment Merchant	0.03797	x	0.01190	0.0005
16)	561730	Landscaping Services	0.00263	x	0.05783	0.0002
17)	561720	Janitorial Services	0.04677	x	0.08319	0.0039
18)	238	Specialty Trade Contractors	0.01462	x	0.10264	0.0015
					Total	0.2139
					Expressed as a % (*100)	21.39%
					Rounded, Weighted Base Figure:	**21%**

V. STEP 2-CONSIDERATION OF ADJUSTMENT TO THE BASE FIGURE

Bi-State Development examined all evidence in its jurisdiction to determine what adjustment, if any, is needed to the base figure to arrive at the overall goal. Included among the types of evidence that must be considered are the current capacity of DBEs to perform work on Bi-State Development's federally-assisted contracts, as measured by the volume of work DBEs have performed in recent years, and input from interested parties.

Bi-State Development determined that an adjustment to the Step-One base figure was necessary. The methodology includes past participation in 2012, 2013, and 2014. The 2012 annual goal was 16 percent and achievement was 18.6 percent; 2013 annual goal was 16 percent and achievement was 24.7 percent and 2014 annual goal was 16 percent and achievement was 5.4 percent. Bi-State Development determined that the median number between 2012-2014 to be 18.6 percent (middle number) and averaged this number with the Step-One base figure weighted value of 21 percent. The result was 19.8 percent or 20 percent as shown in Table 4.

TABLE 4-ADJUSTMENT TO BASE FIGURE

GOAL LAST THREE YEARS	AWARDS/COMMITMENTS	AMOUNT EXCEEDED
2012 (16% goal)	18.6%	2.6
2013 (16% goal)	24.7%	8.7
2014 (16% Goal)	5.4%	-10.6

Median Past Participation values from lowest to highest: 5.4%, 18.6% 24.7%

Past Participation Adjustment:	
Step 1 Goal: Base Rate (Weighted):	**21%**
Step 2 Adjustments (Past Participation Median + Weighted Total)/2	**21.0**
	18.6
	39.6
	20%

Adjusted Goal: **20%**

VI. PROJECTION OF RACE-NEUTRAL VS. RACE CONSCIOUS GOAL ATTAINMENT

The final requirement of the goal setting process is to determine the portion of the overall goal that will be achieved by race and gender-neutral means. As outlined in 49 CFR § 26.51, the maximum feasible portion of the overall DBE goal should be achieved using race and gender-neutral means.

Bi-State Development examined the achievement of its goal for FFY 2013-2015 since contracting opportunities are similar. The race neutral and race conscious components were determined by analyzing the DBE achievements against the actual goals set for federally-funded projects. Race-neutral includes, but is not limited to, the following: anytime a DBE wins a prime contract through customary competitive procurement procedures; a DBE is awarded a subcontract on a prime contract that does not carry a goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contract that did not consider a firm's DBE status in making the award.

Based off upcoming contracting opportunities Bi-State Development determined that the race neutral and race-conscious split would utilize the adjusted base figure of 20 percent. Bi-State Development estimates that approximately $2,302,949 worth of its contracting opportunities can be bid to small businesses. Bi-State Development projects that 20 percent of these opportunities can be won by DBE firms which equates to approximately $460,589.80.

Examining larger opportunities Bi-State Development considered if prime bidders would solicit and afford viable opportunities to DBE firms, as well as small businesses, to perform on the larger opportunities. Bi-State Development estimated that approximately $51,639,508 worth of DBE participation exists within the remaining opportunities. Bi-State Development calculated the total to be approximately $52,100,097.80 of contracts awarded to DBE firms through race neutral means which equates to approximately 15 percent. Bi-State Development subtracted the race neutral percentage from the overall goal of 20 percent and determined the race conscious portion of the overall goal to be 5 percent. Therefore, the breakdown is as follows: 20 percent overall goal – 15 percent race neutral and 5 percent race conscious.

The triennial overall goal stated above is an aspirational target for expending federal funds with DBE firms. Funding, local market conditions and capacity of DBE firms in specific industry classifications may make ongoing adjustments of the overall goal necessary.

CONTRACT GOALS

In accordance with 49 CFR § 26.51(e)(1)(2), contract goals will be utilized to meet any portion of the overall goal that Bi-State Development projects cannot be met through race-neutral participation. Bi-State Development will assign contract goals only on those projects that have subcontracting possibilities. In accordance with §26.51(e)(4), Bi-State Development will also ensure the assignment of contract goals provided for the participation of all certified DBEs and will not be sub-divided into group specific goals. Contract goals will be expressed as a percentage of the total amount of the US DOT-assisted contract. In accordance with 49 CFR § 26.51(f), to ensure that Bi-State Development's DBE program continues to be narrowly tailored to overcome the effects of discrimination, Bi-State Development adjusted its use of contract goals by reducing and eliminating the use of contract goals to the extent necessary in efforts not to exceed the overall goal.

49 CFR § 26.51 (f) (4) states that if DBE participation exceeds your overall in two consecutive years through the use of contract goals, you must reduce your use of contract goals proportionately in the following year. In 2012, Bi-State Development's DBE goal was 16 percent. Awards/Commitments totaled 18.6 percent; 7.4 percent race neutral and 11.2 percent race conscious. In 2013, the DBE goal was 16 percent. Awards/Commitments totaled 24.7 percent; race neutral totaled 16.7 percent and 8.0 percent race conscious. In 2014, the DBE goal was 16 percent. Awards/Commitments totaled 5.4 percent; 2.6 percent race neutral and 2.8 percent race conscious. For federally-assisted projects, the DBE goal attainment from 2012, 2013 and 2014 indicates that Bi-State Development exceeded the DBE goal in 2012 and 2013. The overall goal for both years was 16 percent. The overage of DBE participation for 2012 was 2.6 percent (with rounding 3 percent) and in 2013 8.7 percent (with rounding 9 percent). Bi-State Development has exceeded its goal over a two-year period by an average of 38 percent. In 2014, Bi-State Development reduced its use of contract goals.

Based off information obtained from the Uniform Report of DBE Commitments/Awards and Payments. Therefore, Bi-State Development must reduce its contract goal projection by 38 percent and set contract goals accordingly during the upcoming year.

In compliance with §26.51(f), Bi-State Development will continue to monitor DBE participation and will make necessary adjustments to ensure that the program is narrowly tailored.

GOOD FAITH EFFORTS

In accordance with §26.53, Bi-State Development will require a prime contractor to submit a good faith waiver request in instances where the prime contractor is unable to meet the contract goal.

In determining whether a prime contractor has demonstrated good faith in meeting the goal, the goal will follow provisions contained in §26.53. Bi-State Development has implemented policies and procedures to provide administrative reconsideration to contractors deemed not to have demonstrated good faith in meeting the goal. As part of this administrative reconsideration, the contractor is afforded an opportunity to provide written documentation or argument concerning the issue of whether it met the goal, or made adequate good faith efforts to do so.

The result of the reconsideration will not be administratively appealable to the United States Department of Transportation (USDOT).

COUNTING DBE PARTICIPATION TOWARDS THE OVERALL AND CONTRACT GOALS

Bi-State Development will determine DBE credit and counting toward the overall and contract goals as outlined in the provisions contained in §26.55 on USDOT-assisted projects.

IV. PUBLIC NOTICE OF PROPOSED OVERALL GOALS

In accordance with 49 CFR §26.45(g), the goal setting process used by recipients to establish their overall goal submitted to the operating administrations for approval must include consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of DBEs and non-DBEs. This consultation process is also intended to gather information concerning the effects of discrimination on opportunities for DBEs, if present, and establishing a level playing field for the participation of DBEs.

On September 17, 2015, Bi-State Development invited the following minority, women and general contractor groups, community organizations and other officials (interested parties) within Bi-State Development's contracting market to attend a public meeting aimed at gathering information relative to the goal-setting process:

- Associated General Contractors of Missouri
- Community Renewal & Development, Inc.
- Minority Contractor Initiative (MCI)
- MOKAN
- NAACP
- Missouri First Congressional District Congressman Lacy Clay Representative
- St. Louis Minority Supplier Development Council (SLMSDC)
- Hispanic Chamber of Commerce

Bi-State Development's attempts to contact the Missouri Women in Trades (MOWIT), the National Association of Women Business Owners (NAWBO) and the National Association of Women in Construction were to no avail. A message was left with staff of the Bi-State Development East Black Contractors Organization (MEBCO) regarding the meet date, time and location.

A face to face dialogue was held Monday, September 28, 2015. Attendees included Associated General Contractors-Missouri, St. Louis Minority Business Council and MOKAN. During that meeting Bi-State Development discussed goal setting, methodology Bi-State Development utilized to set the 2016-2018 goal, North American Industry Code System (NAICS) as it relates to counting DBE participation toward goal attainment, compliance monitoring, outreach and notification of upcoming contracting opportunities.

MOKAN advised Bi-State Development to examine hiring a consultant to assist with compliance monitoring and ensuring that contractors are adhering to goals on projects. MOKAN felt that more communication of bid opportunities between Bi-State Development and minority and women contractors beyond email blasts needed to occur. Additionally, MOKAN suggested that Bi-State Development look at special financing, escrow accounts, for minority and women contractors on projects in order to maximize participation.

Minority contractors present during dialogue requested notification from Bi-State Development on available opportunities.

Associated General Contractors-Missouri indicated that they will assist in any manner to ensure that their membership cooperates fully with Bi-State Development as it relates to inclusion. They invited Bi-State Development to address its membership.

Additionally, Bi-State Development published its FY 2016-2018 DBE goal in the main lobby of its headquarters location at 211 North Broadway, Suite 700, St. Louis, Missouri 63102. This notice informed the public that the proposed goal is 20% and its rationale is available for inspection during normal business hours at this same location for 30 days following the date of the notice. Bi-State Development posted notices on Bi-State Development's Website (www.Bi-State Developmentstlouis.org/dbe).

Bi-State Development took public comments and stakeholder groups' recommendations and/or comments into consideration as warranted in the goal setting process. Bi-State Development's final DBE goal is representative of the input provided by the stakeholder groups during the public consultation and comment periods. Bi-State Development made every attempt to be inclusive and solicit input from a diverse group of community organizations within the local contracting area.

Bi-State Development will begin using the overall three-(3) year goal on October 1, 2015.

ACRONYMS

49 CFR PART 26:	Code for Federal Regulation that governs the DBE Program
DBE:	Disadvantaged Business Enterprise
DBELO:	DBE Liaison Officer
IL UCP:	Illinois Unified Certification Program
MBE:	Minority Business Enterprise
MRCC:	Missouri Regional Certification Committee (Missouri UCP)
NAICS:	North American Industry Classification System
SMSA:	St. Louis Bi-State Metropolitan Statistical Area
USDOT:	United States Department of Transportation
WBE:	Women Business Enterprise

Open Session Item 9(b)

Attachment D

Attachment D

SUPPLIER DIVERSITY
DISADVANTAGED BUSINESS ENTERPRISE
PARTICIPATION SHORTFALL ANALYSIS REPORT
FFY 2014-2015

FEDERAL TRANSIT ADMINISTRATION

PREPARED BY:
Francoise Lyles-Wiggins
Bi-State Development Supplier Diversity Program Manager/DBELO

OVERVIEW

Planned USDOT-assisted expenditures for Bi-State Development in FY 2013-15 encompassed a wide range of initiatives meeting the Agency's major priorities. Included in the budget is a three-year program designed to build, maintain or replace Bi-State Development's core infrastructure critical to the efficient operation of the region's public transit system. The capital budget provides the funding to implement necessary improvements and upgrades to the system infrastructures, as well as various expenditures for asset replacements that occur on an infrequent basis. Capital expenditures for FY 2013-2015 included current and future rail projects, vehicle and supporting equipment purchases, transit development (i.e. facility, centers, stations, parking lots, etc.) and information technology improvements.

Bi-State Development Triennial Goal for FFY 2013-2015 was 16% (2.7% RN/13.3% RC). Review of the Uniform Report of DBE Commitments/Awards and Payments from June 1ST (Oct. 2014-Mar. 2015) and December 1ST (Apr. 2015-Sept. 2015) reporting periods indicated that Bi-State Development only achieved 10% through commitments and awards to DBE firms. Therefore, Bi-State Development's DBE participation shortfall is 6%.

This shortfall analysis describes the efforts by Bi-State Development to comply with the provisions outlined in 49 CFR Part 26 and is inclusive of all Federal Transit Administration (FTA) funded projects.

SHORTFALL PERCENTAGE

Bi-State Development's total awards and commitments for October 2014-March 2015 (June 1ST reporting period) totaled $6,141,465. Awards and commitments for April 2015-September 2015 (December 1St reporting period) totaled $3,768,317. The combined total of awards and commitments for both reporting periods totals $9,090,782.

Total DBE awards and commitments for October 2014-March 2015 totaled $888,110. DBE Awards and commitments for April 2015-September 2015 totaled $56,185. The combined total of DBE awards and commitments for both reporting periods totals $944,295.

Bi-State Development divided the total DBE awards and commitments ($944,295) by the total awards ($9,909,782) resulting in .0952, 10% with rounding. Bi-State Development Triennial goal was 16% and achieved 10% which is a 6% shortfall.

RACE CONSCIOUS /RACE NEUTRAL BREAKDOWN

Bi-State Development Triennial goal for 2013-2015 was 16% (2.7% RN/13.3% RC). Bi-State Development examined its awards and commitments for FFY 2013. The agency exceeded its goal during this timeframe (25% achieved-8% race conscious/17% race neutral) yet race conscious fell short of the 13.3% and race neutral exceeded the 2.7% projection. In 2014 Bi-State Development adjusted its use of contract goals and failed to meet its DBE goal (5.4% achieved-2.8% race conscious/2.6% race neutral). During FFY 2015, Bi-State Development continued to adjust its use of contract goals and failed to meet its DBE goal (10% achieved-10% race conscious/0% race neutral).

RACE NEUTRAL MEASURES

Contracts are unbundled where economically feasible. The agency exceeded the goal during FFY 2013 in part due to unbundling. During FFY 2014, the agency made an adjustment to its race conscious measures due to exceeding the goal two years consecutively. Supplier Diversity is present during the contract solicitation process.

REASONS FOR SHORTFALL

Review of the contracts awarded during FFY 2014-2015, indicates that Bi-State Development made every effort to achieve the goal. However, discontinuing contract goal setting in its entirety was an attributing factor to the shortfall. Below is a breakdown of all contracts undertaken during FFY 2014-2015.

DBE PARTICPATION ON PROJECTS UNDERTAKEN DURING FFY 2014-2015

PROJECT NAME	FTA FUNDS	DBE GOAL	DBE COMMITMENT	RACE NEUTRAL	RACE CONSCIOUS
Shrewsbury Station Pavement and Wall Repair	$ 461,512.20	17%	17%	$ -	$ 71,402.24
Purchase & Installation of Analog Addressable Fire Alarm Sys.	$ 117,715.20	0%	0%	$ -	$ -
Microsoft Office 2013	$ 228,786.00	0%	0%	$ -	$ -
Project 1869 Sole Source	$ 205,066.82	0%	0%	$ -	$ -
Fabick Cat 12/2/2014	$ 86,688.00	0%	0%	$ -	$ -
North County Transfer Center Phase I	$ 4,068,000.00	15%	26.2%	$ -	$ 854,286.40
Wood Ties & Spikes	$ 489,600.00	0%	0%	$ -	$ -
Spruce Street Bridge Replacement Design & Construction	$ 484,096.65	0%	0%	$ -	$ -
Feeder Wire Rehabilitation & Substation Waterproofing @ MO-08 & 09	$ 454,628.80	0%	0%	$ -	$ -
Design/Build Ewing Yard Retaining Wall Remediation Part 2	$ 3,313,688.00	23%	23%	$ -	$ 37,646.40
TOTAL	**$ 9,909,781.67**				**$ 963,335.04**

Three out of ten projects undertaken in FFY 2014-2015 by Bi-State Development included contract goals-Design/Build Ewing Yard Retaining Wall Remediation-Part 2, Shrewsbury Station Pavement and Wall Repair and North County Transfer Center Phase I.

The Design/Build Ewing Yard Retaining Wall Remediation-Part 2 project was a $4,4142,110 contract for design and construction services to restore structural stability and prevent damages to the Ewing Yard, public utility infrastructure and Scott Avenue due to a wall collapse into the Ewing Yard undermining the southern portion of Scott Avenue and taking yard Tracks 114 and 115 out of service. The goal for this project was 23% and 0% DBE commitment was attained in FFY 2015. DBE commitment levels are based off the current level of the project. This project is a design build and was only 10% complete during this period. The design has not been reviewed and approved. Also, since this project experienced two collapses the clean-up stage was still in progress. Due to the nature of the project, the prime contractor commits to examine and identify all subcontracting opportunities as the project progresses as indicated on their commitment statement. Bi-State Development Supplier Diversity will work closely with the project team during all phases of the project to ensure that as scope becomes identified DBE participation is maximized within those areas. Bi-State Development anticipates that DBE participation will increase as the project evolves.

The Shrewsbury Station Pavement and Wall Repair project consisted of construction of a retaining wall, removal and replacement of a pedestrian track crossing and installation of the concrete collar around sewer grates. Review of this contract indicated that the initial award amount of $576,890.25 included an allowance totaling $150,000 of which $63,568.15 was not utilized thereby the award amount was reduced to $513,322.10. Additionally, some payments to DBE subcontractors occurred after the reporting time period for this analysis. Examination of RC totals, $71,402.24/$513,322.10 indicates that the prime contractor did not achieve 17% but 14% during the reporting time period.

Bi-State Development examined ridership in North St. Louis County and determined that building a facility capable of providing both a major transfer hub and a bus garage and maintenance facility would meet the needs in the North St. Louis County. Bi-State Development proceeded with the design for both phases and plans to construct both elements concurrently, but based on funding constraints, the project could potentially proceed in two phases. Phase I would meet the community's immediate need for a permanent, highly visible bus transfer center. It would provide a high level of passenger amenities including, parking, climate-controlled waiting area, and retail space. Review of the North County Transfer Center Phase I contract indicated the goal was 15% and commitment by the prime contractor was 26.2%. Review of the current level of participation suggests this project is at 17%. The participation on this contract is race conscious. Examination of commitments versus the actual goal set has this project with a shortfall of 9.2% during the reporting time period.

CORRECTIVE ACTION PLAN

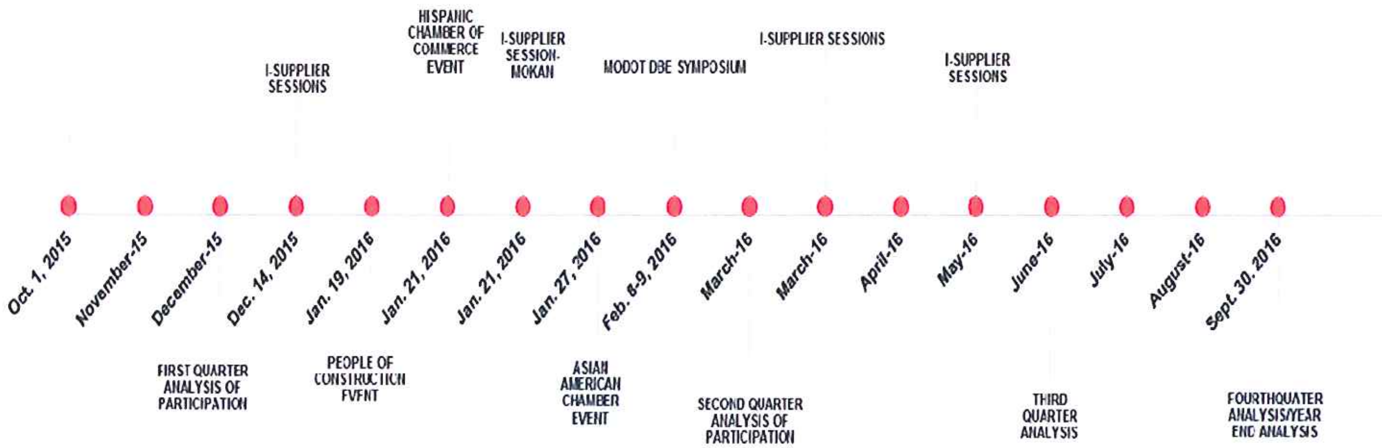
Examination of projects with no goal set indicated that no effort by prime contractors was put forth although there might have been some contracting opportunities. Bi-State Development will strongly encourage prime contractors to put forth a robust good faith effort toward inclusion where contracting opportunities are evident with no goal set on projects.

Bi-State Development will monitor FTA assisted contracts on a quarterly basis to examine participation levels to ensure that DBE goals are being met. More frequent monitoring allows Bi-State Development to identify potential shortfalls and address them in a timely manner. Additionally, this allows Bi-State Development time to meet with contractors and develop a plan to correct deficiencies.

Bi-State Development re-examined outreach efforts and determined that contractors within the area were not aware that Bi-State Development had a wide range of contracting opportunities. Supplier Diversity has begun meeting with various small, minority and disadvantaged contracting agencies in the St. Louis Metropolitan Area to make them aware of the procurement system (*i*-Supplier) Bi-State utilizes to notify potential vendors of upcoming and active opportunities. If vendors are not registered for *i*-Supplier they will not receive updates and/or specific information surrounding open solicitations. Supplier Diversity is introducing the system and encouraging potential vendors to set up an account in order to receive direct notification via email of upcoming opportunities. *I*-Suppler sessions began December 14, 2015. Additionally, during FFY 2016 Bi-State Development will increase its participation in various outreach sessions:

People of Construction-1/19/16
Hispanic Chamber of Commerce-Business After Hours-1/21/16
Asian American Chamber of Commerce-Business After Hours-1/27/16
Missouri Dept. of Transportation DBE Symposium-2/8-2/9/16
St. Louis Business Expo-4/12/16

Bi-State Development Supplier Diversity Milestones



Open Session Item

9(c)

Bi-State Development
Board of Commissioners
Agenda Item
April 22, 2016

From:	John M. Nations, President & CEO
Subject:	**Fiscal Year 2017 Fare Recommendation**
Disposition:	Approval
Presentation:	Raymond A. Friem, Executive Director Metro Transit

Objective:
To provide the Board of Commissioners with a review of Bi-State Development/Metro **(BSD/Metro)** Transit's current fare structure and recommend adjustments going forward.

Committee Disposition:
This item was presented and discussed at the Finance & Administration Committee meeting on Friday, March 18, 2016. The Committee voted to recommend to the Board of Commissioners that no fare increase be implemented in FY 2017, and that the issue be reviewed again during the operational and business planning for the FY 2018 budget.

Board Policy:
Section 90.010 Transit Systems Fares

A. It is the policy of the Agency that only the Board of Commissioners may establish and revise transit system fares. The current fare structure shall be appended to these Board Policies and have the force and effect provided by the laws of the signatory states. The appended fare structure shall be supplemented as transit system fares are revised.
B. The Board shall evaluate the fare structure not less than once a year. During the evaluation the Board will consider changes recommended by individual members of the Board of Commissioners, the President & CEO, customers, and local governments. The evaluation of the fare structure may be made in conjunction with the adoption of the next fiscal year budget, or at other times during the fiscal year.

Funding Source:
Not Applicable

Background:
From the 1980's through the 2000's Bi-State Development/Metro pursued a strategy of holding fares steady for as long as possible. A cycle emerged where the pressures on the system would gradually increase until BSD/Metro was forced to take one of two actions, reduce service or increase fares, and often both simultaneously. During this period, BSD/Metro's cash "base" fare increased approximately 25 cents at infrequent intervals. Each increase represented a significant percentage fare increase to the transit rider. The combination of high percentage increases and service reductions contributed greatly to ridership losses during that time frame.

In early 2010, the Board of Commissioners and East-West Gateway Council of Governments adopted the *Moving Transit Forward Long Range Transit Plan.* This plan included a financial model on projected growth from all sources of revenue. Passenger revenues are assumed to grow at approximately 5% every two years. Passenger revenue growth, coupled with appropriate levels of capital and operating support, will provide support for a restored and expanded transit system for the entire metropolitan area over a twenty year period.

Since that time, BSD/Metro has pursued a fare strategy that incorporated fare increases in alternate years as a way to ensure sufficient revenues to operate the system, and to control the percentage increase passed on to the customers. By pursuing smaller, more regular fare increases, the need to pass along a 25-cent fare increase was eliminated. As such, BSD/Metro implemented smaller fare increases in FY 2011, 2013, 2015, and is scheduled for review and adjustment again in FY 2017.

Analysis:
The alternating year fare increase strategy sought revenue increases through the combination of higher fares and growth in ridership. Through FY 2014, the plan was successful in increasing system revenues just as it had been designed to do.

	FY 2010 Actual	**FY 2011 Actual**	**FY 2012 Actual**	**FY 2013 Actual**	**FY 2014 Actual**
Total MB/ML passenger revenue	$43,810,192	$45,227,025	$47,902,308	$49,624,444	$50,534,654
C-A-R revenue	820,937	888,397	990,042	1,100,998	1,135,787
Passenger revenue	44,631,129	46,115,422	48,892,350	50,725,441	51,670,441
TMA revenue	1,598,269	1,381,174	1,404,217	1,377,905	1,365,196
Paratransit Contract	3,765,177	3,753,095	3,788,866	3,451,127	3,216,567
Total Passenger Revenue	49,994,574	51,249,691	54,085,432	55,554,473	56,252,205
Percentage Revenue Growth		2.51%	5.53%	2.72%	1.26%

Table 1. System Revenue Growth 2010 - 2014

Fare increases in alternate years average around 5% with an effective annual increase of 2.5%. Changes in ridership patterns began to emerge in FY 2015. The combination of regional events, dramatically lower fuel prices, and the fare increase of 2015 resulted in a negative trend impact on system ridership and revenues. This is illustrated in table 2 below.

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projection
Total MB/ML passenger revenue	$49,624,444	$50,534,654	$50,039,787	$48,800,885
C-A-R revenue	1,100,998	1,135,787	1,221,237	1,217,074
Passenger revenue	50,725,441	51,670,441	51,261,024	50,017,958
TMA revenue	1,377,905	1,365,196	1,394,802	1,397,812
Paratransit Contract	3,451,127	3,216,567	2,891,057	2,973,038
Total Passenger Revenue	55,554,473	56,252,205	55,546,883	54,388,808
Percentage Revenue Growth		1.26%	-1.25%	-2.08%

The transit industry standard fare elasticity model is the Simpson Curtain formula, which suggests that for each 5% increase in passenger fares, ridership would drop 2.3%. In Metro Transit's current operating environment, an increase of fares in FY 2017 in the 5% range would further erode an already fragile ridership base, and would not likely generate additional revenue as a result.

In addition, BSD/Metro is developing and will implement a contactless fare payment system (smart card) over the next two years. Fare policy can be used to help encourage the public to make the transition to the new fare mechanisms through a range of strategies.

The combination of ridership loss and future flexibility with the deployment of the smart card system indicates that the best course of action for BSD/Metro is to hold system fares constant in FY 2017 while Metro Transit works to re-establish better ridership levels and new technologies.

A fare increase is not recommended in FY 2017.

Board Action Requested:
Approval by the Board of Commissioners that no fare increase be implemented in FY 2017, and that the issue be reviewed again during the operational and business planning for the FY 2018 budget.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AUTHORIZING APPROVAL OF NO FARE INCREASE FOR FISCAL YEAR 2017

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency/BSD”) is a body corporate and politic, created by an interstate 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 Mo. Rev. Stat. § 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the “Compact”) 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, in accordance with Board Policy, Chapter 90.010, *Transit System Fares* it is the policy of the Agency that only the Board of Commissioners may establish and revise transit system fares. The current fare structure shall be appended to the Board Policies and have the force and effect provided by the laws of the signatory states. The appended fare structure shall be supplemented as transit system fares are revised; and

Whereas, pursuant to the Agency's 2010 Long Range Transit Plan, the Agency has been pursuing an alternating year fare increase strategy with fare increases in alternate years averaging 5%, with an effective annual increase of 2.5%; and

Whereas, changes in ridership patterns began to emerge in FY 2015 and the 2015 fare increase resulted in a negative trend on system ridership and revenues. Metro Transit management indicates that in the current environment an increase in FY 2017 fares would further erode the ridership base and not likely generate additional revenue; and

Whereas, in addition BSD will implement a smart card fare payment system over the next two years and fare policy will be used to encourage the public to make the transition to the new fare mechanism through a range of strategies. The combination of ridership loss and the future need for flexibility with the deployment of the smart card system indicates that the best course of action for BSD is to hold system fares constant in FY 2017 while Metro Transit works to re-establish better ridership levels and implement new technologies; and

Whereas, it is feasible, necessary and in the best interests of the public and the Agency for the Board to approve that no fare increase be implemented for FY 2017 and that the issue be reviewed again during operational and business planning for the FY 2018 budget, in accordance with the terms and conditions described herein.

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 of Commissioners 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.

Section 2. Approval of the FY 2017 No Fare Increase. The Board of Commissioners hereby approves no fare increase for FY 2017 and that the issue be reviewed again during operational and business planning for the FY 2018 budget, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions herein provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including without limitation, the President and CEO, the Executive Director, Metro Transit, and the Chief Financial Officer, are hereby authorized and directed to execute all documents, pay or cause to be paid all costs, expenses and fees incurred, and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution, the execution of which shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof, and that the Board intends to adopt each part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine the valid portions, standing alone, are incomplete and are therefore incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency officers and employees.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency this 22rd day of April, 2016.

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

By______________________________

Its______________________________

[SEAL]

ATTEST:

By: ______________________________
Deputy Secretary to the Board of Commissioners

Open Session Item

10

Revised 4/21/16

Bi-State Development
Board of Commissioners
Agenda Item
April 22, 2016

From:	John M. Nations, President & CEO
Subject:	**Bi-State Development Operating and Capital Budget, FY 2017–2019**
Disposition:	Approval
Presentation:	Kathy Klevorn, Sr. Vice President & CFO; Tracy Beidleman, Director of Program Development and Grants; Mark Vago, Controller

Objective:
To present the following to the Board of Commissioners for discussion and approval:

- The Bi-State Development Operating and Capital Budget, FY 2017-2019;
- The three-year Transportation Improvement Plan;
- Grant resolutions required to apply for federal and state funding necessary to support Bi-State Development's projects and programs; and
- Authorization of management to seek grants and/or appropriations from federal programs, the City of St. Louis, St. Louis County, and the states of Missouri and Illinois.

Committee Disposition:
This item was presented and discussed at the Finance & Administration Committee meeting on March 18, 2016. The Committee voted to recommend that the Board of Commissioners approve the FY 2017-2019 Operating and Capital Budget.

Board Policy:
The annual budget is presented in accordance with Board Policy Chapter 30, Section 30.030, which states:

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

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

Funding Source:
The funding source for the Bi-State Development's Operating and Capital Budget includes operating revenue of each entity, local, state and federal funding sources.

Background:

The attached document presents the Bi-State Development's Operating and Capital Budget for FY 2017–2019.

Summaries of the FY 2017-2019 Operating and Capital Budgets are as follows:

OPERATING BUDGET (000s omitted)

	FY 2017			FY 2018			FY 2019		
	Total Revenue	Total Expense	Net Inc(Loss)*	Total Revenue	Total Expense	Net Inc(Loss)*	Total Revenue	Total Expense	Net Inc(Loss)*
Metro Transit	$309,445	$310,814	$ (1,369)	$317,117	$ 318,645	$ (1,528)	$323,539	$325,350	$ (1,811)
Executive Services	4,270	4,019	251	4,623	4,138	485	4,763	4,296	467
Gateway Arch Tram	7,648	5,518	2,130	9,157	6,986	2,171	9,158	7,156	2,002
St. Louis Downtown Airport	1,505	1,628	(122)	1,600	1,659	(59)	1,706	1,721	(15)
Riverfront Attractions	2,652	2,556	96	2,776	2,627	149	2,880	2,702	178
St. Louis Regional Freightway	215	852	(637)	215	1,062	(847)	215	1,075	(860)
BSD Research Institute	63	116	(53)	64	119	(55)	84	127	(43)
Arts In Transit	48	47	1	50	49	1	50	49	1
Internal Service Funds	44,011	44,011	-	45,273	45,273	-	46,624	46,624	-
	369,857	369,561	296	380,875	380,558	317	389,019	389,100	(81)
Intercompany Eliminations	(46,397)	(46,397)	-	(47,934)	(47,934)	-	(49,375)	(49,375)	-
Total	$323,460	$323,164	$ 296	$332,941	$ 332,624	$ 317	$339,644	$339,725	$ (81)

* Before Depreciation

Capital Budget

(in thousands)	FY 2017	FY 2018	FY 2019	Total
Metro Transit	$469,421	$ 82,278	$ 82,219	$633,918
Executive Services	-	-	-	-
Gateway Arch Tram	6,200	7,000	2,000	15,200
St. Louis Downtown Airport	5,125	4,610	6,238	15,973
Riverfront Attractions	80	-	-	80
St. Louis Regional Freightway	-	-	-	-
BSD Research Institute	-	-	-	-
Arts In Transit	-	-	-	-
Internal Service Funds	-	-	-	-
Total	$480,826	$ 93,888	$ 90,457	$665,171

Analysis:

Bi-State Development has developed the FY 2017–2019 Operating and Capital Budgets, taking into account current economic conditions and conservatively estimating revenue, expense, and capital replacement and rehabilitation needs. The Bi-State Development Operating and Capital Budget, as presented, is supportive of the mission and vision statements.

Board Action Requested:

Approval by the Board of Commissioners of the FY 2017-2019 Operating and Capital Budget.

Attachment: Bi-State Development Operating and Capital Budget FY 2017–2019

A RESOLUTION OF THE BOARD OF COMMISSIONER OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AUTHORIZING THE FILING OF GRANT APPLICATIONS AND EXECUTION OF GRANT AGREEMENTS WITH THE FEDERAL AVIATION ADMINISTRATION AND THE ILLINOIS DEPARTMENT OF TRANSPORTATION DIVISION OF AERONAUTICS

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois, acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact"); to plan, construct, maintain, own and operate airports and terminal facilities; to acquire by gift, purchase or lease and to plan, construct, operate, and maintain or lease to others for operation or maintenance, airports, wharves, docks, harbors, passenger transportation facilities and other terminal facilities; to receive for its lawful activities any contributions or moneys appropriated by municipalities, counties, state or other political subdivisions or agencies; or by the federal government or any agency or officer thereof; to perform all other necessary and incidental functions; and to contract and to be contracted with; and

Whereas, the Federal Aviation Administration (FAA) and the Illinois Department of Transportation (IDOT) Division of Aeronautics are authorized to make grants for aviation and public transportation projects; and

Whereas, the Agency accepts all grants from State and Federal sources such as the FAA and IDOT Division of Aeronautics for airport infrastructure improvements including but not limited to runway, taxiway, and apron construction/rehabilitation; airfield lighting, signage, drainage, and navigation aids; safety area improvements; special-purpose airport vehicles and equipment; fuel storage and distribution systems; aircraft hangers; automobile roadways and parking lots; planning, engineering, environmental studies; and land acquisitions; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and

Whereas, it is feasible, necessary and in the public interest to file grant applications with FAA and IDOT, and to execute grant agreements related thereto, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of Filing of Grant Applications and Execution of Grant Agreements. The Board of Commissioners hereby approves the filing of grant applications with the FAA and IDOT Division of Aeronautics and the execution of related grant agreements under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the Chairman, Vice Chairman, President & CEO, and the Chief Financial Officer or Designated Individual are hereby authorized and directed to execute and file all documents and agreements and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution, and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited: No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri and Illinois shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency on this 22nd day of April, 2016.

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

By____
Its____

[SEAL]

ATTEST:

By__________________________________
Deputy Secretary of the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AUTHORIZING THE EXECUTION OF GRANT AGREEMENTS WITH THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION FOR STATE OPERATING ASSISTANCE

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois, acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the "Compact"); to plan, construct, maintain, own and operate airports and terminal facilities; to acquire by gift, purchase or lease and to plan, construct, operate, and maintain or lease to others for operation or maintenance, airports, wharves, docks, harbors, passenger transportation facilities and other terminal facilities; to receive for its lawful activities any contributions or moneys appropriated by municipalities, counties, state or other political subdivisions or agencies; or by the federal government or any agency or officer thereof; to perform all other necessary and incidental functions; and to contract and to be contracted with; and

Whereas, the Chief Engineer of the Missouri Department of Transportation (MoDOT) is authorized to make operating assistance grants for general public transportation projects; and

Whereas, the contract for financial assistance will impose certain obligations upon the Agency, including the requirement that the Agency provide its local share of a project's cost; and

Whereas, it is the goal of the Agency to provide the best transit system that can be provided with the funds that are available; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and

Whereas, it is feasible, necessary and in the public interest to execute grant agreements with MoDOT for state operating assistance, in accordance with the terms and conditions described herein..

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 of Commissioners 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. Approval of Execution of Grant Agreements. The Board of Commissioners hereby approves the execution of grant agreements with MoDOT for state operating assistance under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preambles hereof and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the Chairman, Vice Chairman, President and CEO and Chief Financial Officer or Designated Individual are hereby authorized and directed to execute and file all documents and agreements and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution, and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited: No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency on this 22nd day of April, 2016.

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

By____
Its____

[SEAL]

ATTEST:

By____________________________________
Deputy Secretary to the Board of Commissioners

A RESOLUTION AUTHORIZING THE FILING OF APPLICATIONS, AMENDMENTS, CERTIFICATIONS, ASSURANCES AND AGREEMENTS RELATING TO ANY GRANTS FOR WHICH THE BI-STATE DEVELOPMENT AGENCY APPLIES FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District, ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois, and acting through its Board of Commissioners; and

Whereas, the Federal Transit Administration ("FTA") is an operating entity of the United States Department of Transportation for the purpose of administering Federal transportation assistance as authorized by 49 U.S.C. Chapter 53, by certain provisions under Title 23 of the United States Code, and by certain other Federal statutes that provide funding for public transportation purposes and is administered by the FTA; and

Whereas, the FTA has been delegated the authority to award Federal financial assistance for transportation projects; and

Whereas, grants for Federal financial assistance impose certain obligations upon the Agency; and

Whereas, the Agency is a Designated Recipient of Federal transportation assistance previously authorized under SAFETEA-LU and MAP-21 legislation for funding through the Urbanized Area Formula Program, 49 U.S.C. 5307; the Capital Investment Program (Fixed Guideway Modernization, New Starts), 49 U.S.C. 5309; the Clean Fuels Bus, 49 U.S.C. 5309; the Bus and Bus Livability, 49 U.S.C. 5309; the Alternatives Analysis, 49 U.S.C. 5339; the Bus and Bus Facility Formula, 49 U.S.C. 5339 and is an authorized sub-recipient of funds under the Job Access and Reverse Commute Program, 49 U.S.C. 5316; and the New Freedom Program, 49 U.S.C. 5317; the Public Transportation Emergency Relief, 49 U.S.C. 5324; the Asset Management, 49 U.S.C. 5326; the State of Good Repair, 49 U.S.C.5337; and is an authorized recipient of funds under the Enhanced Mobility of Seniors and Individuals with Disabilities, 49 U.S.C. 5310 and is an authorized recipient of CMAQ and STP funds, 49 U.S.C. 5307; and

Whereas, the Agency is a Designated Recipient of Federal transportation assistance through the current FAST Act legislation for funding through the Urbanized Area Formula Program, 49 U.S.C. 5307; the Capital Investment Program (New Starts), 49 U.S.C. 5309; the Bus and Bus Facility Formula, 49 U.S.C. 5339; the Public Transportation Emergency Relief, 49 U.S.C. 5324; the Asset Management, 49 U.S.C. 5326; the State of Good Repair, 49 U.S.C.5337; and is an authorized recipient of funds under the Enhanced Mobility of Seniors and Individuals with Disabilities, 49 U.S.C. 5310; and is an authorized recipient of CMAQ and STP funds, 49 U.S.C. 5307; and

Whereas, the Agency is a Designated Recipient of Federal transportation assistance through the 2014 TIGER Discretionary Grants program, made available under the Consolidated Appropriations Act, 2014 (Pub. L. 113-76, January 17, 2014); and

Whereas, the FTA is required by Federal statute to obtain specific annual certifications for its formula grant program for urban areas; and

Whereas, the FTA allows the Agency to certify compliance with all of the certifications and assurances that are pertinent to each grant for which the Agency may wish to apply; and

Whereas, Counsel for FTA Region 7 has requested that the Board of Commissioners grant the Agency multi-year authority to certify such compliance; and

Whereas, this Resolution will be applicable for FY2017 – FY2019; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22nd 2016; and

Whereas, it is necessary and in the public interest for the Agency to certify such compliance with all of the certifications and assurances that are pertinent to each grant for which the Agency may wish to apply to the FTA, in accordance with the terms and conditions described herein.

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 of Commissioners hereby finds and determines those matters set forth in the Preambles hereto as fully and completely as if set out in this Section 1.

Section 2. Approval to Execute and File Applications for Federal Assistance. The Board Chairman, Vice-Chairman, President & CEO, the Senior Vice President and Chief Financial Officer, or Designated Individual are authorized to execute and file application(s) on behalf of the Agency to the FTA for Federal assistance authorized by 49 U.S.C. Chapter 53, by Title 23 of the United States Code or by other Federal statutes that provide funds for public transportation purposes and are administered by the FTA during, FY17, FY18 and FY19.

Section 3. Approval to Execute and File the Annual Certifications and Assurances. The Board Chairman, Vice-Chairman, President & CEO, the Senior Vice President and Chief Financial Officer, or Designated Individual are authorized in FY17, FY18 and FY19 to execute and file with the Agency's application(s) the annual certifications and assurances and other documents required by the FTA before a Federal assistance grant or cooperative agreement can be awarded.

Section 4. Approval to Execute Grant and Cooperative Agreements. The Board Chairman, Vice-Chairman, President & CEO, the Senior Vice President and Chief Financial Officer, or a Designated Individual are authorized to execute grant and cooperative agreements with the FTA on behalf of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District during FY17, FY18 and FY19.

Section 5. Actions of Officers Authorized. The officers of the Agency, including without limitation the Chairman and Vice Chairman of the Board of Commissioners, the President and CEO and the Chief Financial Officer, or a Designated Individual are hereby authorized and directed to execute all documents and to take such actions as they may deem necessary or advisable in order to carry out the purposes of the Resolution; and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 6. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection herein, and that the Board of Commissioners intends to adopt each part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution is determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall remain in full force and effect, unless the Court making this finding determines that the valid portions, standing alone, are incomplete and incapable of being executed in accordance with the intent of the Resolution.

Section 7. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 8. Rights Under Resolution Limited: No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 9. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 10. Governing Law. The laws of the States of Missouri and Illinois shall govern this Resolution.

Section 11. Effective Date. This Resolution shall be in full force and effect from and after its passage by the Board of Commissioners.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency on this 22nd day of April, 2016.

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

By______________________________________

Title_____________________________________

SEAL

ATTEST:

By______________________________________

Deputy Secretary to the Board of Commissioners

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE BI-STATE DEVELOPMENTAGENCY
OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT
APPROVING THE FY2017 – FY2019 BI-STATE DEVELOPMENT AGENCY
OPERATING AND CAPITAL BUDGET**

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") is a body corporate and politic, created by an interstate compact ("Compact") between the states of Missouri and Illinois, acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized under the Compact to construct, maintain, own and operate passenger transportation facilities; to disburse funds for this and its other lawful activities; to fix salaries and wages of its officers and employees; to perform all other necessary and incidental functions; and

Whereas, the Compact requires that the Agency shall not incur any obligations for salaries, office or other administrative expenses, prior to making appropriations adequate to meet the same; and

Whereas, therefore, Board Policy 30.030 requires the President & CEO to prepare an annual operating and capital budget to be presented to and approved by the Board of Commissioners at a regularly scheduled meeting prior to the beginning of each new fiscal year; and

Whereas, a detailed presentation of the Bi-State Development Agency's proposed FY2017 – FY2019 Operating and Capital Budget was presented for discussion at the Board's Budget Review Meeting on March 18, 2016; and.

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 – FY2019 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and

Whereas, following the Budget Review meeting the FY2017 – FY2019 Operating and Capital Budget will be presented to the Board for formal approval at its regularly scheduled meeting on April 22, 2016; and

Whereas, it is feasible, necessary and in the public interest to approve the Bi-State Development Agency's FY2017 – FY2019 Operating and Capital Budget, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the FY2017- FY2019 Operating and Capital Budget. Pursuant to this Resolution and the Compact and for the authorized Agency purposes set forth in the preambles hereof, the Board of Commissioners approves the Bi-State Development Agency's FY2017 – FY2019 Operating and Capital Budget subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the Chairman, Vice Chairman, the President & CEO, and the Senior Vice President and Chief Financial Officer or Designated Individual, are hereby authorized and directed to execute and file 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. The execution of such documents, or taking of such action, shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that every part, section and subsection of this Resolution shall be separate and severable from every other part, section and subsection hereof, and the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection shall be determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited: No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri and Illinois shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency this 22nd day of April, 2016.

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

By____

Its____

[SEAL]

ATTEST:

By____
Deputy Secretary to the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AUTHORIZING GRANT APPLICATIONS AND GRANT AGREEMENTS WITH THE STATE OF ILLINOIS DEPARTMENT OF TRANSPORTATION

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois ("Compact"), acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized by Sections 70.730 RSMo. *et. seq*. and 45 Ill. Comp. Stat. 100/1, *et. seq*., and by the Compact, to plan, construct, maintain, own and operate airports and terminal facilities; to acquire by gift, purchase or lease, and to plan, construct, operate and maintain or lease to others for those purposes, airports, wharves, docks, harbors, passenger transportation facilities and other terminal facilities; to receive for its lawful activities any contributions or moneys appropriated by municipalities, counties, states of other political subdivisions or agencies; or by the federal government or any agency or officer thereof; to perform all other necessary and incidental functions; and to contract and to be contracted with; and.

Whereas, the Agency may apply to the State of Illinois Department of Transportation ("IDOT") to acquire grant funding for information and/or communications systems projects, facility improvements, support equipment, bus and other revenue and support vehicles, fare equipment, shop equipment, and other associated capital projects, and to amend any such existing grants or grant applications; and

Whereas, the Agency may execute a certain capital agreement ("Agreement") with IDOT in order to obtain grant assistance under the provisions of 20 ILCS 2705/*et. seq*., 20 ILCS 5/5-675 and 30 ILCS 415/1, *et seq*., and may execute amendments to any such existing grant agreements with IDOT; and

Whereas, it is the goal of the Agency to provide the best transit system that it can provide with the available funds; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and.

Whereas, it is feasible, necessary and in the public interest for the Agency to annually file and amend grant applications and execute and amend grant agreements with IDOT, in accordance with the terms and conditions described herein.

NOW, THEREFORE, THE BOARD OF DIRECTORS 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 of Commissioners hereby finds and determines those matters set forth in the Preambles hereto as fully and completely as if set out in this Section 1.

Section 2. Approval of Filing of Grant Applications and Execution of Grant Agreements. The Board of Commissioners hereby approves the filing and amendment of grants and grant applications with IDOT for capital improvements, and the execution of grant agreements and amendments with IDOT under and pursuant to this

Resolution and the Compact for the authorized Agency purposes set forth in the Preambles hereto and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including without limitation the Chairman and Vice Chairman of the Board of Commissioners, the President and CEO and the Chief Financial Officer or Designated Individual, are hereby authorized and directed to execute and file all documents and to take such actions as they may deem necessary or advisable in order to carry out the purposes of the Resolution; and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection herein, and that the Board of Commissioners intends to adopt each part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution is determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall remain in full force and effect, unless the Court making this finding determines that the valid portions, standing alone, are incomplete and incapable of being executed in accordance with the intent of the Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited. No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri and Illinois shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency this 22nd day of April, 2016.

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

By: ______________________________

Its: ______________________________

[Seal]

ATTEST:

By:______________________________
Deputy Secretary to the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT AUTHORIZING THE FILING AND EXECUTION OF GRANT AGREEMENTS WITH THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION

PREAMBLES:

Whereas, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois ("Compact"), acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized by Sections 70.730 RSMo. *et. seq*. and 45 Ill. Comp. Stat. 100/1, *et. seq*., and by the Compact, to plan, construct, maintain, own and operate airports and terminal facilities; to acquire by gift, purchase or lease, and to plan, construct, operate and maintain or lease to others for those purposes, airports, wharves, docks, harbors, passenger transportation facilities and other terminal facilities; to receive for its lawful activities any contributions or moneys appropriated by municipalities, counties, states of other political subdivisions or agencies; or by the federal government or any agency or officer thereof; to perform all other necessary ad incidental functions; and to contract and to be contracted with; and

Whereas, the Missouri Department of Transportation ("MoDOT") is authorized to make grants for general public transportation projects for 49 U.S.C. Section 5309 assistance; and.

Whereas, a grant agreement with MoDOT for financial assistance imposes certain obligations on the Agency, including the requirement that the Agency provide its local share of a project's cost; and

Whereas, it is the goal of the Agency to provide the best transit system that it can with the funds available; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and

Whereas, it is feasible, necessary and in the public interest to annually file grant applications with MoDOT for 49 U.S.C. Section 5309 assistance, and to execute grant agreements related thereto, in accordance with the terms and conditions described herein.

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

Section 1. Findings**.** The Board of Commissioners hereby finds and determines those matters set forth in the Preambles hereto as fully and completely as if set out in this Section 1.

Section 2. Approval of the Filing of Grant Applications and Execution of Grant Agreements. The Board of Commissioners hereby approves the filing of grant applications with MoDOT for 49 U.S.C. Section 5309 assistance, and the execution of related grant agreements under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth the in the Preambles hereto, and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including without limitation, the Chairman and Vice Chairman of the Board of Commissioners, the President and CEO and the Chief Financial Officer or Designated Individual, are hereby authorized and directed to execute and file all documents and to take such actions as they may deem necessary or advisable in order to carry out the purposes of the Resolution; and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection herein, and that the Board of Commissioners intends to adopt each part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution is determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall remain in full force and effect, unless the Court making this finding determines that the valid portions, standing alone, are incomplete and incapable of being executed in accordance with the intent of the Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited. No rights shall be conferred by this resolution upon any person or entity other then the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency on this 22nd day of April, 2016.

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

By: ______________________________

Its: ______________________________

[Seal]

ATTEST:

By:______________________________
Deputy Secretary to the Board of Commissioners

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE BI-STATE DEVELOPMENT AGENCY
OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT
AUTHORIZING APPLICATIONS FOR ASSISTANCE
UNDER THE FEDERAL EMERGENCY MANAGEMENT
AGENCY TRANSIT SECURITY GRANT PROGRAM

PREAMBLES:

Whereas, the Bi-State Development Agency ("Agency") is a body corporate and politic, created by an interstate compact between the states of Missouri and Illinois, acting by and through its Board of Commissioners; and

Whereas, the Agency is authorized by Section 70.370 RSMo. *et. seq*. and 45 Ill. Comp. Stat. 100/1 *et. seq*., (jointly referred to as the "Compact"); to plan, construct, maintain, own and operate airports and terminal facilities; to acquire by gift, purchase or lease, and to plan, construct, operate and maintain or lease to others for those purposes, airports, wharves, docks, harbors, passenger transportation facilities and other terminal facilities; to receive for its lawful activities any contributions or moneys appropriated by municipalities, counties, states of other political subdivisions or agencies; or by the federal government or any agency or officer thereof; to perform all other necessary ad incidental functions; and to contract and to be contracted with; and

Whereas, the United States Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) provides competitive funding that may be used for specific projects that strengthen the critical infrastructure of transit systems; and

Whereas, any contract for financial assistance under the Transit Security Grant Program ("Program") will impose certain obligations upon the Agency, including the requirement that the Agency provide its local share of a project's cost; and

Whereas, this Resolution was presented to and discussed by the Board at its FY2017 budget meeting on March 18, 2016, and is being considered for final approval at its next regularly scheduled meeting on April 22, 2016; and

Whereas, it is feasible, necessary and in the public interest to annually file and execute applications with the Department of Homeland Security's (DHS), Federal Emergency Management Agency (FEMA) for assistance under the Transit Security Grant Program, in accordance with the terms and conditions described herein.

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 of Commissioners hereby finds and determines those matters set forth in the Preambles hereto as fully and completely as if set out in this Section 1.

Section 2. Approval of Filing Grant Applications and Execution of Grant Agreements. The Board of Commissioners hereby approves the filing and execution of grant applications to the FEMA for assistance under the Transit Security Grant Program, pursuant to this Resolution and the Compact, for the authorized Agency purposes set forth in the preambles hereto and subject to the conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including without limitation the Chairman and Vice Chairman of the Board of Commissioners, the President and CEO and the Chief Financial Officer or Designated Individual are hereby authorized and directed to execute and file all documents and to take such actions as they may deem necessary or advisable in order to carry out the purposes of the Resolution; and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection herein, and that the Board of Commissioners intends to adopt each part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution is determined to be, or to have been, unlawful or unconstitutional, the remaining parts, sections and subsections shall remain in full force and effect, unless the Court making this finding determines that the valid portions, standing alone, are incomplete and incapable of being executed in accordance with the intent of the Resolution.

Section 5. Payment of Expenses. The Senior Vice President and Chief Financial Officer 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 Resolution.

Section 6. Rights Under Resolution Limited: No rights shall be conferred by this resolution upon any person or entity other than the Agency's officers and employees.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Governing Law. The laws of the States of Missouri and Illinois shall govern this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect from and after its passage by the Board of Commissioners.

ADOPTED by the Board of Commissioners of the Bi-State Development Agency this 22nd day of April, 2016.

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

By: ______________________________________

Its: ______________________________________

[Seal]

ATTEST:

By:__________________________________
Deputy Secretary to the Board of Commissioners

Open Session Item 10

Attachment

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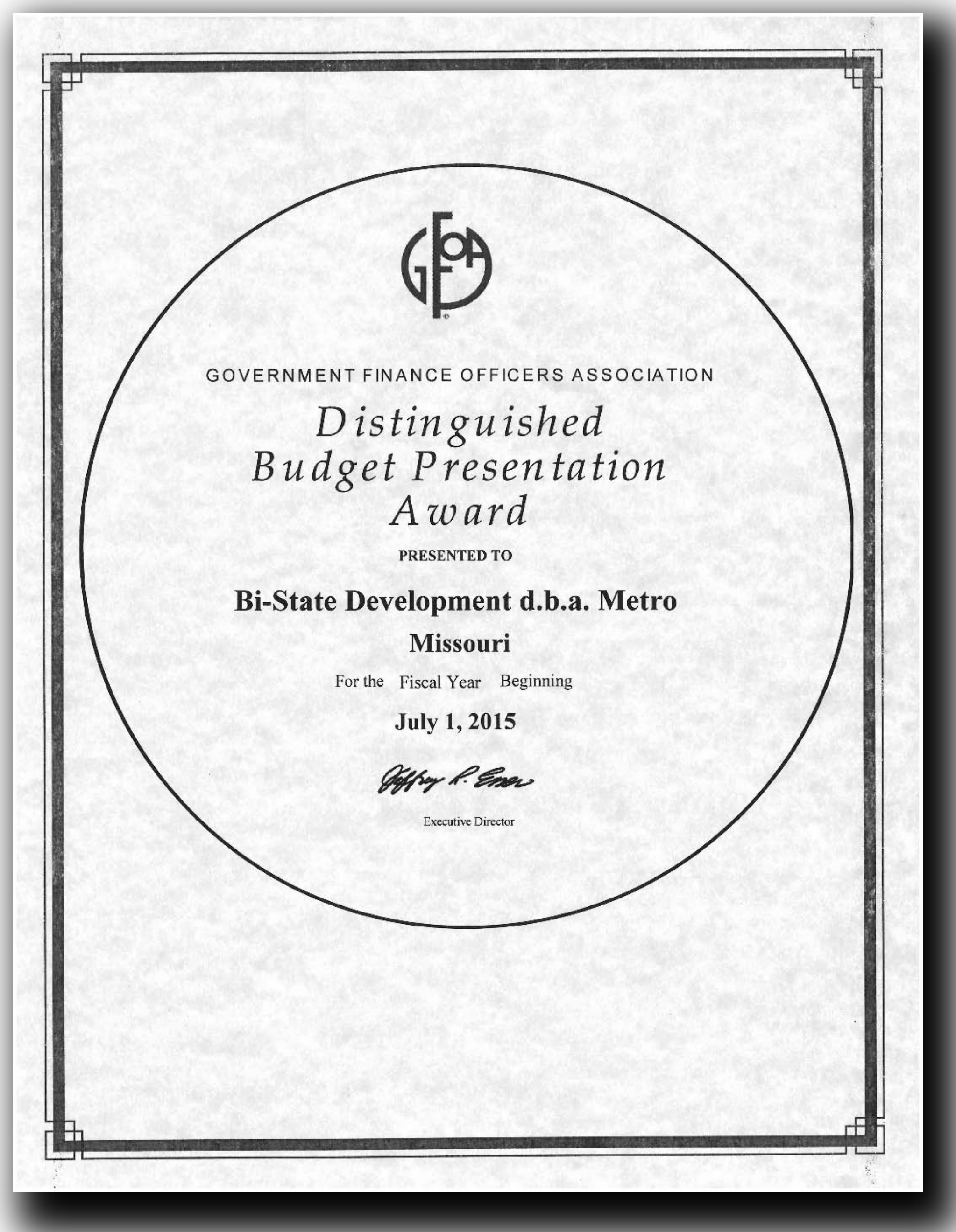

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Bi-State Development d.b.a. Metro

Missouri

For the Fiscal Year Beginning

July 1, 2015

Executive Director

To be awarded the Distinguished Budget Presentation Award a government entity must publish a document that is of the very highest quality, reflects the guidelines established by the National Advisory Council on State and Local Budgeting and meets the Government Finance Officers Association (GFOA) best practices on budgeting.

BI-STATE DEVELOPMENT BOARD OF COMMISSIONERS

Michael Buehlhorn (IL)
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Constance Gully (MO)
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Tadas Kicielinski (IL)
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Vernal Brown (MO)
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Kelley Farrell (MO)
Commissioner

Authority and Government

Bi-State Development was established on September 20, 1949, by an interstate compact passed by the state legislatures of Illinois and Missouri and approved by both governors. The compact was approved by the U. S. Congress and signed by President Harry S. Truman on August 31, 1950. A 10-member Board of Commissioners sets policy and direction for the organization. The governor of Missouri appoints five commissioners and the County Boards of St. Clair and Madison Counties in Illinois appoint five commissioners. All commissioners must be resident voters of their respective state and must reside within the Bi-State Metropolitan District. Each term is for five years and each serves without compensation.

Executive Officers

John M. Nations
President and Chief Executive Officer

Raymond Friem
Executive Director
Metro Transit

Mary Lamie
Executive Director
St. Louis Regional Freightway

Jennifer Nixon
Executive Director
Tourism Innovation

Larry Jackson
Executive Vice President
Administration

Kathy Klevorn
Senior Vice President
Chief Financial Officer

Barbara Enneking
General Counsel

John Langa
Vice President
Economic Development

Melva Pete
Vice President
Human Resources

Charles Stewart
Vice President
Pension, Health, Insurance
and Self-Insurance Funds

Dianne H. Williams
Vice President
Marketing and Communications

Kerry Kinkade
Vice President (Acting)
Chief Information Officer

James Cali
Director
Internal Audit

Erick Dahl
Director
St. Louis Downtown Airport

John Wagner
Director
Bi-State Development
Research Institute

March 9, 2016

Message from the President

The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State Development) presents to the Board of Commissioners for approval the Fiscal Year (FY) 2017-2019 Operating and Capital Budget. Included in this document is the federally required three-year Transportation Improvement Plan (TIP), which identifies operating and capital resources necessary to serve our regional stakeholders and meet the St. Louis metropolitan area's transportation requirements. Bi-State Development's (BSD) TIP will be incorporated in the region's list of priorities and projects eligible for federal financial assistance that will be developed by the East-West Gateway Council of Governments (EWGCOG), the region's Metropolitan Planning Organization (MPO).

Bi-State Development was created by a Compact between the States of Illinois and Missouri and ratified by Congress in 1949. The purpose of this compact was to create an organization with broad powers across state and other geopolitical boundaries. BSD is strongly focused on its mission to support economic development within the region. It is through BSD's enterprises working with key civic leaders and organizations that we are able to help create a strong economic outlook for the St. Louis Metropolitan area.

BSD is an example of leadership, collaboration and innovation that makes a great impact on the region. To highlight our mission and remind the community of our unique role as an economic development engine Bi-State Development entered into a strong rebranding effort that changed the name and the visual representations of the organization. We also hosted a highly successful inaugural annual meeting to reintroduce ourselves to civic and business leaders of the region, setting the stage for the new direction of the organization. After more than 30 years, BSD relocated its headquarters from Laclede's Landing to the downtown corridor in the City of St. Louis. The new location offers a more efficient and cost effective use of space.

During the past six years, this administration has placed great emphasis on using BSD's broad powers to help revitalize the economy and advance development in the St. Louis region. The goal has been to move beyond our trademark Transit Oriented Development niche. BSD's newest enterprise, the St. Louis Regional Freightway, was created as a public-private partnership to optimize the region's freight transportation network. BSD was chosen by regional leaders to launch and run the Freightway which will work to increase freight related jobs and expand freight related businesses.

The Bi-State Development Research Institute brings expertise to the table when determining the feasibility of a proposed regional idea or project. This coming fiscal year, the Research Institute will place particular emphasis on expanding BSD's role in St. Louis by developing public policy around specific issues critical to the well-being of the region.

The Gateway Arch celebrated its 50th Anniversary in FY 2016. BSD is also an active partner with CityArchRiver, a public-private partnership created to revitalize the monument and its grounds. The Tourism Innovation business unit of Bi-State Development, formerly known as Business Enterprises, has worked tirelessly to support tourism and tourists while the Arch grounds are under construction.

The St. Louis Downtown Airport is the second busiest airport in the St. Louis metropolitan region, the third busiest airport in Illinois and the most used airport in Illinois outside the Chicago area. A single month of activity at the airport can see over 8,000 takeoffs and landings. Professional sports teams, political and business leaders, entertainers, and hundreds of general aviation pilots fly in and out of the airport, which generates more than 3,700 jobs for the region and provides an economic impact of $584 million. In FY 2016, the airport hosted the National Intercollegiate Flying Association's Region VI SAFECON flying competition and welcomed more than 80 student pilots from Nebraska, Kansas, Oklahoma and Missouri.

In 2010, through an overwhelming show of support, the region passed additional sales taxes to operate and enhance our Transit system. Since that time, BSD has worked diligently to meet the objectives of the region's 30-year strategic plan Moving Transit Forward. These objectives include the restoration of previously reduced service levels prior to 2010, the study of future system expansion opportunities and system enhancements to improve the customer experience. The North County Transit Center is scheduled to open this spring in Ferguson, MO and will be a major enhancement to the system for our customers. Improvements to the Civic Center Metro Transit Center in downtown St. Louis scheduled to begin later this spring. The Automated Fare Collection project (the Gateway Card) moved into the next phase of testing on both MetroLink and MetroBus. MetroBus continues to stay on the cutting edge, testing new electric buses, and Metro Call-A-Ride invested in 34 new vans that provide easier access for passengers.

Metro is at the forefront of the Federal Transit Administration mandate to keep all assets in a state of good repair. BSD's nationally recognized vehicle maintenance program places Metro in a position as a key industry leader among peer transit systems. Major infrastructure programs near completion include the Eads Bridge and Phase 1 of a long-term initiative to replace all wood rail ties along a 17-mile stretch of track on the Metrolink System. Metro Arts in Transit was awarded a $56,000 two-year grant from the Regional Arts Commission for art enhancement projects along the transit system.

The employees of BSD work hard every day to contribute to the overall success of the organization and thereby improve the quality of life for those who call this region home. The following FY 2016 overview highlights BSD's accomplishments. BSD is an award-winning organization and has been recognized for many of its achievements in the past year. The awards are included in the Executive Summary.

The FY 2017-2019 Operating and Capital Budget, as prepared, outlines a financial plan to advance the community economically and socially, focusing on improving the customer experience. The operating and capital budgets are presented by major business segment. The operating budget is also presented in a consolidated format which mirrors financial statement requirements presented in the Comprehensive Annual Financial Reports (CAFR). Upon approval by the Board of Commissioners, the FY 2017-2019 capital and operating budgets continue through a review process that includes the St. Louis County Public Transportation Commission for recommendation before advancing to the County Executive in St. Louis County and the Ways and Means Committee of the Board of Aldermen in the City of St. Louis.

A summary of the FY 2017-2019 Operating and Capital Budget for Bi-State Development are as follows:

- Proprietary funds and non-profit operating revenue budget FY 2017- FY 2019 (in millions):

	FY 2017	FY 2018	FY 2019
Executive Services	$ 4.3	$ 4.6	$ 4.8
Gateway Arch	7.7	9.2	9.2
Metro Transit System	309.4	317.1	323.5
St. Louis Downtown Airport	1.5	1.6	1.7
Riverfront Attractions	2.7	2.8	2.9
Regional Freight Partnership	0.2	0.2	0.2
Bi-State Development Research Institute	0.0	0.0	0.0
Arts In Transit, Inc.	0.0	0.0	0.0
Health Self-Insurance: ISF	34.9	35.9	37.0
Casualty Self-Insurance: ISF	4.3	4.4	4.6
Workers' Comp Self-Insurance: ISF	4.8	5.0	5.1
Intercompany Eliminations	-46.4	-47.9	-49.4
Total	$ 323.4	$ 332.9	$ 339.6

Proprietary funds and non-profit capital budget FY 2017 - FY 2019 (in millions):

	FY 2017	FY 2018	FY 2019
Gateway Arch	$ 6.2	$ 7.0	$ 2.0
Metro Transit System	469.4	82.3	82.2
St. Louis Downtown Airport	5.1	4.6	6.2
Riverfront Attractions	0.1	0.0	0.0
Total	$ 480.8	$ 93.9	$ 90.4

Bi-State Development is continuing to look for new business opportunities and stay cost effective. Bi-State Development employees continue to perform at the highest level to improve the region. BSD is committed to its mission of bringing economic and industrial growth to St. Louis and of providing a more accessible and enjoyable experience for the visitors and residents of metropolitan area.

John M. Nations
President and CEO

Executive Summary

2016 Overview

Fiscal year 2016 was a year filled with important ‘firsts’ and other milestones. The organization rebranded, reclaiming its name – Bi-State Development (BSD), and reasserting its role as an economic development engine with broad powers to cross local, county and state boundaries to drive regional economic vitality.

St. Louis County Executive Steve Stenger, St. Louis Mayor Francis Slay, and St. Clair County Board Chairman Mark Kern joined Bi-State Development President and CEO John Nations at a luncheon to celebrate the 65th Anniversary of President Harry Truman signing the Compact that created Bi-State Development. A sold-out crowd of nearly 600 regional political and business leaders joined with key BSD staff to celebrate the 65-year milestone, recall the positive impact the organization has had on the region and focus on future opportunities to promote a strong and growing bi-state region.

A new enterprise of BSD discussed at that luncheon was the creation of a regional freight district now branded the St. Louis Regional Freightway. The East-West Gateway Council of Governments selected Bi-State Development to lead this public-private partnership. The goal is to capitalize on regional assets and strengths to increase freight volume and attract related businesses and jobs to the region.

The Bi-State Development Research Institute researches and develops data about the return on investment of local programs, public infrastructure and public/private real estate improvements. The Research Institute is an information resource for economic development leaders as they make informed decisions that advance the region.

Significant improvements to the Civic Center Metro Transit Center in downtown St. Louis will begin shortly after opening the new facility in North County. This facility will also feature an indoor waiting area and other customer conveniences. In mid-town St. Louis, a public-private partnership will result in a new MetroLink Station near the Cortex biotech campus.

Metro’s renovation of the historic Eads Bridge, which is used by MetroLink customers to travel between Missouri and Illinois, is scheduled to be completed in the summer of 2016. In addition, the Automated Fare Collection project (the Gateway Card) moved into the next phase of testing, accepting cards on both MetroLink and MetroBus. Several other Metro initiatives are in various stages of planning, design and implementation. Each of these transit projects is part of the fulfillment of a promise Metro has made to the region to build a better transit experience for transit customers and the entire community.

While enjoying significant success in FY 2016, it is important to note that regional and national economic pressures and events have adversely impacted several BSD enterprises. Metro Transit has experienced a ridership decrease persisting over a 15 month period. Competitive fuel prices are making commuting by automobile a more attractive option for riders with access to vehicles. Fuel costs are expected to remain low into 2017 that may continue to stall the growing ridership trends Metro had been experiencing since the fall of 2014. Given these factors, Metro is projecting only modest ridership growth in FY 2017 and plans no fare increase in the coming fiscal year.

Construction on the Gateway Arch grounds has had an adverse impact on Gateway Arch and Riverboat operations and revenue. Replacement of the trams' motor generator sets, renovation of the underground museum and the complete redesign of the Gateway Arch campus comprise the largest undertaking at the Gateway Arch since its completion in the 1960's. The completion of the project in 2017 is expected to have a positive economic impact on tourism for the Arch, the riverboats, other riverfront attractions, downtown businesses and the entire St. Louis region.

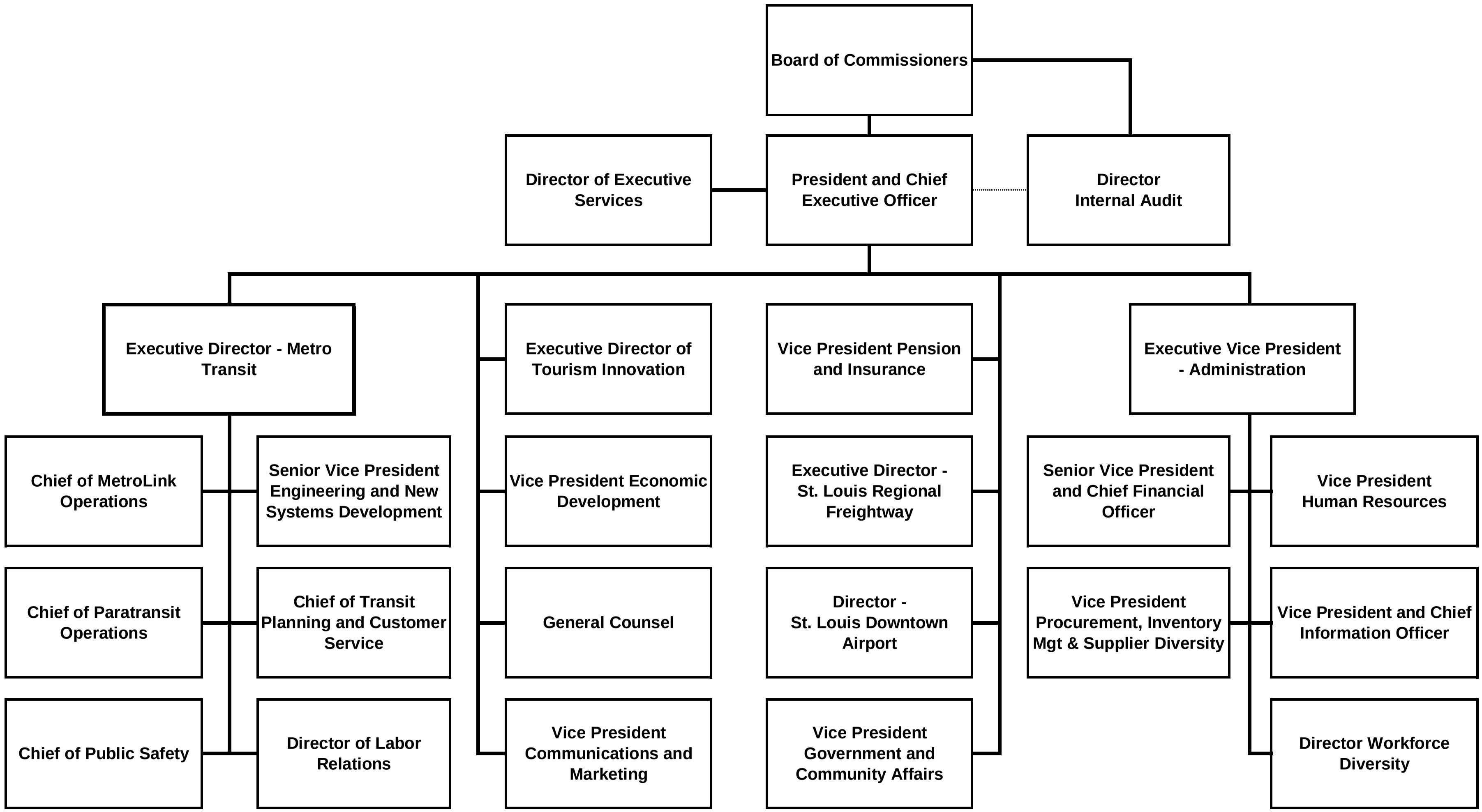
In addition to business disruption due to construction, the Riverboats operation was hampered by flood waters in FY 2016. In July 2015, they experienced 29 flood days that resulted in the cancellation of nearly all cruises that month. July is a peak month for tourism and the business interruption due to flooding had a significant impact on operating revenue. Reopening the riverboats' access road in June 2016 will also have an effect on riverboat operations, revenue and the number of cruise passengers.

The St. Louis Downtown Airport conservatively projects revenues of $1.5 million in FY 2017. The Airport will be evaluating the pricing and provisions of its current leases and looking for practical opportunities to increase rental revenue, as the market allows. Capital projects which will make the airport more competitive and attractive to potential lease holders are contingent upon successful competition for federal and state funding and available matching local funds.

In addition to the accomplishments discussed above, please note the awards and recognition received by BSD, its enterprises and its people in the past year.

- Received the 2015 Annual Achievement of Excellence in Procurement (AEP) Award from the National Procurement Institute (NPI). This is the third year in a row Bi-State has received the AEP Award.
- AVA Digital Awards in the following categories:
  - Platinum and Gold awards for Corporate Video and Corporate Image for *"We Are Bi-State Development"*
  - Gold awards for Best Blog and Best Brand Conversation for "Metro Love Story" blog about couples who met while riding MetroLink received two Gold awards:
  - Platinum Award for Best Microsite for *"Don't Be That Guy"*
- Honorable mention for Best Microsite, for "Grand needs More Bus"
- St. Louis Spirit Award from the St. Louis Attractions Association to BSD and Forest Park Forever, Inc. for the Forest Park Trolley
- Named among 100 Healthiest Workplaces in America by the Health & Wellness Association
- Recognized as a Platinum-Level Fit-Friendly Worksite by the American Heart Association
- 2015 Good Scout Award to BSD John Nations for his many contributions to the region
- Received a Champions Award of Achievement for sustainability efforts by the St. Louis Regional Chamber's St. Louis Green Business Challenge
- Lean and Green team honored by the 2015 St. Louis Green Business Challenge awards with a Leader Level Award of Achievement
- Received the Grand Prize and First Prize AdWheel Awards for Social Media, presented by the American Public Transportation Association
- Received the *Government Finance Officers Association (GFOA) of the United States and Canada Awards for FY 2015* for excellence in reporting in three categories for the first time in a single year
  - Certificate of Achievement for Excellence in Financial Reporting for the 19th consecutive year for its comprehensive annual financial report (CAFR).
  - 9th Distinguished Budget Presentation Award for the FY 2016 operating and capital budget
  - Community Annual Financial Report

Bi-State Development Organizational Chart
Board of Commissioners,
President and Chief Executive Officer and Executive Personnel



Bi-State Development Personnel

Bi-State Development remains committed to maintaining a responsible position count. The total organization for the FY 2017 budget includes 2,314 positions which is an increase of 58 compared to the FY 2016 budget. There are 2,315 positions budgeted in FY 2018 and FY 2019.

Metro Transit

A total of 2,239 positions are budgeted for the Transit system enterprise in FY 2017.

Metro Transit Operations

The increase of 47 positions brings resources to support the system service restructuring related to the North County Transfer Center opening, special services for St. Clair County cardinal games, and additional security resources to support fare collection system implementation and provide higher visibility. An enhanced customer experience is anticipated.

- Bus Transportation: Per the terms and conditions of the labor contract, Metro may utilize part-time operators to improve efficiency of operations. A budget of 83 part-time operators remains nearly consistent with prior years. 816 full-time operators incorporates additional resources for the North County service package and increased support to St. Clair County Transit District (SCCTD) cardinal game service. The net change for operators is an addition of twenty-four (24). Five (5) additional employees are budgeted at the NCTC to support operations and maintain the facility. These increases are partially offset by reducing three (3) positions between Engineering and Planning.
- Rail Transportation: MetroLink operator counts remain consistent with prior year.
- Paratransit Transportation: Operator and support positions remain consistent with prior year.
- Vehicle Maintenance, Maintenance of Way and Facility Maintenance staffing levels are increasing by one for the addition of utility worker - one (1)
- Security is adding twenty (20) public safety officers to patrol MetroLink stations and trains.

Metro Transit Administration

A recent reorganization of BSD moves the Finance, Information Technology, Procurement, Human Resources and EEO functions under a newly created Executive Vice President of Administration position. The FY 2017 plan also is budgeting administrative support for the new position. The reorganization also moves health benefits, welfare and part of the Risk Management organization that manages casualty and workers compensation insurance under the Vice President of Pension and Insurance through the implementation of Internal Service Funds (ISF). The FY 2017 budget reflects transfers between administrative functions and the ISF. Additional employee resources are described below.

- Executive Vice President of Administration and administrative support - two (2)
- Information technology resources required to the new fare collection system – net two (2)
- Procurement increases to support operations by providing better parts availability - one (1)
- Human Resources increases to support organizational development/training – two (2)

Internal Service Funds

The Health Self-Insurance Internal Service Fund is budgeting three staff (3) positions whose duties were being performed by contract employees in FY 2016. The other fifteen positions are transfers from the Human Resource or Finance Divisions where they were budgeted in 2016.

Executive Services

The Director of EEO was transferred from Executive Services to Executive Vice President of Administration reducing the position count by one (1).

Gateway Arch

The Gateway Arch has added a Sales and Marketing Assistant and Guest Experience Trainer since the FY 2016 budget was prepared. - two (2)

St. Louis Downtown Airport

A Safety Management System Specialist was added for the Airport - one (1)

Riverfront Attractions

Staffing levels remain consistent with FY 2016 budget.

St. Louis Regional Freightway

St. Louis Regional Freightway plans to delay adding two positions planned in FY 2016 until FY 2018 and FY 2019. Therefore, the position count for this enterprise is temporarily being reduced by two (2).

Bi-State Development Employees by Division and Function

The following page contains tables of budgeted staff count for FY 2017 - FY 2019. The tables compare total BSD personnel to the prior FY 2016 budget.

Note:
In the Organizational Units section of this document, there are detailed organization charts for each division within Transit. The organization charts for the Gateway Arch, Riverfront Attractions, St. Louis Downtown Airport, Internal Service Funds and Executive Services are found in the respective sections of this document.

Bi-State Development Personnel by Division & Function

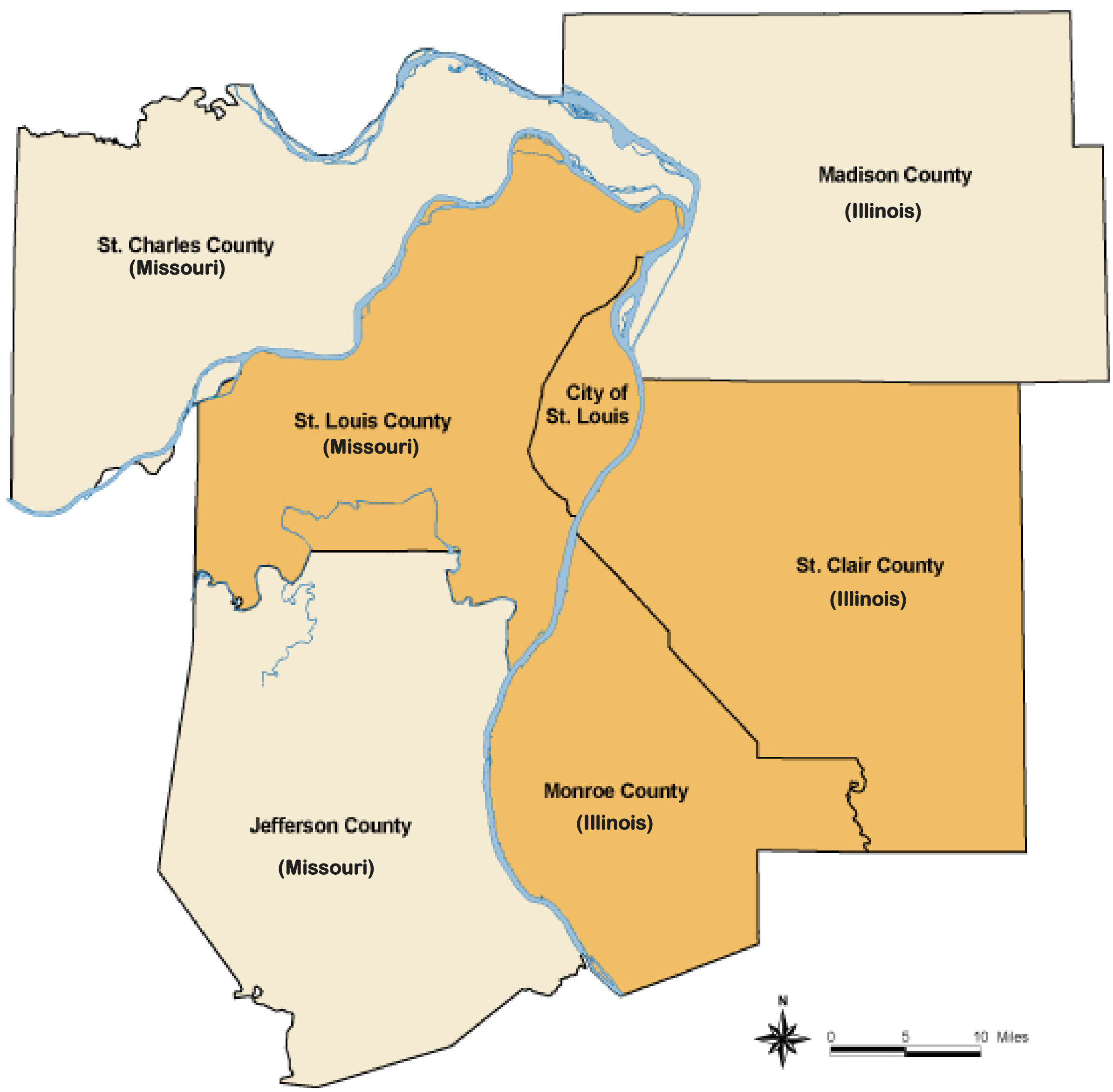
	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY17-FY16 Change	FY 2018 Budget	FY 2019 Budget
Metro Transit						
Metro Transit Operations						
Bus Transportation	945	948	977	29	977	977
Rail Transportation	141	141	141	-	141	141
Paratransit Transportation	249	247	247	-	247	247
Vehicle Maintenance	342	343	343	-	343	343
Maintenance of Way	149	149	150	1	150	150
Facility Maintenance	32	32	32	-	32	32
Security	39	41	61	20	61	61
ADA Services	7	7	7	-	7	7
Service Planning	39	39	38	(1)	38	38
Engineering and New Systems	17	17	15	(2)	15	15
Labor Relations	2	4	4	-	4	4
Operations Administration	2	2	2	-	2	2
Total Operations	**1,964**	**1,970**	**2,017**	**47**	**2,017**	**2,017**
Metro Administration						
Executive VP Administration & EEO	-	-	4	4	4	4
Finance						
Passenger Revenue	33	33	33	-	33	33
Risk Management and Safety	21	20	11	(9)	11	11
Controller	23	23	23	-	23	23
Capital Budgeting and Grants	5	5	5	-	5	5
Treasury	2	2	3	1	3	3
Finance Administration	3	3	3	-	3	3
Total Finance	**87**	**86**	**78**	**(8)**	**78**	**78**
Procurement	57	59	60	1	60	60
Information Technology	44	46	48	2	47	47
Human Resources	17	17	11	(6)	11	11
Marketing	16	19	19	-	19	19
Meridian and Real Estate	2	2	2	-	2	2
Total Transit System	**2,187**	**2,199**	**2,239**	**40**	**2,238**	**2,238**
Executive Services	21	18	17	(1)	17	17
Gateway Arch	12	12	14	2	14	14
St. Louis Downtown Airport	11	11	12	1	12	12
Gateway Arch Parking Facility	5	-	-	-	-	-
Riverfront Attractions	12	12	12	-	12	12
St. Louis Regional Freightway	-	4	2	(2)	4	4
Health Self-Insurance - ISF	-	-	10	10	10	10
Workers Comp Self-Insurance - ISF	-	-	2	2	2	2
Casualty Self-Insurance - ISF	-	-	6	6	6	6
Total Bi-State Development	**2,248**	**2,256**	**2,314**	**58**	**2,315**	**2,315**

BSD Personnel by Paygroup

	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY17-FY16 Change	FY 2018 Budget	FY 2019 Budget
Total Bi-State Development				-		
Bus Operators (FT)	787	791	816	25	816	816
Bus Operators (PT)	83	84	83	(1)	83	83
Light Rail Operators	102	102	102	-	102	102
Van Operators	200	200	200	-	200	200
Total Operators	**1,172**	**1,177**	**1,201**	**(24)**	**1,201**	**1,201**
Maintenance	314	317	316	(1)	316	316
Service	87	86	87	1	87	87
Clerical	52	52	52	-	52	52
IBEW	66	66	66	-	66	66
Salaried	556	557	591	34	592	592
Capital Salaried	1	1	1	-	1	1
Total Operating and Capital	**2,248**	**2,256**	**2,314**	**58**	**2,315**	**2,315**

Organization &
Community Profile

Gateway to growth. On both sides of the river.™



Current Transit Service Area

Bi-State Development Profile

Organizational History and Significant Events

Bi-State Development was established on September 20, 1949, by an interstate compact passed by the state Legislatures of Illinois and Missouri, and then approved by the Governors of the two states. The compact was approved by the United States Congress and signed by President Harry S. Truman on August 31, 1950. The compact created an organization that has broad powers with the ability to plan, construct, maintain, own and operate bridges, tunnels, airports and terminal facilities, plan and establish policies for sewage and drainage facilities and other public projects, and issue bonds and exercise such additional powers as conferred upon it by the legislatures of both states. Bi-State Development does not have the power to tax. Funding is received from local, state and federal sources through grant, contract and sales tax revenue. However, it is authorized to collect fees from the operation of its facilities.

Today, Bi-State Development is organized into various Business Entities. They include Metro Transit, Gateway Arch Tram System, St. Louis Downtown Airport, Riverfront Attractions, St. Louis Regional Freightway, Bi-State Research Institute and Arts In Transit, Inc. BSD also has three self-insurance internal service funds which support operations.

In its early years, BSD participated in and conducted several studies. The organization had an active role as a member of the Interstate Air Pollution Study conducted in the early 1960's. BSD also participated in a survey of chemical and biological pollution of

History	
1949	Bi-State Development Agency created and approved by states of Illinois and Missouri.
1950	Interstate compact approved by US Congress.
1953	Granite City Dock bonds issued.
1962	Gateway Arch Transportation System bonds issued.
1963	Purchased 15 local transit systems.
1964	Purchased Parks Airport (St. Louis Downtown Airport).
1967	Gateway Arch Transportation System opened (Arch opened in 1965).
1986	Gateway Arch Parking Facility opened
1988	Call-A-Ride begins demand response service
1993	MetroLink opened. St. Clair County in Illinois approved sales tax to fund future MetroLink corridor.
1994	City of St. Louis and St. Louis County approved ¼ cent sales tax for regional transit improvements.
1997	City of St. Louis passed ¼ cent sales tax contingent on St. Louis County passage.
1999	Received Outstanding Achievement for Light Rail award from APTA.
2001	St. Clair County Illinois MetroLink extension opened. Purchased Tom Sawyer and Becky Thatcher riverboats.
2002	First of nine MetroBus transfer centers and garages opened.
2003	MetroLink opened Illinois Shiloh-Scott extension.
2006	Cross County MetroLink branch opened.
2010	St. Louis County approved Prop A ½ cent sales tax.
2012	Restoration of the historic Eads bridge began.
2013	Missouri voters passed Proposition P which is a 3/16 cent sales tax to fund improvements for trails and parks in the region and to provide additional funding to the Gateway Arch park grounds.
2014	Gateway Arch Parking Facility discontinued operations
2014	Bi-State Research Institute was formed
2016	St. Louis Regional Freightway was formed

the Mississippi River, an exhaustive study of the St. Louis County sewer problem that contributed to creation of the Metropolitan St. Louis Sewer District, the Columbia Bottoms Development Survey and the Illinois Highway and Expressway survey.

One of the organization's first projects was the 1953 construction of a 600-foot wharf in Granite City, Illinois. Bi-State Development issued $1.5 million in revenue bonds for the cost of construction. The wharf and its facilities were used for mooring, loading and unloading barges, the handling of commodities to be transported by barges and transit storage. Granite City Steel leased the north end of the wharf from the organization to conduct business. Bi-State Development contracted with Granite City Terminals Company to run the southern end of the wharf. This venture began Bi-State Development's relationship in the development of the St. Louis riverfront, identified as an important landmark for an inland river city. The port was sold to America's Central Port (formerly Tri-City Regional Port) on April 15, 1975 for $730,000 ending Bi-State Development's river/marine business in Illinois.

In the 1960's, Bi-State Development was asked to fund and operate the Gateway Arch tram system that would carry visitors to the top of the Gateway Arch Monument. A $3.3 million revenue bond issue was completed in July 1962, and the relationship with the Gateway Arch and National Park Service began.

By 1961, Lambert International Airport was becoming so crowded that a secondary St. Louis airport was essential. Realizing an additional airfield was crucial to the continuing economic growth in St. Louis, the region looked to Bi-State Development for a solution. An agreement was reached that BSD would assist in reopening Parks Metropolitan Airport in Cahokia, Illinois. BSD acquired the airport property for $3.4 million in 1965, reopened it as the Bi-State Parks Airport and invested in airport improvements. In July 1999, the Board of Commissioners renamed it the St. Louis Downtown Airport.

Bi-State Development extended its presence on the St. Louis riverfront in July 2001. Bi-State Development purchased the Becky Thatcher and Tom Sawyer Riverboats preserving the long history of riverboat cruising in St. Louis. The riverboat business is a continuation of the Streckfus Steamers Company, which was founded in 1891. This acquisition by Bi-State Development ensures the Streckfus tradition of the longest running excursion boat company on the Mississippi River will continue for the next generation of St. Louis residents and visitors to the region.

Bi-State Development riverfront attractions also include the operation of a barge heliport. Gateway Helicopter Tours operates from a barge on the riverfront and has daytime flight tours of several scenic locations in the region including specific tours featuring views of the Missouri Botanical Gardens, the Gateway Arch and the downtown skyline.

The Metro Transit Division began in 1963 when Bi-State Development purchased and consolidated 15 privately owned transit operations using a $26.5 million bond issue. BSD is best known for providing three modes of mass transportation services in the Greater St. Louis Region: MetroBus, bus operations; MetroLink, light rail operations; and Call-A-Ride, demand response operations.

In 1987, BSDA's Call-A-Ride began demand response service to fill a need for alternative transportation service to customers with disabilities and those who were unable to use regular fixed route bus or light rail service. Since then, Bi-State Development has created programs to educate and certify all paratransit users. BSD also spearheaded the regional Transportation Management Association (TMA), which consists of private for-profit and non-profit transportation providers working together to provide regional paratransit services.

Bi-State Development expanded into light rail transportation in July 1993. The original 17-mile corridor was constructed between Lambert International Airport in Missouri and Fifth and Missouri Streets in East St. Louis, Illinois. MetroLink doubled in length with the 2001 expansion to Southwestern Illinois College in Illinois and the 2003 expansion to Shiloh, Illinois, home of Scott Air Force Base. The most recent light rail expansion occurred in August 2006 when the Cross County extension was completed. This expansion added another eight miles through Clayton south to Shrewsbury, Missouri. Today, MetroLink operates 46 miles of alignment with 37 stations and 20 Park and Ride lots.

In 2014, the Bi-State Development Research Institute, a 501(c)(3) non-profit corporation, was formed. The Bi-State Development Research Institute was developed to focus on Transit-Oriented Development ("TOD"), regional economic development, regional land use and public policy.

In 2014, BSD was selected to lead a new regional freight partnership aimed at optimizing the region's freight transportation infrastructure. The actions to be undertaken by the St. Louis Regional Freightway will boost St. Louis' competitive position among its peers in becoming not only a premier multimodal freight center in the Midwest region through job and economic growth, but also a freight center with global reach ready to compete in international markets.

Community Profile

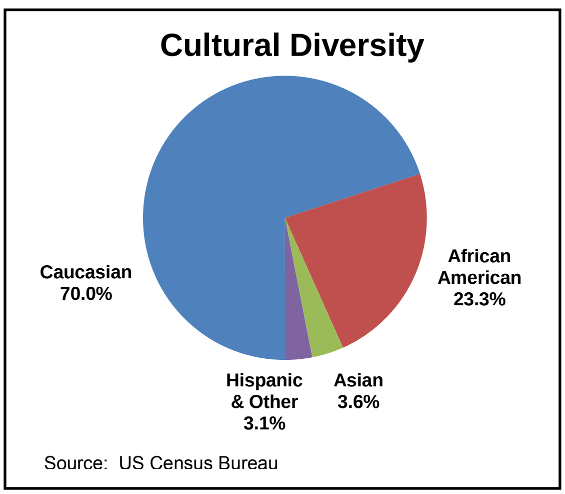
Population and Culture

The most recent census data estimates approximately 2.5 million people live in the Greater St. Louis region served by Bi-State Development. Overall, the Greater St. Louis region is experiencing minimal growth with a continuing shift in population from the City of St. Louis to St. Louis County to the suburban Missouri communities. This is creating a growing need for public transportation outside the City of St. Louis.

Estimated Population Comparison

Region	2010	2014	% Change
St. Louis City	319,294	317,419	-0.6%
St. Louis County	998,954	1,001,876	0.3%
St. Charles County	360,485	379,493	5.3%
Jefferson County	218,728	222,716	1.8%
St. Clair County	270,056	265,729	-1.6%
Madison County	269,282	266,560	-1.0%
Monroe County	32,957	33,722	2.3%
Total	**2,469,756**	**2,487,515**	**0.7%**
United States	**308,745,538**	**317,857,056**	**3.0%**

Today, the transit system service area includes the City of St. Louis, St. Louis County, and portions of St. Clair and Monroe Counties in Illinois. Residents from Madison County in Illinois enjoy the benefits of the transit system through coordinated services with the local services in that area. Other communities such as St. Charles and Jefferson Counties in Missouri may access Metro Transit Centers and park-and-ride lots near the borders of these communities.



The Greater St. Louis region is a community with much to offer. In the region, you will find the cosmopolitan atmosphere of a large city commingling with an energetic urban lifestyle. TripAdvisor named St. Louis as one of its top U.S. destinations for 2015. St. Louis was listed, in the top 25, because of its influence by Westward Expansion and Blues music.

Two professional sports teams – Cardinals baseball and Blues hockey – play in downtown St. Louis. The Mississippi riverfront district includes Laclede's Landing which features restaurants, entertainment and a casino, the Gateway Arch and National Park complex. Union Station is a national historic landmark housing a hotel, restaurants and special shops. The Delmar Loop is a vibrant, diverse six-block entertainment and shopping district. Historic Soulard features an open-air farmers' market and beautifully restored homes around the In-Bev Anheuser-Busch brewery. The Hill is home to Italian neighborhoods, shops and restaurants. The Central West End is famous for its eateries, antique shops and grand old homes.

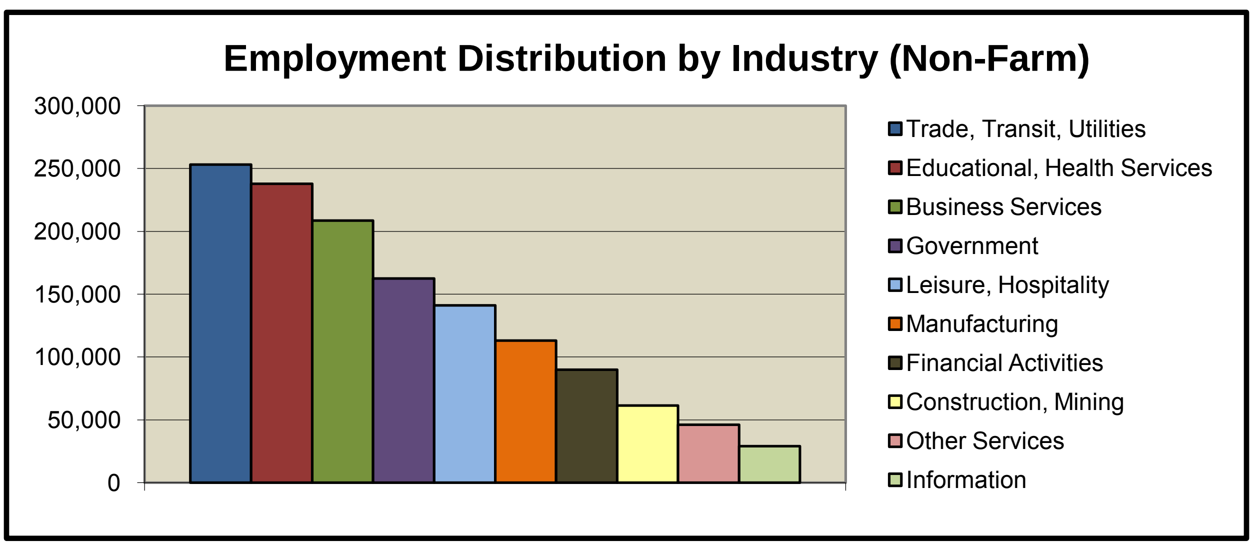
St. Louis' famous Forest Park was site of the 1904 World's Fair. It is frequented by runners, bicyclists, and picnickers and hosts some of the region's favorite cultural and educational institutions including the St. Louis Art Museum, St. Louis Zoo, St. Louis Science Center and Missouri History Museum. Additionally, the 12,000-seat outdoor Municipal Opera amphitheatre, known as "the Muny", offers summer theater productions in Forest Park. The bi-state region boasts five state parks and hundreds of neighborhood parks making it a beautiful place to visit.

Long known for its educational excellence, St. Louis is home to some of the top educational institutions in the world. More than twelve universities and four-year colleges, including Washington University, Saint Louis University and the University of Missouri-St. Louis are located in the greater St. Louis region. Additionally, eighteen two-year and community colleges enhance the quality and skills of the region's work force and enrich its intellectual creativity and strength.

Centrally located, St. Louis is a convenient destination from anywhere in the country. Transportation access includes four major interstates, Lambert St. Louis International Airport, several regional airports, Greyhound Bus and Amtrak. Once in St. Louis, a major part of the region is served by BSD's MetroBus, MetroLink and Call-A-Ride Operations. The same attractions, cultural institutions and negotiability that make the St. Louis region a great place to visit also make it a great place to live.

Employment by Industry

The Greater St. Louis region is home to a very diverse industrial base. Total non-farm employment increased 1.3% year over year to 1.3 million. The trades, transit and utilities group still remains the top employment producer with educational and health services close behind. The five largest employers in the region include BJC HealthCare, Boeing Defense Space & Security, Washington University, Scott Air Force Base and SSM Healthcare.



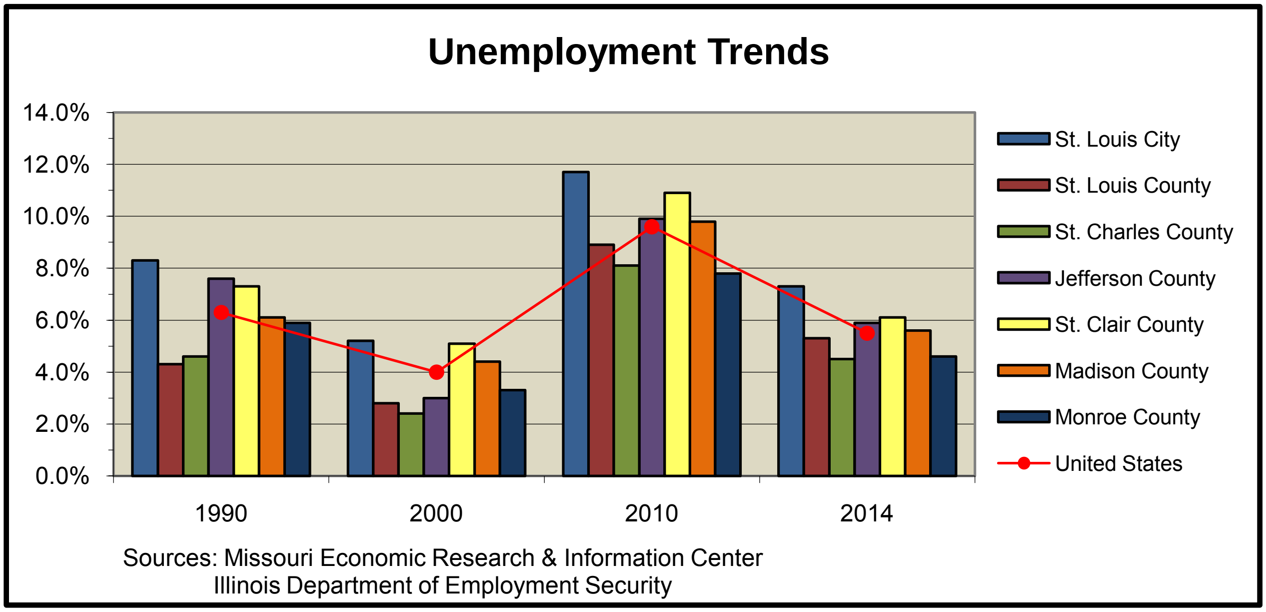
Source US Bureau of Labor Statistics - Dec 2014

Economic Trends

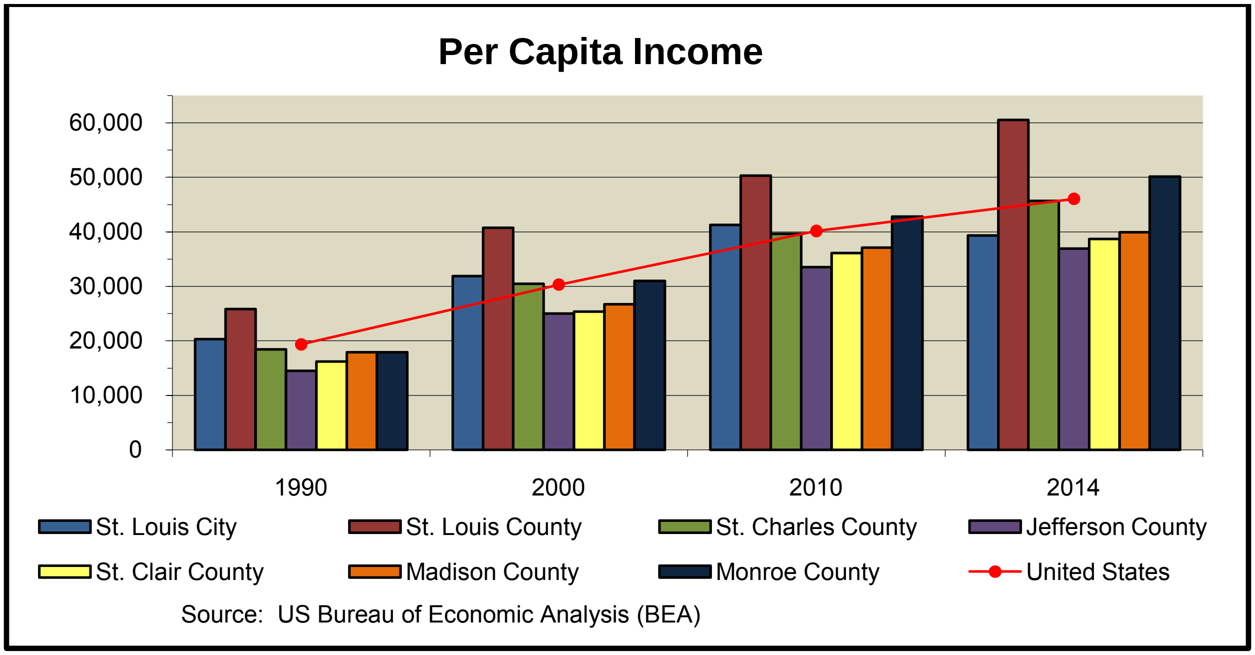
In 2015, the economy in the Greater St. Louis region closely followed improving national trends.

In December 2015, The Missouri Economic Research and Information Center reported the national average unemployment rate was 4.8%. Within the bi-state area, the average unemployment rate was 4.3%. The City of St. Louis and St. Clair County in Illinois generally track worse than the national unemployment statistics. In December 2015, the City of St. Louis reported 4.8% unemployment.

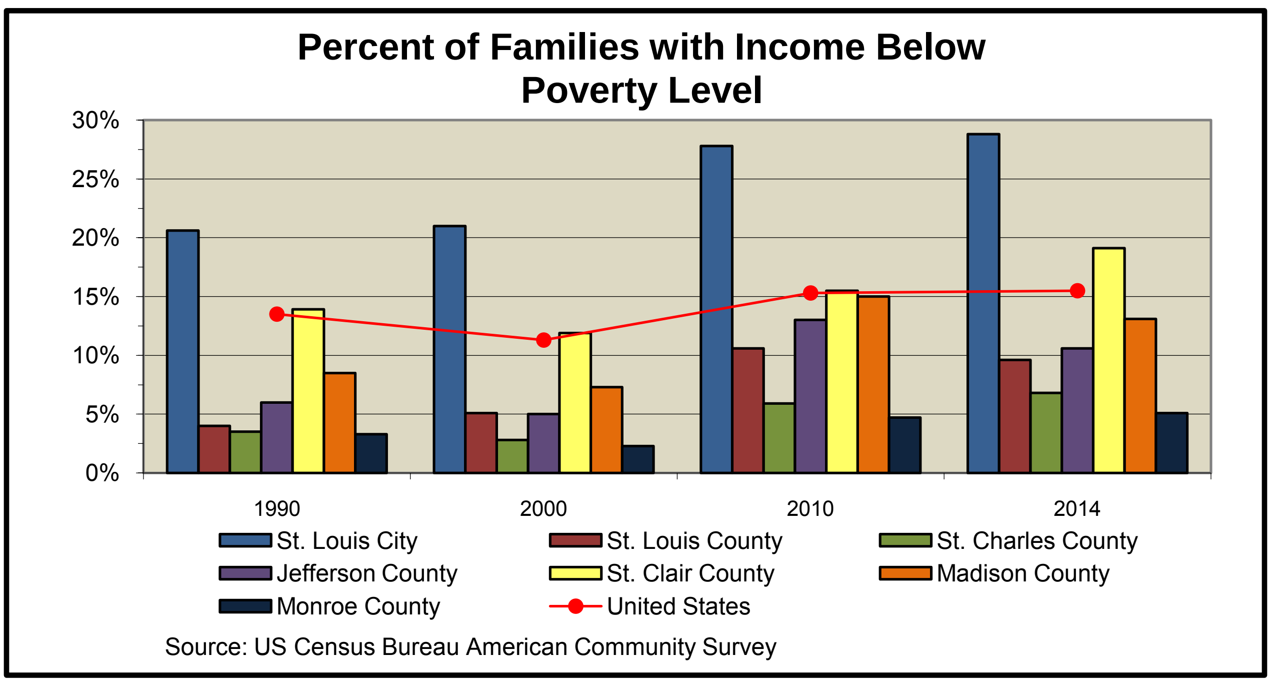
The graph below displays the unemployment rates in the bi-state area by county.



Other statistics which have a direct correlation to Bi-State Development operations are per capita income and poverty levels. Per Capita Income is defined as the income computed for every man and woman in a geographic area age 16 and over. This statistic is derived by dividing the total income of all people age 16 and over in a geographic area by the total population in that area. According to the chart on the next page, St. Louis County has exceeded national trends for per capita income over the last 20 plus years, with Monroe County in Illinois touching on the national average. The remaining areas are currently below the defined per capita income level.



The poverty thresholds are the same for all parts of the country. They are not adjusted for region, state or local variations in the cost of living. According to the 2013 US Census Bureau, the national average of families living below the poverty level was 14.5%. Shown on the chart below the Bi-State region includes poverty level trends that are both better and worse than the national average. The City of St. Louis has nearly double the national average. These trends may be influenced by socio-economic factors relating to environment and education and the lasting effects of long-term high unemployment.



Strategic Plan Overview - Transit Operations

Purpose of Strategic Plan

The purpose of the strategic plan is to provide the Board of Commissioners and stakeholders with a comprehensive summary of the Bi-State Development plan and vision to improve the region's quality of life by providing excellent public transportation and promoting economic development across the bi-state region. BSD public transit meets the region's needs through safe, reliable, accessible, customer-focused service in a fiscally responsible manner.

Long-term Strategic Plan

The 30 year strategic plan was last updated in 2010. Bi-State Development's management team and community leaders recognized the need to develop a comprehensive long term strategic plan for public transportation in the Greater St. Louis Region. A cooperative planning process involving BSD management, East West Gateway Council of Governments, community leaders and users of public transportation moved this process forward. Following numerous meetings with all stakeholders and diligent transportation research, a comprehensive strategic long range plan named "Moving Transit Forward" was developed and approved by EWGCOG and BSDA's Board of Commissioners on February 24, 2010.

"Moving Transit Forward" offers options EWGCOG, the region's planning agency, can use when deciding next steps for public transit in the Greater St. Louis Region. As EWGCOG makes those decisions on public transit service, Bi-State Development will implement and operate those services.

The "Moving Transit Forward" plan was developed to document a fiscally responsible, community-driven vision for restoring, enhancing, and expanding the Metro Transit System designed to:

- Promote regional economic development
- Strengthen the Metro Transit System as a vital regional asset
- Provide quality public transit access to more people
- Improve service to low-income, elderly, and disabled residents
- Include projects that are cost-effective

The plan serves as a framework to the region when making decisions concerning transit development that help shape this community now and in the years to come.

Strategic Alignment

Vision
Bi-State Development is a dynamic and multi-faceted resource for economic development in the St. Louis region. With deep expertise in planning and implementation, Bi-State Development is uniquely empowered to provide regional solutions to regional challenges within a model of efficiency and accountability. Through proven leadership, Bi-State Development fulfills the promise of its Charter to improve the economy and improve lives.

Mission
To improve the quality of life throughout the St. Louis Bi-State region through excellence in planning, implementation and operation of enterprises that foster economic development for the benefit of its citizens and the nation.

Core Values
Bi-State Development's core values below impact every aspect of our organization and guide the work behaviors, decision making, and interpersonal interactions of all employees.

***Safety & Security* –** Prioritize the safety and security of our customers, general public, and employees as most important.

***Customer Focus* –** Strive not only to meet but exceed our customers' needs and expectations.

***Character* –** Value and practice honesty, integrity, respect, courtesy, teamwork, trust, directness and accountability. We are receptive to other viewpoints and committed to the success of others.

***Leadership* –** Commit to forward motivation; to having the courage and vision to operate in new and transformative ways.

***Ethical Practices* –** Adhere to our Code of Ethics and other Bi-State Development standards of conduct and behavior. We practice and enforce these standards throughout the company and in all our dealings with the public.

***Collaboration* –** Believe in bringing the best public and private interests together to share institutional knowledge, insights, experience and resources to shape truly impactful regional solutions.

***Communication* –** Commit to providing clear and accurate information and being transparent at all times.

***Recognition of Employee Contributions* –** Recognize our employees who create, innovate, consistently support the day-to-day business requirements, and contribute to the success of the Bi-State Development.

***Innovation* –** Leverage our legacy of expertise in planning and implementation to close the gap between regional needs and solutions.

Goals and Objectives

To achieve the coordinated strategic plan, Bi-State Development has identified four primary organization level goals. These goals will guide the strategic initiatives of the organization through FY 2017. With each new year, these goals will be evaluated for change. Each goal is broken down into key objectives that contribute to the accomplishment of the goal.

Goal		Objective	
1	Build an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds	A	Establish and manage communications plan that improves public perception of Bi-State Development programs and credibility of management
		B	Establish a planning, policy, financial, and operational framework for developing and delivering Metro Transit service, projects, and programs over the next 10 years, and introduce potential service concepts that could be implemented over the next 10-30 years
2	Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources	A	Implement internal process improvements
		B	Implement cost reduction strategies
		C	Implement revenue enhancement strategies
		D	Identify and implement shared services programs with other entities where beneficial
		E	Deliver quality capital projects on time and within budget
3	Value all members of our staff and endeavor to help all of our employees develop to their fullest potential	A	Continue to develop a safety conscious culture throughout Bi-State Development, its customers, and business partners
		B	Invest in employee development
		C	Strengthen the labor – management working relationship
		D	Provide timely, honest feedback on performance through EADS program
4	Deliver a high quality transit experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence	A	Efficiently and effectively operate service sectors
		B	Improve service quality and capacity for Metro van, bus, and rail systems
		C	Implement innovative technologies
		D	Improve transit security of Metro van, bus, and rail systems

Linking Strategic Plan to Budgets - The strategic plan is the primary driver for annual operating and capital budgets. The annual operating and capital budgets reflect updated short-term goals and objectives identified in the strategic plan by quantifying expected revenues and expense needed to meet the short-term goals. The Company's organizational units play a vital role in achieving these goals. The strategies, steps and performance measures of the organizational units are documented under the functions and activities of the "Organizational Units" section of this document.

Transit Key Performance Metrics

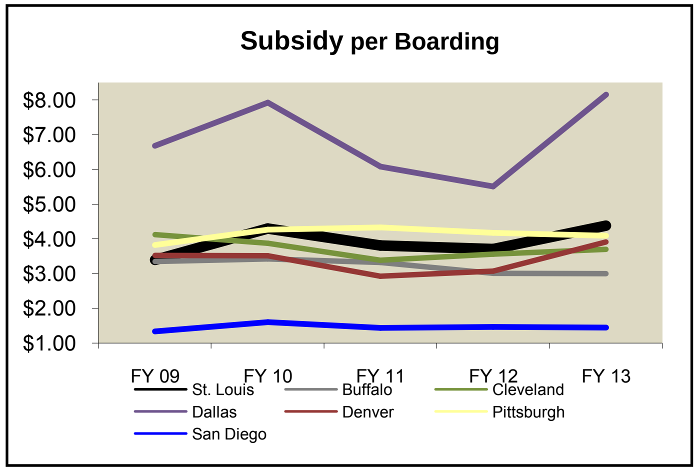
Our success in meeting our strategic goals and objectives is measured by key performance indicators. These metrics relate to elements of the transit system that directly influence our customers or the financial and operational measures that impact our bottom line. Management's goal is to develop business and information systems that provide critical management information regarding leading indicators to key personnel so preventive or corrective action can be taken as soon as possible. Lagging indicators are also monitored in order to measure historical results for further analysis and comparison. Key system performance indicators comparing the FY 2017 targets to previous years are as follows:

Key Performance Indicators	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Customer Measures				
Passenger Boardings (millions)	45.3	44.2	48.7	46.7
Average Weekday Ridership (thousands)	144.3	140.8	151.5	148.8
Passenger Injuries per 100,000 Boardings	1.0	1.5	1.0	1.4
Customer Complaints per 100,000 Boardings	10.3	11.5	10.3	11.0
Business Measures				
Farebox Recovery	17.5%	18.8%	19.1%	20.7%
Operating Expense per Revenue Hour	$155.41	$146.00	$155.27	$137.68
Operating Expense per Passenger Boarding	$6.27	$5.75	$5.84	$5.32
Subsidy per Passenger Boarding	$4.92	$4.45	$4.50	$4.00
Operating Measures				
Passenger Boardings per Revenue Mile	1.7	1.7	1.8	1.7
Passenger Boardings per Revenue Hour	24.8	26.4	26.6	25.9
Vehicle Accidents per 100,000 Vehicle Miles	1.9	1.8	1.9	1.6
Unscheduled Absenteeism	3.6%	3.5%	3.6%	3.1%
On-Time Performance	94.7%	94.6%	94.7%	94.5%

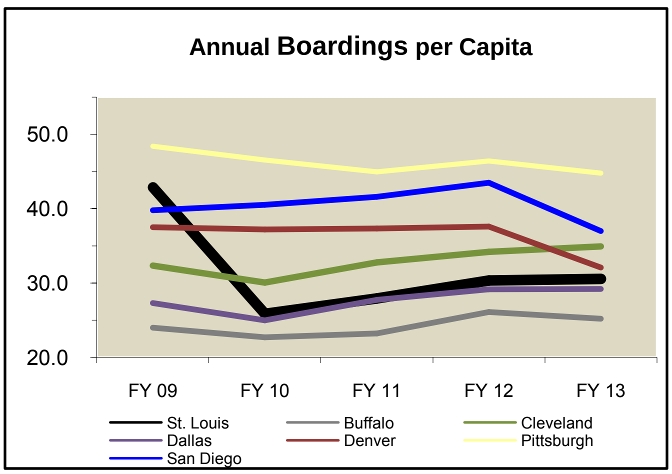
The above key performance indicators represent the entire Metro Transit. Indicators by mode of transportation can be found in the "Metro Transit" section and organizational group indicators are detailed within the "Organizational Units" section.

Peer Performance

The following graphs depict performance metrics of Bi-State Development's Transit System compared to peer transit agencies in the United States from FY 2009 through FY 2013. The source of this data is the Federal Transit Administration National Transit Database. Due to the migration of the NTD database to a new system this past year; data for FY 2014 is not available at this time.

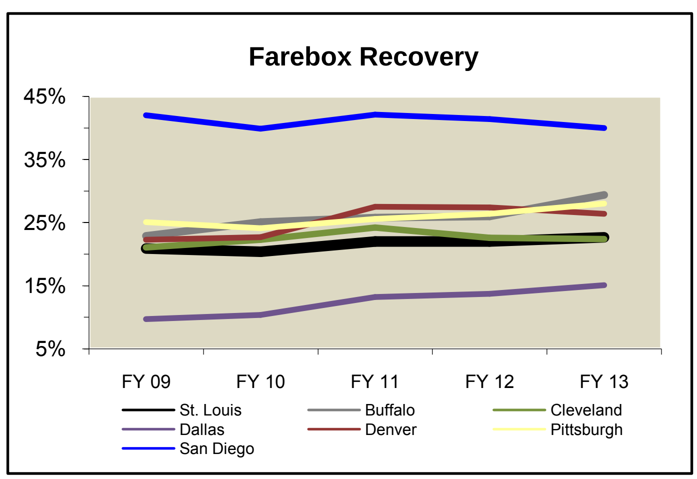


Subsidy per boarding measures how much outside funding assistance is required per passenger trip. Bi-State Development has minimized this growth through increasing ridership, cost containment and modest fare increases. BSD has also seen an increase in other operating revenue, which helps offset the subsidy per boarding.



St. Louis experienced system downsizing in FY 2010 that was reversed a year later. The Annual Boardings per Capita chart trends the downturn in passenger ridership and its continued rebound. The return of services is reflected in the upswing in boardings mainly through the return of core ridership. Continued service improvements throughout the system are contributing to ridership numbers.

Metro's farebox recovery has remained average compared to its peer transit agencies. Farebox recovery has remained stable with limited growth for the year shown. Farebox recovery ratio is passenger revenue as a percent of total operating expenses. As in subsidy per passenger, we are maintaining steady rates as a result of increased passengers and containing operating costs.



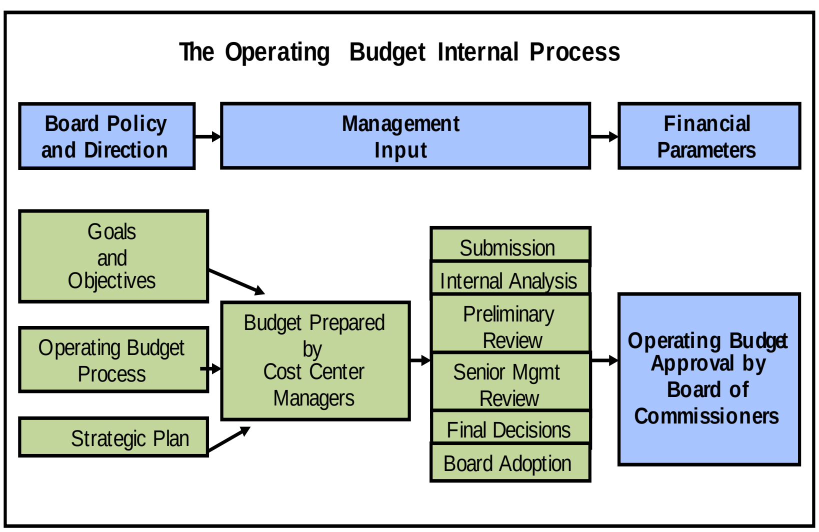
The Budget Process and Stakeholder Interface

The Compact between the States of Missouri and Illinois adopted in 1949 requires Bi-State Development Agency of the Missouri-Illinois Metropolitan District to prepare and adopt an annual budget. Such a budget must set forth proposed expenditures to be undertaken during the budget year for administration, operations, maintenance, debt service and capital projects. In addition, the budget identifies the anticipated income funding options for financing the proposed expenditures. The transit system is required to present a balanced budget where revenues equal expenses. Other Post Employment Benefit expense and depreciation and amortization of capital assets are not required to be covered by annual revenues to be considered a balanced budget. The budget is a financial and strategic plan for the upcoming year developed in accordance with Bi-State Development policies. It seeks to optimize resources and maintain consistency with defined organizational objectives and Bi-State Development's Strategic Plan.

The preparation and eventual approval of the tri-annual operating and the tri-annual capital budgets are both an internal and external process.

Operating Budget Internal Preparation

Each year the budget begins with a budget message to Bi-State Development's cost center managers imparting objectives for the upcoming budget year, including indications of Bi-State Development's expected financial condition for the coming year and details of procedures to be followed in preparation of the budget.

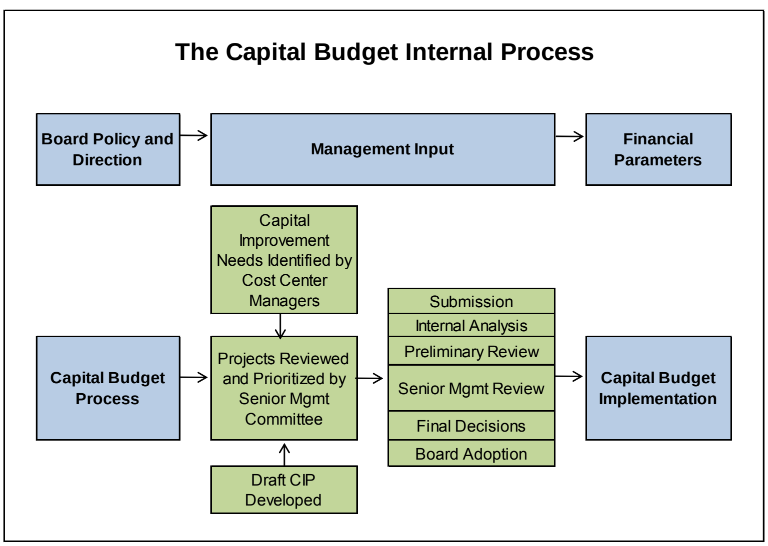


The cost center managers submit operating requests to the budget department using an online application. Bi-State Development's senior management reviews the preliminary operating budgets and sets parameters for the coming year. Through a series of meetings, cost center managers refine their preliminary operating budget requests per management's parameters, goals and objectives. Final decisions are then made by Bi-State Development's President and CEO and Senior Management which allow the operating budget document to be prepared and presented to the Board. The Board of Commissioners' approval completes the internal process.

Operating Budget External Review and Approval Process

Each of the Transit System's funding jurisdictions has a separate operating budget approval process. In St. Louis County, Bi-State Development's operating budget is reviewed and recommended by the Public Transportation Commission and advanced to the County Executive. The County Executive submits a funding bill to the County Council, which debates and acts upon the bill. In the City of St. Louis, the Ways and Means Committee of the Board of Aldermen reviews the bill prior to adoption of funding ordinances by the Board. Subsequently, the Board of Estimates and Apportionment authorizes payments. In Illinois, Bi-State Development contracts with the St. Clair County Transit District for funds for operations.

Capital Budget Internal Preparation



The preparation and eventual approval of the tri-annual capital budget is both an internal and external process. Each year the capital budget process begins with a meeting of Bi-State Development Senior Managers who serve as the Capital Improvement Program Prioritization Committee. Projected federal, state and local revenue sources covering three fiscal years are discussed and the budget message to Bi-State Development's cost center managers is communicated regarding the capital improvement objectives for the upcoming capital budget cycle. Projects are solicited from the cost center managers. Projects from the region's long-range plan formulated by the East-West Gateway Council of Governments, the federally recognized St. Louis Metropolitan Planning

Organization, are incorporated as appropriate. Internally, operating plans are formulated, as is a Transportation Improvement Program, which documents all federal transit grants for which Bi-State Development plans to apply.

Cost center managers submit capital requests to the budget department. Senior management reviews these preliminary budgets and parameters are set for the coming year. Through a series of meetings with cost center managers, capital budget requests are refined and prioritized. Final decisions are then made by Bi-State Development's President and CEO to allow the budget document to be prepared and presented to the Board. The Board of Commissioners approval completes the internal process.

Capital Budget External Review and Approval Process

The capital budget is then considered under an external review and approval process. Each of the Transit System's funding jurisdictions has a separate approval process. In St. Louis County, Bi-State Development's capital budget is reviewed and recommended by the Public Transportation Commission and advanced to the County Executive. The County Executive submits a bill to the County Council, which debates and acts upon the bill. In the City of St. Louis, the Ways and Means Committee of the Board of Aldermen reviews the bill prior to adoption of funding ordinances by the Board. Subsequently, the Board of Estimates and Apportionment authorizes payments. In Illinois, Bi-State Development contracts with the St. Clair County Transit District (District) for funds for operations and capital acquisition. Bi-State Development, with approval of the District, applies for grants from the Illinois Department of Transportation.

East-West Gateway has a rigorous review process for the TIP, an important part of Bi-State Development's overall budget. That process includes public hearings and committee review prior to consideration for approval by its Board of Commissioners. After Council approval, the TIP is forwarded to the Illinois Department of Transportation and the Missouri Highway and Transportation Commission for review and inclusion in each state's Transportation Improvement Program. Final review by the Federal Transit Administration is required for grant application and receipt of federal funds.

Operating and Capital Budget Amendment Process

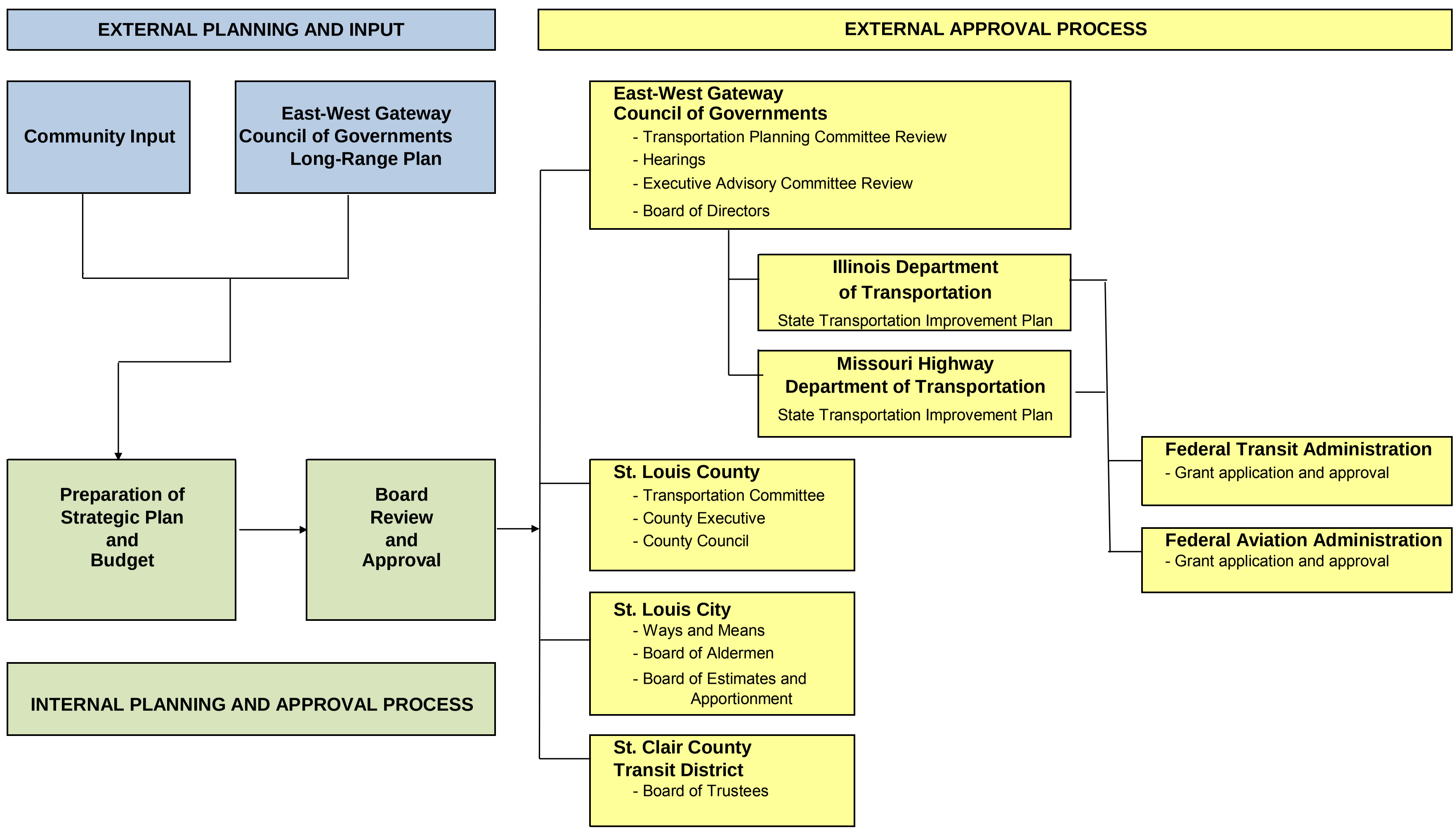
Organizational hierarchy changes can occur after the budget has been approved by the Board Commissioners. These reporting changes can involve a single employee or multiple departments being reassigned to a different managerial structure. Managerial reassignments can be within the same company or a change in the company to which an employee or department is reporting.

If managerial and reporting changes do occur, the Finance Division in cooperation with the affected divisions/departments will transfer only the appropriate budget dollars, related labor and expenses. The budget transfers under these circumstances will be a dollar for dollar transfer from the old reporting structure to the new reporting structure. There will be no changes, deletions or additions to total revenue, expense or net income (loss) for BSD overall. Any budget transfers affected by hierarchy changes will be presented to the Board in an informational briefing paper.

A budget amendment for either the operating or capital budget is deemed necessary when a shortfall requiring the identification of additional funds is created by a significant event that could not have been reasonably foreseen at the time of budget adoption. Additionally, an amendment may be necessary due to local, state or federal government action. Presentation of the amendment to the Board of Commissioners is necessary, identifying proposed changes along with the justification and funding mechanism. Adoption by a majority of the Board formally amends the budget.

The budget and grant approval process is illustrated on the next page.

Operating and Capital Budget and Grant Approval External Process



FY 2017 Operating Budget Calendar

Sep 2015

- 09.01-30 - Budget team to update system and request various projections
- 09.21 - Operating baseline budget assumptions approved

Oct 2015

- 10.05 - Baseline budget completed and presented to Senior Staff
- 10.14 - "Budget kick-off" begins with communication to managers
- 10.29 - Budget key performance indicators reviewed and updated
- 10.30 - Miles, hours, passengers, passenger revenue and operator manpower schedules completed.
- 10.30 - Medical, dental and pension projections submitted.

Nov 2015

- 11.04 - Vice Presidents' new position forms submitted to budget
- 11.05- Sales tax revenue, interest revenue & interest expense projections received
- 11.09 - Managers submit/lock all budget requests in budget system
- 11.16 - Vice Presidents approve submitted budget requests

Dec 2015

- 12.10 - Budget summary reports and assumptions sent to President for reveiw
- 12.11 - Vice Presidents submit division goals & objectives for FY 2017
- 12.14 - Organizational leaders submit updated strategies, action steps and performance measures
- 12.21 - Organizational leaders submit FY 2017 Target Performance indicator measures
- 12.21-1.06 - Budgets reviewed with cost center managers and appropriate changes made

Jan 2016

- 01.11 - Internal analysis reports prepared and sent to President & Vice Presidents
- 01.12-19 - Budgets reviewed with President and Vice Presidents
- 01.19-27 - Changes incorporated into budget system & reports prepared

Feb 2016

- 02.08- Transit Improvement Plan reviewed
- 02.09-29 - Annual budget documents finalized

Mar 2016

- 03.07-11 - PowerPoint presentation created
- 03.11 - Budget documents mailed to Board of Commissioners
- 03.18 - Operating & Capital Budget presented at the Finance & Administration Committee meeting

Apr 2016

- 04.22 - Operating & Capital Budget document to the Board of Commissioners for approval

Financial Policies

Financial Policies, Fund Balances, Debt Obligations

All fiscal policies apply to all operations of Bi-State Development.

Planning and Budgeting Policies

Balanced Budget

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

Basis of Budgeting

Bi-State Development budgets expenses on the ***accrual basis of accounting*** that is consistent with accounting policy whereby revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

Balanced Budget Guideline

For purposes of the Metro transit operating budget, a balanced budget shall be where revenues equal expenditures except for depreciation, amortization and unfunded other post-employment benefit expenses.

Bi-State Development is required to adopt a balanced operating budget; however, it is not required to adopt legally enforceable budgets and does not adopt such budgets.

Audit Policies

Internal Audit

It is BSD policy to employ an Internal Auditor who shall report directly to the Board of Commissioners. The Internal Auditor shall supervise and direct the staff of the Internal Audit Department. The Internal Audit Department shall provide independent, objective analysis and recommendations to assist the President and CEO and management in effectively discharging their administrative responsibilities. The Internal Audit Department shall perform routine audits of compliance of BSD divisions with internal BSD rules and regulations. The Internal Audit Department shall, at all reasonable times, have access to the accounts, books, and records of

Bi-State Development. The Internal Audit Department may interview the President and CEO and other employees of BSD as necessary.

External Audit

It is the policy of Bi-State Development to submit its books and records to an annual audit by a qualified recognized CPA firm. The firm shall have broad experience in auditing large local government and/or agencies in compliance with relevant federal rules and regulations such as the Single Audit Act.

Accounting Policies

Financial Reporting Entity

The basic financial statements encompass all proprietary functions for which Bi-State Development is responsible. These functions include: Executive Services, Gateway Arch Tram System, Gateway Arch Riverfront Attractions, St. Louis Downtown Airport, Bi-State Development Research Institute, St. Louis Regional Freightway, Arts In Transit, Inc. and Metro Transit System.

Additionally, Bi-State Development evaluated whether there were any potential component units that should be included in these financial statements based on the following criteria: financial accountability, access to resources, responsibility for debts and deficits, and fiscal independence.

Basis of Accounting

Bi-State Development follows the accrual basis of accounting and uses the economic resources measurement focus for all of its enterprise funds, internal service and fiduciary funds. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred regardless of the timing of related cash flows.

Estimates and Assumptions

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fund Accounting

Bi-State Development maintains its internal accounting records on the basis of funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts. Cash and other financial resources, together with all related liabilities and residual fund balances and changes therein are segregated for the purpose of carrying on the specific activities or attaining certain objectives in accordance with Board or external special regulations, restrictions or limitations.

All funds used in accounting for the financial operations of Bi-State Development are enterprise funds or fiduciary funds. For financial reporting purposes, Bi-State Development is considered a single enterprise fund in which all subsidiary enterprise funds are combined and inter-fund transactions are eliminated. Bi-State Development is required to adopt an overall balanced operating budget; however, it is not required to adopt legally enforceable budgets and does not adopt such budgets.

Fiduciary funds are used to account for assets held in trust by the government for the benefit of individuals or other entities.

<u>Proprietary Funds</u>

Enterprise Funds

Bi-State Development enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Enterprise funds operate by creating a cash flow to pay for the services by issuing fees and charges.

The business purposes of the various enterprise funds of Bi-State Development are as follows:

- **Executive Services Fund** - performs certain developmental activities and acts as the administrative head of Bi-State Development;
- **Gateway Arch Tram System Fund -** operates and maintains the transportation system within the Gateway Arch in accordance with a cooperative agreement with the National Park Service and the United States Government;
- **Riverfront Attractions Fund –** owns, operates and maintains both the Tom Sawyer and Becky Thatcher Riverboats docked along the Mississippi River just below the Gateway Arch;
- **St. Louis Downtown Airport Fund** – owns, operates and maintains the St. Louis Downtown Airport and an adjacent business park located in Cahokia, Illinois;
- **Bi-State Development Research Institute Fund** – generates economic opportunities for Bi-State Development in the region;
- **Arts In Transit, Inc. Fund** – plans, funds and acquires artwork for the transit alignment to enhance the ridership experience;
- **Metro Transit Fund –** owns, operates and maintains the St. Louis metropolitan area mass transportation system which includes MetroBus, MetroLink and Metro Call-A-Ride services;
- **St. Louis Regional Freightway Fund** - establish and manage a marketing and business development plan that creates a cohesive brand identity for the St. Louis Region and build partnerships with the freight industry.

Internal Service Fund

The Internal Service Fund is used to report activities and accumulate and allocate costs of services that are provided to Bi-State Development's various enterprises. This fund accounts for payroll and risk management, which includes self-insurance general liability and worker's compensation. Bi-State Development's internal service funds are used for operations serving other funds or departments within BSD.

The three components of Bi-State's internal service fund are as follows:

- Health Self-Insurance Internal Service Fund
- Workers' Compensation Self-Insurance Internal Service Fund
- Casualty Self-Insurance Internal Service Fund

Fiduciary Fund

Fiduciary funds are used to account for assets held by Bi-State Development as a trustee or as an agent for others and which the assets cannot be used to support its own programs. The key fiduciary fund is the trust fund for the Bi-State Development Other Post Employment Benefit Trust.

Cash and Cash Equivalents

When beneficial, Bi-State Development pools all cash for investment purposes. Each fund has equity in the pooled amount. Investment earnings are allocated to each individual fund on the basis of their investment or equity in the pooled amount. All highly liquid investments readily convertible into cash with original maturities of 90 days or less are treated as cash equivalents. Cash equivalents are recorded at cost, which approximates fair value.

Bi-State Development Operating Revenues and Expenses

Operating revenues and expenses generally result from providing services in connection with Bi-State Development's ongoing operations. Revenues are recorded as income in a manner consistent with the timing of the provided service. The principal operating revenues of the various funds of BSD are as follows:

- **Executive Services Fund** – inter-fund charges for management services;
- **Gateway Arch Tram System Fund** – charges to tourists for admissions to attractions at the Jefferson National Expansion Memorial and rentals
- **Riverfront Attractions Fund** – charges to tourists for riverboat excursions along the Mississippi, memorabilia sales and heliport and bicycle rentals;
- **St. Louis Downtown Airport Fund** – charges to customers for aviation and runway services provided, including hangar rentals and fuel;
- **Arts In Transit, Inc. Fund** – contributions for bus paintings, art services and donations;
- **Bi-State Development Research Institute Fund** – contributions for services and donations;

- **Metro Transit Fund** – fares charged to passengers for public transportation, advertising, and rentals;
- **St. Louis Regional Freightway Fund -** public and private contribution fees.

Operating expenses include the cost of personnel wages and benefits, services, materials, utilities and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Expenditure Controls

Bi-State Development utilizes several different methods for controlling expenditures. A tiered approval system is utilized to secure management approval on various levels of expenditures. The approval tiers are applied as follows once the budget is adopted:

Supervisors	$ 5,000 and under
Managers	$ 10,000 and under
Directors	$ 25,000 and under
Vice Presidents	$ 100,000 and under
Chief Executive Officer	$ 500,000 and under

Additional expenditure control tools utilized include purchase orders, procurement cards, and work orders for project related expenditures, service contracts and labor contracts. Monitoring tools utilized include budget variance reports by cost center, and quarterly performance indicator reports.

Materials and Supplies

Metro inventories of materials and supplies are recorded at cost, using the weighted-average method and are expensed when inventories are consumed in operations. The Riverboats gift shop and food inventory counts are completed midyear to accommodate seasonality and maritime regulations. Purchases made between the midyear inventory count and fiscal year end are expensed as incurred. The St. Louis Downtown Airport inventory of firefighting chemicals is recorded at cost, using the first-in-first-out method to expense as the chemicals are used.

Depreciation and Amortization

Depreciation of capital assets is calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives by categories are as follows:

	Years
Airport runways, airframe and related facilities	15-25
Buildings and improvements	15-40
Gateway Arch tram facilities	15-25
Riverboats and barges	15-20
Light rail structures and improvements	12-30
Autos and trucks	5-10
Buses, vans, light rail and other revenue vehicles	3-25
Furniture, fixtures, computers and other equipment	3-10

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are recorded at cost, when acquired or constructed. Capital assets are defined under Bi-State Development policy as assets with an initial, individual cost of more than $5,000 and an estimated useful life of one year or more. Improvements to existing plant and equipment, which extend the useful lives of the related assets, are also capitalized. Donated capital assets are recorded at their fair value at the time of donation.

Expenditures for maintenance and repairs are charged to expense as incurred. When capital assets are retired or otherwise disposed of, the cost of the assets and the related accumulated depreciation are removed from the accounts, and gains or losses on disposals are recorded. Prorated shares of the proceeds from the sale of property and equipment, which were acquired with federal or state funds, are returned to the United States Department of Transportation – Federal Transit Administration or the related state Department of Transportation.

Investments Policies

Bi-State Development investments are made in accordance with investment policies specific to their restriction. Unrestricted investments are made in accordance with Bi-State Development general investment policy.

When beneficial, Bi-State Development pools unresticted funds for investment purposes. For pooled investments, investment earnings are allocated proportionately according to each fund’s equity in the investment. Bi-State Development's investments consist of collateralized repurchase agreements; Triple A rated money market funds, collateralized certificates of deposit, investment contracts, municipal bonds, and U.S. Treasury and U.S. Government BSD securities. Investments maturing in less than one year are carried at amortized cost, which approximates fair value. Investments maturing in over one year are bought with the intention to hold to maturity and are also carried at amortized cost. Bi-State Development determines fair value to be the amount at which financial instruments could be exchanged in a current transaction between willing parties, at quoted market prices.

Interest Rate Risk

Interest rate risk is the risk that the fair value of an investment will decline as interest rates increase, and if it is sold before its maturity a loss will result. Bi-State Development's investment policy specifies that all funds may be invested in maturities that match anticipated obligations to a maximum of five years. The policy is not applicable to restricted investments or collateral securities related to lease finance obligations or bond indentures, for which investment maturities are generally matched to specific debt amortization requirements. Due to the short duration of the majority of Bi-State Development's non-lease or bond related investments at June 30, 2015, interest rate risk is not deemed significant to Bi-State Development.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counter-party, Bi-State Development will not be able to recover its investments or collateral securities that are in possession of an outside party. Bi-State Development's investment policy specifies that all investments be delivered to Bi-State Development's securities safekeeping agent and held in the name of Bi-State Development. The policy is not applicable to restricted investments or collateral securities related to lease finance obligations or bond indentures, which generally are held in trust according to specific provisions of the lease agreement or bond indenture.

Credit Risk

Credit risk is the risk that the financial counterparty will fail to meet its defined obligations. Bi-State Development's investment policy authorizes the unlimited purchase of direct obligations of the U.S. Government or its agencies repurchase and reverse repurchase agreements, commercial paper, banker's acceptances, and money market funds. Repurchase and reverse repurchase agreements are entered into only with pre-approved credit-worthy banks or dealers, and a written repurchase agreement is completed for each bank or dealer. Repurchase agreements are collateralized with direct obligations of the U.S. Government or its agencies and sponsored enterprises. Securities are held in segregated customer accounts, or at the Federal Reserve. Bi-State Development's investment policy limits investments in commercial paper, negotiable (uncollateralized) certificates of deposit, and banker's acceptances to the top two ratings issued by nationally recognized credit rating organizations, and further limit these instruments to five million per issuer. The policy also stipulates that money market funds have over $500 million in assets and carry the highest rating issued by a nationally recognized credit rating organization. The policy is not applicable to restricted investments, or collateral securities related to lease finance obligations or bond indentures. Provisions of the lease agreements or bond indentures stipulate that financial counterparties must maintain the highest rating issued by a nationally recognized credit rating organization. If the counterparty does not maintain the required credit rating, it must collateralize the investment with securities carrying the highest rating issued by a nationally recognized credit rating organization. (In the case of the investment contracts listed above, the rating requirement is applicable to the senior debt rating of the issuer of the contract; the contracts themselves are not rated separately.)

Self-Insurance Liability

Self-insurance liabilities for workers' compensation, employee medical and dental insurance claims, and public liability and property damage claims are recognized on an estimated cost when incurred.

Workers' compensation benefits are awarded as determined by the appropriate governmental authority in each state in which Bi-State Development operates. Estimated liabilities for injury and damage claims and medical and dental insurance claims are charged to the appropriate operations expenses in the year the claim events occur; estimated liabilities for outstanding claims are made by management, as needed.

Self-insured liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These liabilities include an amount for claims that have incurred, but not reported.

Since self-insured claims depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are evaluated on a case-by-case basis and are re-evaluated periodically to take into consideration historical experience of recently settled claims, the frequency of claims, and other economic and social factors.

Pension Plans

Bi-State Development historically sponsored four defined-benefit pension plans; one Salaried plan and three Union plans as of June 30, 2015. Since the end of the prior fiscal year, the 788 O&M and 788 Clerical plan participants have voted to merge their plans. The legal process to merge the plans has been completed and the assets have been combined. The information provided reflects information prior to the finalization of the plans' merger.

It is the policy of Bi-State Development's Board of Commissioners to see that each pension plan is funded to the fullest extent feasible through a combination of investments and funding the actuarially determined contribution each year. Each plan is administered by an Administrative Pension Committee comprised of Trustees who are selected, at least in part, by the Board. Under Sections 70.050 A and B of its Collected Board Policies, the Board maintains authority over the appointment of the Trustees on the Salaried Employees Administrative Pension Committee, and one-half of the Trustees on the Pension Committees that administer the plans for the employees who are represented by the Amalgamated Transit Union (ATU) and the International Brotherhood of Electrical Workers (IBEW). The ATU and the IBEW select the remaining Trustees on those Committees.

Required contributions and benefit provisions are established and amended by the Pension Committees. The Pension Committees are authorized to administer their respective plans' assets, determine eligibility for benefits under the plan and to construe the plans' terms.

There are separate audited financial statements for each of the pension plans. The independent audit firm who performs the work is hired by each respective Pension Committee. Like many other governments and public entities in Missouri, Bi-State Development's pension plans are monitored by the Joint Committee on Public Employee Retirement (JCPER) – a permanent oversight body created by the Missouri General Assembly in 1983.

Salaried Plan

The Salaried Plan was closed to new entrants effective July 1, 2013 and all subsequently hired salaried employees are put in a 401(k) plan. All salaried employees irrespective of hire date are eligible to make additional 401(k) contributions to the plan that is partially matched by BSD. As of January 1, 2014, the Salaried Plan became a 3% contributory single employer defined benefit pension plan for salaried employees who remain in the plan.

Employees who retire after attaining the normal service retirement age and years of services as defined in the plan are entitled to normal retirement benefits, payable monthly for life, based upon final average monthly earnings and years of credited service. Final employee average monthly earnings are the employee's average monthly earnings for the three consecutive Plan years preceding cessation of employment producing the highest average. Participants who have attained age 55 and completed ten years of credited service may retire and receive reduced benefits. The Salaried Plan also provides death and disability benefits.

Union Plans

All Bi-State Development full-time employees who are included in one of the collective bargaining units recognized by Bi-State are required to participate in an applicable Union Plan. There are two Union Plans that are contributory single employer defined benefit pension plans. Participants must satisfy minimum age and service requirements for retirement and are eligible for a deferred vested pension if they leave the service of Bi-State Development with at least 10 years credited service. The Union Plans are as follows:

- Bi- State Development Agency Missouri-Illinois Metropolitan District and Division 788 Amalgamated Transit Union, Employees' Pension Plan and Agreement (788 ATU Plan)
- Bi- State Development Agency Missouri-Illinois Metropolitan District and Locals No. 2 and No. 309 of the International Brotherhood of Electrical Workers Employees' Pension Plan and Agreement (IBEW Plan)

The 788 ATU Plan members hired on or after April 1, 2015 are eligible for full retirement benefits at (a) age 65, (b) the completion of 25 years of credited service or (c) age 55 with 20 or more years of credited service. Participants who have attained age 55 with 15 years of credited service may retire with reduced benefits.

Under the 788 Clerical Plan, members hired prior to April 1, 2015 are eligible for full retirement benefits at (a) age 65 or (b) the completion of 25 years of credited service. Participants in the

788 Clerical Plan are eligible for reduced retirement benefits at (a) age 62 with 10 or more years credited service or (b) age 54 to 62 with 15 years or more of service.

For the 788 ATU and Clerical plan the retirement benefit is $40 times the years of credited service up to 25 years. A participant with more than twenty five years of service receives a retirement benefit of $55 times years of credited service. The pension plans provide payments for retirement and provides medical insurance.

IBEW defined benefit Plan members who retire after December 31, 2013 are eligible for full retirement benefits at (a) age 65 with 10 or more years of credited service or (b) the completion of 25 years of credited service. For the IBEW plan, the retirement benefit is $60 times the years of credited service. The pension plan provides payment and no medical services. IBEW employees closed their defined benefit pension plan to new employees effective January 1, 2014. Newly hired employees are directed to a defined contribution plan and/or the National Electric Benefit Funds pension plan.

All Union employees are required to make plan contributions by payroll deduction each week. If a union employee leaves the employment of Bi-State Development prior to being eligible to receive a monthly benefit, he or she is eligible for a refund of contributions. Upon retirement, employees are entitled to a monthly pension benefit, payable for life. The Union Plans also provide survivor and disability benefits.

None of the pension plans include cost of living adjustments for pension plan benefit payments.

The Union pension plans benefit terms can only be changed through the negotiation of a labor contract and the approval of the Board of Commissioners. The Salaried Plan benefits can be changed with the approval of the Board only.

Funding Policy, Annual Pension Cost and Actuarial Assumptions

For the Salaried Plan, Bi-State Development contributes the actuarial calculated pension requirement less the 3% contributed by the employees. For the Union Plans, Bi-State Development has agreed within each collective bargaining agreement to fund a portion of the actuarial determined contribution (ADC) to the plans. Pension expense is determined by an actuarial report prepared by an independent third party actuary. The ADC is annually calculated by the actuary and approved by the respective pension committees and the Board of Commissioners.

For the Combined 788 Amalgamated Plan and the IBEW Plan employees contribute 30% and Bi-State Development contributes 70% of the ADC. For the Clerical Plan employees hired prior to April 1, 2015, before the approved merger, they pay 32% and Bi-State Development funds 68% of the ADC.

The Union Plans' measurement date and fiscal year end is March 31, 2015 and the Salaried Plan's is May 31, 2015

Other Post-Employment Benefits

In addition to the pension benefits described above, Bi-State Development provides other post-employment health care benefits to all employees who meet retirement requirements and provide an employee share of premiums for health coverage. The benefits for union retirees are determined by contractual agreement and the benefits for salaried retirees represent a voluntary payment. As of June 30, 2015, 1,859 union and salaried retirees met those requirements. There is not a separate GAAP based audited set of financial statements for OPEB.

For budgeting purposes, Bi-State Development budgets OPEB costs in two categories. The annual normal OPEB costs are budgeted as retiree medical expense. This portion is funded on a pay-as-you-go basis. The current year portion of the OPEB unfunded liability is accrued and shown as OPEB expense in the financial statements.

OPEB benefits include medical and pharmaceutical coverage along with basic life coverage for an employee retiring from active service with ten years of credited service. Contributions from retirees are required and are dictated by Board policy or union contract for the medical/pharmacy benefit. Basic life insurance is non-contributory for the retiree.

Hedging Policy

Bi-State Development will engage only in financial hedge transactions that are consistent with prudent risk management practices related to Bi-State Development's principal business. The hedge is a financial tool used to reduce the risk associated with buying diesel fuel, electricity and natural gas as well as financial lending or borrowing activities.

Bi-State Development has adopted GASB 53 to account for their investment in oil future contracts to hedge against the volatility in diesel fuel prices. Because the fuel hedge is an effective hedge as defined by GASB 53, the accumulated unrealized gain (loss) on the fuel hedge is reported on the Statements of Net Position as an investment and a deferred inflow/outflow. The hedging instruments affected are weekly fuel hedge contracts with a speculative amount of 42,000 gallons each with an index of New York Harbor Heating Oil #2 as listed on the NYMEX.

Basis risk

Bi-State Development is exposed to basis risk on its fuel hedge contracts because the future fuel purchases are based on a pricing point different from the pricing point at which the future contracts are expected to settle (New York Harbor Heating Oil #2). There is no termination or interest rate risk.

Debt Policies

Legal Debt Limits

Currently, Bi-State Development is not subject to legal debt limits. Bi-State Development is not required to obtain voter approval to issue debt or refinance bonds.

Bi-State Development Debt

Debt may be incurred only by the specific authority of the Board of Commissioners. Notwithstanding funds specifically identified by Board Policy to be exempt, all funds under such debt resolutions or indentures of trust shall be controlled by the investment policies set forth in such documents.

Bi-State Development may not enter into a debt or financing arrangement unless the transaction is in full compliance with all state and federal laws.

Reserve Funds

Reserve funds may be required by the financial markets. These reserves may be funded by cash and securities, insurance, or surety bonds, but shall not be accessed unless there are insufficient funds to make the principal and interest payments as due. For financial planning purposes, reserve projections shall be based on the maximum annual debt service or 10% of principal outstanding on projected debt.

Legal Security Structure

Bi-State Development shall establish a legal security structure of liens, agreements, pledged revenues, and other covenants which will be sufficient to secure credit enhancement from a financial institution with a rating of "AA" or better from Standards and Poor's and a rating of "Aa" or better from Moody's.

Debt Coverage Ratios

Certain debt service coverage ratios are required to access the financial markets. For financial planning purposes, long-term and short-term debt, sales tax revenues, operating revenues, interest income, less operating expenses (excluding debt service and depreciation), for the prior twelve months, must be sufficient to cover maximum annual debt service and financing lease payments. The same calculation for future years must be sufficient to cover maximum annual debt service and lease payments, including payments on any debt to be issued, varying with each financing.

Revenue Policies

Revenue Diversification

As is the case with other large U.S. mass transit systems, the fares paid by Bi-State Development passengers cover only a portion of the cost to operate the Metro transit system. Consequently, BSD seeks to broaden and diversify its sources of revenue when possible. Bi-State Development operates a number of enterprises, each a separate business entity with its own assets and liabilities, including separate and distinct cash reserves. Various subsidies and grants received for transit operations, including monies from federal, state and local sources, are not comingled with those of other operating units. Revenues, subsidies, or grants received for other operating units are not used for transit operations.

Operating Revenues

Operating revenues are recorded in the accounting period in which they become earned and measurable.

- **Transit System-** Passenger fares, bus and shelter advertising, real property rental income, and miscellaneous non-capital project billings.
- **Executive Services -** Management fees from each operating unit.
- **Gateway Arch Tram System -** Passenger ticket sales and site rental for special receptions.
- **Riverfront Attractions -** Riverboat cruise fee revenues, food, beverage and gift shop sales associated with riverboat cruises, bicycle rentals, helicopter tours and concession revenues.
- **St. Louis Downtown Airport -** Aircraft parking, leased acreage, hangar rentals, aviation fuel sales, concession revenues, and other revenues for security, utilities and trash removal.
- **Arts In Transit Inc. Enterprise Fund** – contributions and donations to establish and develop artwork projects.
- **Bi-State Research Institute Enterprise Fund** – fees for services provided and contributions.
- **Freight District Enterprise Fund** – fees for services provided.
- **Internal service Funds** – charges for services provided internally to BSD units.

Establishing Fares and Fees

- **Transit System -** Passenger fares require approval by the Board of Commissioners and 30-day public notice prior to implementation.

- **Non-Transit Business Enterprises –** Service fares require approval by the Board of Commissioners.

Transit Passenger Fares

Farebox revenues are recognized at the time services are purchased and revenue passes through the bus farebox and MetroLink ticket vending machines. Sales of monthly passes, ten two-hour passes, 30-day passes and other tickets types are also recorded as revenue at the time of purchase.

Sales of University passes, Universal passes and Student Tickets, which are valid for a specific academic term, are recorded initially as unearned revenue. These unearned revenues are recognized as operating revenue monthly. The amount recognized in each month is determined by calculating a daily weighted average proration factor. The weighted average proration factor is calculated by considering total number of students, employees, and days specified in the contract

Non-Operating Revenues

Non-operating revenues are recorded in the accounting period in which they become earned and measurable. There are primarily three sources of non-operating income; grants, assistance (local, state, federal), and sales tax appropriations.

Sales Taxes

Missouri state and local sales taxes are imposed on the purchase price of tangible personal property and taxable services sold. These taxes are forwarded to the State of Missouri Department of Revenue either monthly or quarterly depending on the sales volume of the vendor. The Missouri Department of Revenue distributes the local sales tax collected back to the applicable city and county. The Missouri sales tax subsidies to Bi-State Development are generated from a portion of the local City of St. Louis and St. Louis County sales taxes collected. These funding jurisdictions distribute the sales tax subsidies via an appropriation process to Bi-State Development or the Bond Trustee, as applicable.

Grants and Assistance

All capital grants and assistance are recorded in the accounting period in which they become earned and measurable. Unrestricted, irrevocable operating assistance grants are recorded as non-operating income. Capital grants and assistance, which are restricted to use for payments of debt service or acquisitions of capital assets, are credited directly to fund equity (capital grants and assistance).

Capital projects are defined as expenditures or projects with an estimated useful life of one year or more and a total cost of at least $5,000. Types of capital projects include construction of new transit facilities, purchase of rolling stock or support equipment and enhancements to the transit system for passenger comfort and safety. More information on grants and capital projects may be found in the Transit Capital Budget section of this document.

Federal Aviation Administration Capital Improvement Grants

Capital improvement projects for airport engineering and construction costs at the St. Louis Downtown Airport are funded by capital improvement grants from the Federal Aviation Administration and the Illinois Department of Aeronautics and the Illinois Department of Transportation (IDOT). The St. Louis Downtown Airport provides additional funds from operating revenues. The terms and conditions of capital grants require that a portion of the project costs be funded locally.

Capital and Operating Assistance Grants

Bi-State Development receives federal and state capital assistance grants for undertaking of urban mass transportation capital improvement projects. Additionally, beginning in fiscal year 1999, a portion of the capital assistance grants may be used for fleet maintenance. The terms of the capital assistance grants require that a portion of the project costs be funded locally. The local share of the capital assistance grants has been funded by grants from the State of Illinois and by application of local Missouri sales tax appropriations. Bi-State Development receives the following type of assistance grants:

- **Federal Transit Administration -** Bi-State Development is the recipient of several Federal Transit Administration Assistance Grants awarded by the United States Department of Transportation under the Federal Transit Act of 1964, as amended.
- **State of Missouri -** In 1996, the Governor of the State of Missouri approved temporary transit operating assistance grant funding through the Missouri Department of Transportation. Bi-State Development began receiving this assistance in July 1996. The grant was renewed January 2015.
- **Illinois Department of Transportation Grants -** IDOT is authorized under provisions of Illinois Revised Statutes, Chapter 127, Section 49 through 51 and Illinois Revised Statues, Chapter 127, Section 701 (Illinois Acts) to provide capital assistance to Bi-State Development. Bi-State Development uses a portion of the Illinois capital assistance grants to meet local share requirements on certain federal transit administration capital improvement projects.

Sales Tax Appropriations

Six local Missouri sales taxes fund Bi-State Development. This includes three from St. Louis City and three from St. Louis County.

Missouri Legislature has authorized certain cities and counties to levy a ½ cent sales tax to be used for transportation purposes. Missouri law does not require that revenues from the ½ cent sales tax be paid directly to Bi-State Development, but authorizes the collecting agencies to appropriate such revenues for transportation purposes. A minimum of 2% of any appropriation for public mass transportation must be passed through to the St. Louis Office of the

Developmentally Disabled Resources Board (City Board) and the Productive Living Board for the Developmentally Disabled (County Board). Sales tax receipts that are passed through to the City and County Boards are recorded as operating assistance, and the corresponding expense is recorded as a contribution to outside entities in the Statements of Revenues, Expenses and Changes in Net Position of Bi-State Development.

A ¼ cent sales tax Prop M was established and is restricted to mass transit use. The tax is forwarded to Bi-State Development based upon annual appropriations from the City of St. Louis and St. Louis County.

Lastly, there is an additional ½ cent sales tax known as Prop A levied in St. Louis County and a corresponding additional ¼ sales tax cent levied in St. Louis City.

Illinois Service

Bi-State Development contracts with the St. Clair County Transit District to provide public mass transportation services for the Illinois Counties of St. Clair and Monroe. The contract specifies the amount of services to be provided and the method of reimbursement for operating costs associated with the services provided in these counties.

Financial Reserve Policies

Restricted Funds Policies

During the annual capital budget process, the total capital funding amount needed for projects during the upcoming year is determined. After the needs are determined, a sufficient percentage of incoming funding is then required to be restricted to meet these capital funding needs. The percent restricted is stated in the annual budget document and dictates how the funds are handled. For FY 2017, 3.0% of St. Louis County and City of St. Louis Prop M funds, 30.0% of City of St. Louis Prop M2 funding and for St. Louis County Prop A 7.0% are restricted for capital. If additional capital projects are required and immediate, additional operating funds may be restricted by order of the CEO and/or CFO.

The portion of the sales tax receipts which is restricted for capital expenditures, for improvements to properties used in providing public mass transportation, for parts inventory, or for debt related payments is recorded as a restricted asset in the sales tax capital accounts, with a corresponding credit to capital grants and assistance. The restricted asset balance is reduced as funds are expended for the authorized purposes.

Bi-State Development has restricted funds, which are recorded in the Sales Tax Capital Account, for the purchase or construction of new transportation equipment or facilities. Temporary advances for operating purposes are allowed from the fund, to be repaid when federal, state or local operating assistance is received.

Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments of Bi-State Development are presented on the combined statements of net position as restricted cash and cash equivalents and restricted investments.

Operating Agreement

Gateway Arch Cooperative Agreement

According to a cooperative agreement (Agreement) dated May 14, 1962, as amended, with the United States Government acting through the National Park Service, Bi-State Development agreed to construct and operate a transportation system (Tram) in the Gateway Arch. The agreement was renewed on January 31, 2014. Bi-State Development is to receive a monthly management fee based upon the current month's operating results. The United States Government retains legal title to the Tram. Upon the future termination of the Agreement, Bi-State Development is required to transfer to the United States Government all remaining assets.

On December 1, 2014 the Gateway Arch Parking Facility ceased operations. The parking structure was closed and subsequently demolished as part of the CityArchRiver project to renovate the Gateway Arch campus.

Commitments and Contingencies

Expenditures financed by state and federal grants are subject to audit by the granting agencies to verify compliance with conditions of the grants. Management believes that Bi-State Development is in compliance with the terms of such grants and that no significant liability will arise from audits previously performed or to be performed.

In the ordinary course of business, a number of claims and lawsuits arise from individuals seeking compensation for personal injury, death, and/or property damage resulting from accidents occurring in the operation of the system. In addition, Bi-State Development has been named as a defendant in a number of lawsuits relating to personnel and contractual matters. Management does not believe that the outcome of these claims will have a material adverse effect on Bi-State Development’s financial position. However, in the event of an unfavorable outcome in one or more of these matters, the impact could be material to Bi-State Development’s financial position or results of operations.

Conduit Debt Obligations

From time to time, Bi-State Development has been associated with the issuance of Industrial Development Bonds and Special Facility Revenue Bonds to provide financial assistance for the acquisition and construction of facilities deemed to be in the public interest.

Special Facility Revenue Bonds

For the construction of the second phase of the MetroLink system, Bi-State Development utilized funds provided by the proceeds from two special revenue bond issuances. These bonds are not general obligations of Bi-State as they are to be repaid by a party other than Bi-State. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The following is a description of the two special facility revenue bond issuances:

St. Clair County MetroLink Extension Project Refunding Revenue Bonds, Series 2006 – The $39,155,000 Series 2006 Bonds, issued December 20, 2006 are special, limited obligations of Bi-State Development, payable solely from revenue and other sources provided in the indenture, and are not general obligations of Bi-State Development. These bonds mature serially in varying amounts through 2028. The Series 2006 bonds provided funds to refund a portion of the Series 1998 A bonds on July 1, 2009 through July 1, 2028. As of June 30, 2015, $34,405,000 remains outstanding.

St. Clair County Metrolink Extension Project Refunding Revenue Bonds, Series 2014 – The $4,160,000 Series 2014 Bonds, issued on December 4, 2014 are special, limited obligations of Bi-State Development, payable solely from revenue and other sources provided in the indenture, and are not general obligations of Bi-State Development. These bonds mature serially in varying amounts through 2027. The Series 2014 bonds provide funds to refund the Series 2004 Bonds that refunded the Series 1998 A bonds on July 1, 2004 through July 1, 2008. As of June 30, 2015, $4,160,000 remains outstanding.

Financing Instruments, Obligations and Debt

Finance Obligations Under Lease

In 2001, Bi-State Development entered into transactions to lease thirty-four of its Series 2000 and Series 3000 LRVs. The Series 2001 Lease/Leaseback consisted of three tranches: F1 and C1 dated August 30, 2001 and C2 dated November 30, 2001. The F1, C1 and C2 tranches involved transactions for seven (7), twenty-three (23) and four (4) LRVs, respectively.

On June 10, 2009, Bi-State Development terminated the agreement with AIG F1 payment obligation and deposited securities sufficient to meet its obligations under the sublease. Upon early termination of the F1 Tranche in December 2009, the securities were sold and the proceeds used as part of the required termination payment. The St. Clair County Transit District (SCCTD, one of Bi-State Development's funding partners), which participated in the lease, contributed approximately 70% of the termination payment of the F1 Tranche. The collateral is marked to market annually in January.

The required collateral has been approximately $8.5 million for the past two years and is invested in U.S. Treasuries. The collateral under the various lease transactions still outstanding, Bi-State Development maintains the right to continued use and control of the assets through the end of the leases and is required to insure and maintain the assets.

Therefore, all of the leases discussed above have been recorded as capital leases for accounting purposes.

The following table highlights pertinent information on the subleases for 2015:

	Capital Lease Obligation
Sublease balances, June 30, 2014	$ 86,018,071
Interest accrued in 2015	5,619,853
Lease payments and reductions	-
Total sublease balances, June 30, 2015	$ 91,637,924
Purchase option dates	January 2025
Sublease termination dates	January 2025

The following is a schedule by fiscal year of future lease payments and purchase option payments, to the extent they are exercised, and interest expense for the above transactions as of June 30, 2015:

	Payments
2016	$ -
2017	-
2018	-
2019	-
2020	-
2021-2025	217,541,618
Total future lease payments	217,541,618
Less amount representing future interest	(125,903,694)
Net obligation at June 30, 2015	$ 91,637,924

Long-Term Debt

Debt and lease capital obligations at June 30, 2015, consisted of the following:

	2014 Beginning Balance	Additions	Reductions	2015 Ending Balance	Due Within One Year
Capital Lease Obligations	$ 86,018,071	$ 5,619,853	$ -	$ 91,637,924	$ -
Mass Transit Sales Tax Appropriation Bonds, Series 2009	97,220,000	-	-	97,220,000	-
Less: Unamortized debt discount	(180,182)	-	7,136	(173,046)	-
Mass Transit Sales Tax Appropriation Bonds, Series 2013A	381,225,000	-	(37,015,000)	344,210,000	37,220,000
Plus: Unamortized debt premium	20,736,079	-	(2,817,753)	17,918,326	-
Less: Unamortized debt discount	(932,347)	-	28,452	(903,895)	-
St. Louis County Missouri Series 2013B	75,000,000	30,000,000	-	105,000,000	-
Gateway Arch Revenue Bonds 2014	-	7,656,000	-	7,656,000	
Other Post-Employment Benefits	57,619,000	9,307,019	(13,754,384)	53,171,635	-
Long Term Self-Insurance Liability	15,327,696	41,400,948	(39,484,990)	17,243,654	11,661,218
Net Pension Liability	-	92,238,800	(3,078,163)	89,160,637	-
Other Liabilities	33,661,894	130,580,849	(127,256,131)	36,986,612	7,738,141
Total	$ 765,695,211	$ 316,803,469	$ (223,370,833)	$ 859,127,847	$ 56,619,359

Mass Transit Sales Tax Appropriation Bonds

Series 2013

On August 1, 2013, Bi-State Development issued $381.2 million in the Series 2013A bonds. Bonds were issued with a premium of approximately $23.2 million and some were offered and sold at a discount of approximately $1.0 million. The bond proceeds were used to:

- refund all of Bi-State Development's Cross County Bonds, with the exception of the Series 2009 Bonds;
- establish a Debt Service Reserve Fund (DSRF) in the amount of $26.5 million;
- pay cost of issuance of approximately $1.7 million.

The bonds were issued at fixed rate coupons ranging from 3.0 percent to 5.0 percent, and mature from 2014 through Fiscal Year 2054. The effective true interest cost for the bonds is 4.44 percent. The average annual debt service will be approximately $25.0 million, with a maximum annual debt service of $33.0 million.

A unique feature of the deal was the participation of St. Louis County, which at closing loaned Bi-State Development Prop A ½ cent sales tax funds (Series 2013B Subordinate Bonds), which had been retained by the County for future transit capital projects. The County has also agreed to provide future Prop A funds to Bi-State Development to allow for optional retirement of the Series 2013 Bonds. The County's participation in the project brought the effective yield to approximately 3.7 percent. As of October 1, 2015, the County has loaned Bi-State Development $135.0 million of Prop A.

Series 2009

In October 2009, Bi-State Development issued $97.2 million in Mass Transit Sales Tax Appropriation Bonds. The transaction closed on November 9, 2009. A total of $97.2 million in fixed rate serial and term bonds were issued at an average rate of 4.97%. The bonds were issued at a discount and mature in fiscal year 2040. The discount amount of $213,454 is being recognized over the 30 year term of the bonds. The bond proceeds were used as follows:

- Approximately $75.0 million was used to refund the remaining $75.0 million of the $100.0 million par Series 2002A Variable Rate Bonds.
- Approximately $9.9 million was used to terminate (net) two interest rate swaps Bi-State Development had in connection with the Series 2002A Variable Rate Bonds.
- Approximately $9.1 million was used to create a Debt Service Reserve Fund for the bonds.
- The balance of approximately $2.5 million was used to purchase a bond insurance policy ($1.6 million), for the underwriters discount ($.45 million), and for other costs of issuance ($.55 million). The total cost of the bond issuance policy is being amortized over the 30 year term of the bonds.

- The deferred amount of refunding was approximately $0.8 million. This amount was being amortized over the original remaining life of the Series 2002A Bonds, but the remaining balance was eliminated with the bond remarketing on August 1, 2014.

Series 2014

On December 3, 2014, Metro closed on the Series 2014 Taxable Gateway Arch 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 annual debt service requirement is approximately $454,000 and the cost of issuance was $156,000. The bond proceeds were used as follows:

- Replace the tram motors of the visitor transportation system located within the Gateway Arch, consisting of trains, stairs, elevators and associated exhibits, generators, loading areas, and electrical, communication and other accessory equipment or devices;
- Improve to a portion of the visitors' center roof located at the Jefferson National Expansion Memorial;
- Pay costs of issuance with respect to the Arch tram Revenue Bonds.

Bi-State Development Financial Summary

Bi-State Development
Combined Revenue Summary
FY 2015 - FY 2017

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	2017 Budget vs. 2016 Proj $ Change	% Change
Operating revenue:						
Metro Transit System						
Passenger revenue	$ 51,261,024	$ 54,249,049	$ 50,017,958	$ 49,716,412	$ (301,546)	-0.6%
TMA revenue	1,394,802	1,452,546	1,397,812	1,430,591	32,779	2.3%
Paratransit contracts	2,891,057	3,234,919	2,973,038	2,903,825	(69,213)	-2.3%
Other operating revenue	5,383,420	5,243,593	4,897,600	5,668,194	770,593	15.7%
Total operating revenue	60,930,303	64,180,107	59,286,408	59,719,022	432,613	0.7%
Executive Services						
Management fees	3,863,396	4,145,121	3,759,065	4,176,524	417,459	11.1%
Other operating revenue	-	-	172,800	90,579	(82,221)	-47.6%
Total operating revenue	3,863,396	4,145,121	3,931,865	4,267,103	335,238	8.5%
Gateway Arch						
Ticket sales/discounts	5,221,356	5,954,816	5,968,002	7,604,358	1,636,356	27.4%
Site rental/other	32,048	28,799	28,989	29,399	410	1.4%
Total operating revenue	5,253,404	5,983,615	5,996,991	7,633,757	1,636,766	27.3%
St. Louis Downtown Airport						
Aircraft parking	142,092	139,410	139,180	139,410	230	0.2%
Leased acreage	390,922	172,677	265,960	172,677	(93,283)	-35.1%
Hangar rental	559,856	810,212	728,060	810,212	82,152	11.3%
Aviation sale flowage fee	170,355	177,365	175,901	177,365	1,464	0.8%
Airport concessions	97,814	115,159	119,014	115,159	(3,855)	-3.2%
Other operating revenue	105,150	90,254	94,311	90,254	(4,056)	-4.3%
Total operating revenue	1,466,188	1,505,078	1,522,427	1,505,078	(17,348)	-1.1%
Gateway Arch Parking Facility						
Total operating revenue	533,252	-	-	-	-	-
Riverfront Attractions						
Cruise revenue	947,231	1,524,794	1,072,086	1,642,874	570,788	53.2%
Food and beverage revenue	549,212	759,828	480,308	812,152	331,844	69.1%
Retail revenue	58,231	76,930	52,587	87,850	35,263	67.1%
Other operating revenue	115,273	116,181	111,014	109,030	(1,984)	-1.8%
Total operating revenue	1,669,947	2,477,733	1,715,996	2,651,906	935,910	54.5%
St. Louis Regional Freightway						
Regional freight fees	-	450,000	267,469	175,000	(92,469)	-34.6%
Other operating revenue	-	-	-	40,000	40,000	-
Total operating revenue	-	450,000	267,469	215,000	(52,469)	-19.6%
Arts In Transit						
Not-for-profit (NFP) revenue	12,925	-	46,800	47,500	700	1.5%
BSD Research Institute						
Not-for-profit (NFP) revenue	900	5,000	42,305	62,500	20,195	47.7%
Internal Service Funds						
Health self-insurance funds	-	31,326,187	31,821,620	34,858,809	3,037,189	9.5%
Casualty & workers comp self-insurance funds	-	-	-	9,152,631	9,152,631	-
Total operating revenue	-	31,326,187	31,821,620	44,011,440	12,189,820	38.3%
Total operating revenue:	**73,730,316**	**110,072,842**	**104,631,880**	**120,113,306**	**15,481,426**	**14.8%**
State and local assistance	203,159,624	214,095,901	215,524,548	222,515,641	6,991,093	3.2%
Federal assistance	16,273,167	20,742,875	20,358,448	19,979,395	(379,053)	-1.9%
Total grants & assistance	219,432,792	234,838,776	235,882,996	242,495,036	6,612,040	2.8%
Interest revenue	6,698,556	6,688,435	6,900,572	7,206,093	305,521	4.4%
Contributions from outside entities	27,385	42,500	16,250	42,500	26,250	161.5%
Other non-operating revenue	51,029	(426,079)	177,173	-	(177,173)	-100.0%
Total non-operating revenue	**226,209,762**	**241,143,632**	**242,976,991**	**249,743,629**	**6,766,638**	**2.8%**
Total revenues:	**299,940,077**	**351,216,473**	**347,608,871**	**369,856,935**	**22,248,064**	**6.4%**
Intercompany eliminations	(3,480,391)	(33,820,197)	(33,669,271)	(46,397,138)	(12,727,867)	-37.8%
Total revenues less eliminations:	**$ 296,459,686**	**$ 317,396,276**	**$ 313,939,600**	**$ 323,459,797**	**9,520,197**	**3.0%**

Bi-State Development
Combined Expense & Net Income (Loss) Summary
FY 2015 - FY 2017

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	2017 Budget vs. 2016 Proj $ Change	2017 Budget vs. 2016 Proj % Change
Operating expense:						
Wages and benefits	165,152,537	197,097,749	187,688,997	195,358,145	7,669,148	4.1%
Services	31,148,473	35,176,333	34,792,619	38,690,696	3,898,077	11.2%
Fuel and lubrications	17,364,432	18,577,865	17,383,342	14,050,257	(3,333,085)	-19.2%
Parts & supplies	22,221,773	24,387,760	23,353,576	27,422,499	4,068,924	17.4%
Casualty and liability costs	8,993,231	5,716,909	6,272,706	5,676,498	(596,208)	-9.5%
Interfund administrative charges	3,480,391	3,751,560	3,397,517	3,892,740	495,223	14.6%
Utilities	7,960,461	8,977,212	8,575,052	8,980,354	405,302	4.7%
Leases and other expenses	3,560,359	5,118,007	5,193,083	5,395,725	202,642	3.9%
Health self-insurance fees	-	30,068,637	30,271,754	33,351,767	3,080,013	10.2%
Casualty & work comp self-insurance fees	-	-	-	9,152,631	9,152,631	-
Total operating expense	**259,881,657**	**328,872,032**	**316,928,646**	**341,971,312**	**25,042,667**	**7.9%**
Intercompany eliminations	(3,480,391)	(33,820,197)	(33,669,271)	(46,397,138)	(12,727,867)	-37.8%
Operating expense less elimin.	**256,401,266**	**295,051,835**	**283,259,375**	**295,574,174**	**12,314,799**	**4.3%**
Interest expense	26,230,383	26,516,362	26,094,333	26,335,229	240,896	0.9%
Contributions to outside entities	8,475,222	1,207,516	1,234,464	1,254,432	19,968	1.6%
Other non-operating expense	89,668	-	92,183	-	(92,183)	-100.0%
Total non-operating expense	**34,795,274**	**27,723,878**	**27,420,980**	**27,589,661**	**168,681**	**0.6%**
Income (loss) before depreciation	**5,263,147**	**(5,379,437)**	**3,259,245**	**295,961**	**(2,963,284)**	**-90.9%**
Depreciation and amortization	71,670,666	78,065,817	73,083,802	75,428,056	2,344,254	3.2%
Net Income (loss) before transfers	(66,407,519)	(83,445,254)	(69,824,557)	(75,132,095)	(5,307,538)	-7.6%
Net transfers	-	-	-	-	-	-
Net income (loss)	**$ (66,407,519)**	**$ (83,445,254)**	**$ (69,824,557)**	**$ (75,132,095)**	**$ (5,307,538)**	**-7.6%**
Operating expense by division						
Metro Transit System	$ 247,997,199	$ 284,311,819	$ 273,239,644	$ 283,530,301	10,290,657	3.8%
Executive Services	2,789,908	4,130,543	3,568,260	4,018,882	450,623	12.6%
Gateway Arch	3,790,356	4,547,852	4,202,018	5,212,443	1,010,424	24.0%
St. Louis Downtown Airport	1,321,844	1,539,866	1,506,556	1,627,627	121,070	8.0%
Gateway Arch Parking Facility	536,530	-	-	-	-	-
Riverfront Attractions	2,056,383	2,467,221	2,162,622	2,556,300	393,678	18.2%
BSD Research Institute	1,182	5,000	54,398	115,829	61,431	112.9%
Arts in Transit	10,664	-	45,462	46,650	1,188	2.6%
St. Louis Regional Freightway	-	295,727	356,882	851,840	494,958	138.7%
ISF Health & Welfare	1,377,591	31,574,005	31,792,803	34,858,809	3,066,006	9.6%
ISF Workers Compensation	-	-	-	4,845,832	4,845,832	-
ISF Casualty	-	-	-	4,306,799	4,306,799	-
Total Bi-State Development	**259,881,657**	**328,872,032**	**316,928,646**	**341,971,312**	**25,042,667**	**7.9%**
Intercompany eliminations	(3,480,391)	(33,820,197)	(33,669,271)	(46,397,138)	(12,727,867)	-37.8%
BSD operating expense less eliminations	**$ 256,401,266**	**$ 295,051,835**	**$ 283,259,375**	**$ 295,574,174**	**$ 12,314,799**	**4.3%**

Intercompany eliminations include inter-fund administrative charges and health, casualty and workers compensation self-insurance fees.

The combined Revenue, Expense and Net Income (Loss) Bi-State Development operating budget summary compares the FY 2015 actual, FY 2016 budget, FY 2016 projection and FY 2017 budget. By applying Bi-State Development's planning and budgeting financial policies, this report consolidates the business entities of BSD's major revenues, expenditures and other non-operating funds to show Bi-State Development's net income/(loss).

Bi-State Development Funds, Sources and Uses

The FY 2017 budget sources and uses of cash reports are detailed by entity and contain the beginning funds and the sources and uses of those funds to arrive at the ending balances. The reports include the dollar and percent change in balances from the beginning to the end of the period. On the following pages are two reports; one for Operating and another for Capital. Below is a discussion on those changes in balances by entity.

Metro Transit

Metro Transit System operating funds are expected to decrease by approximately $6.6 million. This decrease is primarily related to debt service interest and principal payments. The capital projects planned for Transit are extensive and are detailed in the capital section of the annual budget book. The funding for these projects will come from local sales tax money, which has been restricted for capital expenditures, and federal funding.

Executive Services

Sources of funds from operating revenue are greater than expenses that will create an increase of $313 thousand. Any available funds in Executive Services are used at the direction of the CEO and the Board. There is no capital activity planned for the Executive Services in FY 2017.

Gateway Arch

The Gateway Arch tram system is expected to operate at a positive cash flow of $1.7 million. The Arch Trams have several capital projects totaling $6.2 million. These projects include the ATS Motor Generator Set Replacement for $5.0 million, the design and audio visual programming for the Tucker Theatre experience project for $1.0 million and Jefferson National Expansion Memorial park identifying signage for $200 thousand. The funding for these projects will come from the 2014 Series Arch Tram Revenue Bonds and the Jefferson National Expansion Memorial capital improvement fund.

Riverfront Attractions

The Riverfront Attractions is planned to have operating income and a positive operating cash flow in FY 2017. The riverfront and arch grounds construction hindered riverboat operations last year and will still affect passenger numbers in FY 2017. Despite construction issues, Riverfront Attractions is planning to produce $103 thousand in operating cash flow. The capital project planned for FY 2017 is to rebuild the engines on the riverboat Becky Thatcher. The source of funds is the Riverboat Renewal and Replacement Fund.

St. Louis Downtown Airport

The St. Louis Downtown Airport is expected to operate at a loss in FY 2017. Capital spending planned in FY 2017 results in a negative operating and capital funds flow. Capital projects are expected to total $5.1 million dollars. The construction of a run-up taxiway, pad and enclosure accounts for $5.0 million of the capital projects. The projects will be primarily funded through federal, state and local grants.

St. Louis Regional Freightway

The newest entity of Bi-State Development will have start-up costs in the FY 2017 budget and report a negative cash flow of $620 thousand. This was discussed in length during the budget process. The CEO of Bi-State Development and the Executive Director of the Freightway will pursue regional support to fund the deficit through private sector partners. There is no capital spending in the FY 2017 budget.

Other Bi-State Development Entities

The remaining Bi-State Development Entities have little impact on BSD's cash flow. The combined total of the remaining entities results in a negative cash operating flow of $52 thousand. None of the entities have plans for capital expenditures.

Bi-State Development
Operating Budget
Projected Sources and Uses of Funds
Fiscal Year 2017
(in thousands)

	Transit System	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	St. Louis Regional Freightway	Research Institute	Arts-In-Transit, Inc.	Internal Service Fund	Total
Beginning available funds*	**$ 31,161**	**$ 3,453**	**$ 1,400**	**$ 65**	**$ 133**	**$ 17**	**$ 40**	**$ 27**	**$ 2,417**	**$ 38,686**
Sources of funds:										
State and local assistance	222,516	-	-	-	-	-	-	-	-	222,516
Passenger and service fees	59,719	4,267	7,134	2,572	1,505	-	-	-	-	75,777
Federal assistance	19,979	-	-	-	-	-	-	-	-	19,979
Other (adm. fees, interest & misc.)	874	3	14	-	-	215	63	48	44,011	44,902
Total Sources	**303,088**	**4,270**	**7,148**	**2,572**	**1,505**	**215**	**63**	**48**	**44,011**	**363,174**
Uses of funds:										
Wages and benefits	184,596	2,431	2,029	1,339	980	232	-	-	2,018	193,393
Services	34,928	1,132	1,023	245	116	545	111	40	545	37,989
Materials and supplies	26,471	28	254	486	128	2	1	2	52	27,419
Utilities and fuel	22,548	9	115	145	209	1	-	1	3	23,029
Casualty and liability costs	4,740	-	56	176	72	-	-	-	634	5,678
Other	6,371	357	1,707	143	98	72	4	3	40,759	49,435
Contributions to Others	3,531	-	-	-	-	-	-	-	-	3,531
Debt service	26,528	-	306	-	-	-	-	-	-	26,834
Total Uses	**309,713**	**3,957**	**5,490**	**2,534**	**1,603**	**852**	**116**	**46**	**44,011**	**367,308**
Ending available funds	**$ 24,536**	**$ 3,766**	**$ 3,058**	**$ 103**	**$ 35**	**$ (620)**	**$ (14)**	**$ 29**	**$ 2,417**	**$ 34,552**
Change in Balance	**$ (6,625)**	**$ 313**	**$ 1,658**	**$ 38**	**$ (98)**	**$ (637)**	**$ (54)**	**$ 2**	**$ -**	**$ (4,714)**
Percent Change	**-21.3%**	**9.1%**	**118.4%**	**58.5%**	**-73.7%**	**-3747.1%**	**-133.8%**	**5.6%**	**0.0%**	**-12.2%**

* Beginning balances are from the January 31, 2016 balance sheet for each enterprise.
(Totals may not sum due to rounding.)

Bi-State Development
Capital Budget
Projected Sources and Uses of Funds
Fiscal Year 2017

(in thousands)

	Transit System	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	St. Louis Regional Freightway	Research Institute	Arts-In-Transit, Inc.	Internal Service Fund	Total
Beginning available funds*	**$ 149,950**	**$ -**	**$ 17,721**	**$ -**	**$ 351**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 168,022**
Sources of funds:										
State and local assistance	117,355	-	1,200	-	252	-	-	-	-	118,807
Federal assistance	352,066	-	-	-	4,500	-	-	-	-	356,566
Operating revenue	-	-	5,000	80	-	-	-	-	-	5,080
Other	(100)	-	-	-	100	-	-	-	-	-
Total Sources	**469,321**	**-**	**6,200**	**80**	**4,852**	**-**	**-**	**-**	**-**	**480,453**
Uses of funds:										
Capital Projects - Metrolink	68,300	-	-	-	-	-	-	-	-	68,300
New revenue & support vehicles	98,756	-	-	-	-	-	-	-	-	98,756
Facilities new and rehab	112,922	-	-	-	-	-	-	-	-	112,922
Capital projects, equipment,										-
and other capital	189,443	-	6,200	80	5,125	-	-	-	-	200,848
Debt service	-	-	-	-	-	-	-	-	-	-
Total Uses	**469,421**	**-**	**6,200**	**80**	**5,125**	**-**	**-**	**-**	**-**	**480,826**
Ending available funds	**$ 149,850**	**$ -**	**$ 17,721**	**$ -**	**$ 78**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 167,649**
Change in Balance	**$ (100)**	**$ -**	**$ -**	**$ -**	**$ (273)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (373)**
Percent Change	**-0.1%**	**-**	**-**	**-**	**-77.8%**	**-**	**-**	**-**	**-**	**-0.2%**

* Beginning balances are from the January 31, 2016 balance sheet for each enterprise.
(Totals may not sum due to rounding.)

Metro
Transit System

Metro Transit

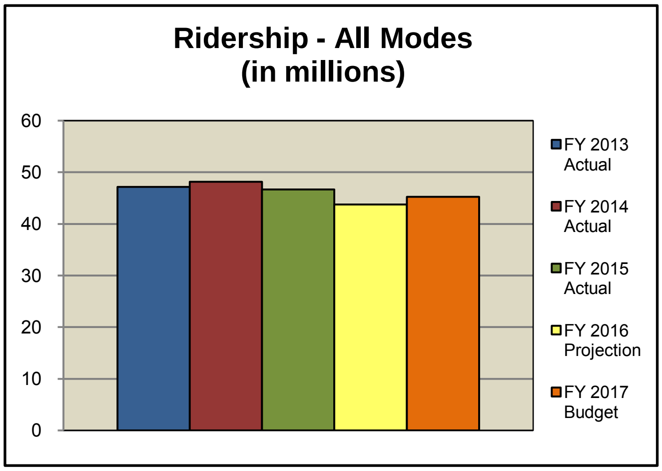
Total System

Overview:

Metro Transit provides services in three modes - bus, light rail, and demand response using service names of MetroBus, MetroLink and Call-A-Ride, respectively.

Service levels (FY 2015 Actuals):

46.7 million passenger boardings
146,753 average weekday ridership
26.9 million revenue miles
1.8 million revenue hours
5,673,205 diesel gallons consumed



Service area (558 square miles):

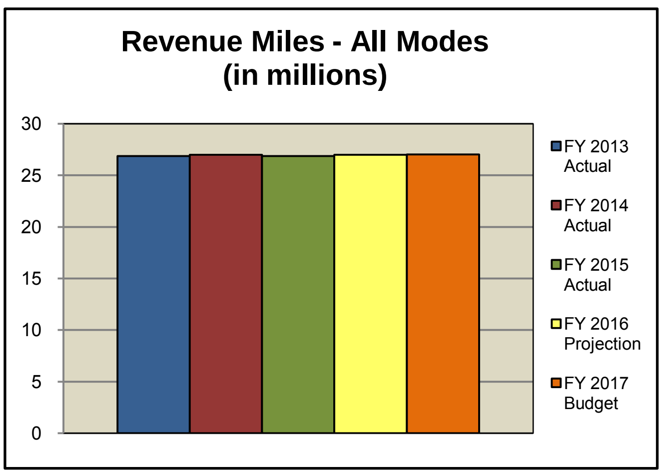
Missouri:
- City of St. Louis
- St. Louis County

Illinois:
- St. Clair County
- Madison County
- Monroe County

Union contracts:

Amalgamated Transit Union, Division 788:
- Bus/Rail Operations and Maintenance
- Clerical Unit
- Demand Response

The International Brotherhood of Electrical Workers:
- Local No. 2 (Missouri)
- Local No. 309 (Illinois)



Websites:

www.bistatedev.org
www.tripfinder.metrostlouis.org
www.twitter.com/STLMetro
www.bi-state.org
www.artsintransit.org
www.metrostlouis.org
www.MovingTransitForward.org
www.nextstopstl.org
www.facebook.com/STLMetro

Metro Transit

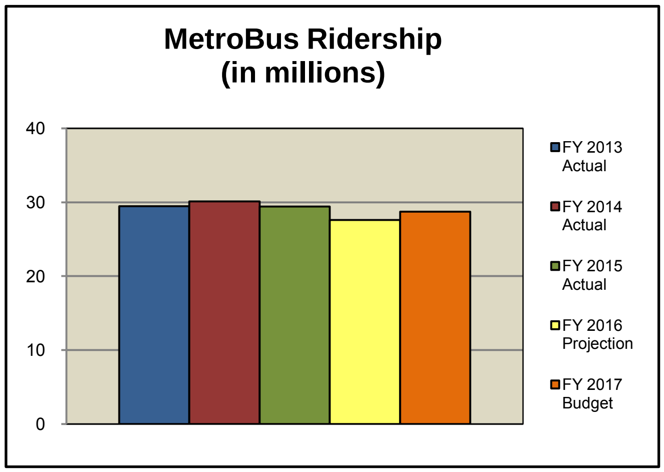
MetroBus

Overview:

Since 1963, Bi-State Development has continuously provided bus service in the Greater St. Louis Region. BSD currently operates 61 fixed bus routes in Missouri and 17 fixed bus routes in Illinois. Additional special bus service is offered in Illinois for all St. Louis Cardinals home baseball games and the Muny Opera.

Service levels (FY 2015 Actuals):

29.4 million passenger boardings
93,354 average weekday ridership
18.4 million revenue miles
1.4 million revenue hours
390 buses (317 used at peak)
4,903,062 diesel gallons consumed
76 bus routes at the end of FY 2015



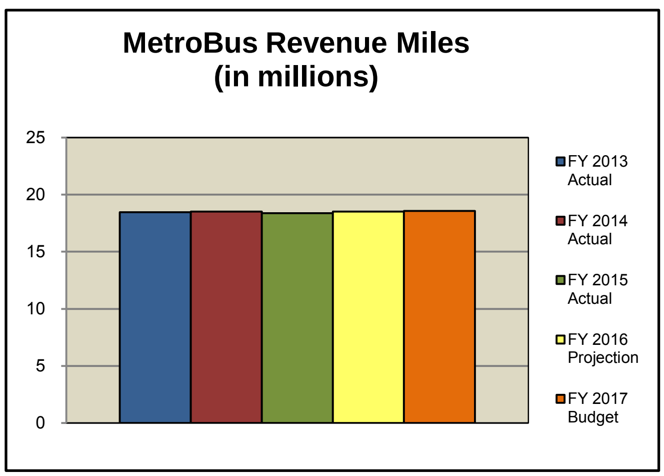
Facilities:

3 garages and 1 maintenance facility
13 free park – ride lots

Development:

Completed:
- Brentwood Meridian (2007)
- Catalan Bus Loop Improvements
- Maplewood Bus Loop (2009)
- Delmar Transit Plaza (2009)
- North Hanley Parking Lots & Bus Loops
- St. Charles Rock Road Park n Ride (2010)
- Scott Avenue Transit Plaza (2012)
- North County Transit Center (2016)

Construction In Progress:
- Civic Center Transit Center Expansion



Metro Transit

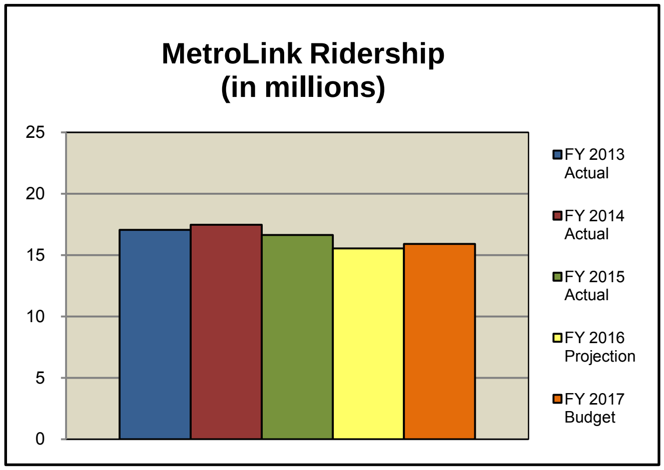
MetroLink

Overview:

Since 1993, Bi-State Development has provided light rail service in the Greater St. Louis Region. The MetroLink system covers 38 miles from Lambert International Airport in Missouri to Scott Air Force Base in Illinois. In addition the Cross County extension, which opened in 2006, covers 8 miles from Forest Park south to Shrewsbury, Missouri. The overall alignment serves St. Louis County, the City of St. Louis in Missouri and St. Clair County in Illinois.

Service levels (FY 2015 Actuals):

16.6 million passenger boardings
53,441 average weekday ridership
3.1 million revenue miles
132,595 revenue hours
87 rail cars (50 used at peak)



Facilities:

2 rail yards
2 maintenance facilities
37 stations
19 free park – ride lots

Development:

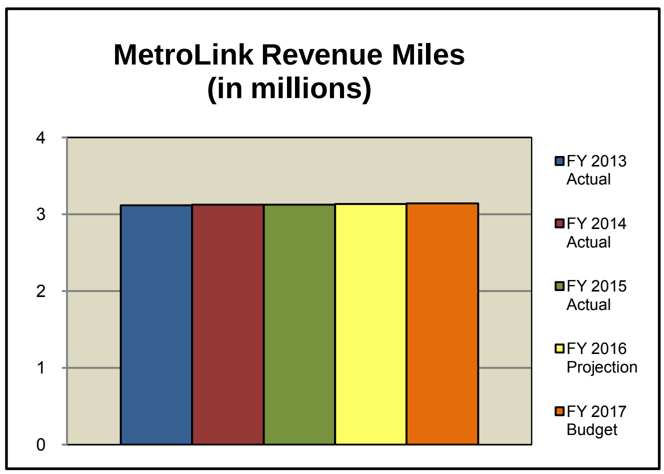
Shiloh-Scott Station, June 2003 (3.5 miles)

Cross County, August 2006 (8.0 miles)

Illinois Bike Trail Extension dedicated, Fall 2011

Renovation of the Grand Station, August 2012

MetroLink station located in Cortex District funded by a private-public partnership is in the design phase.



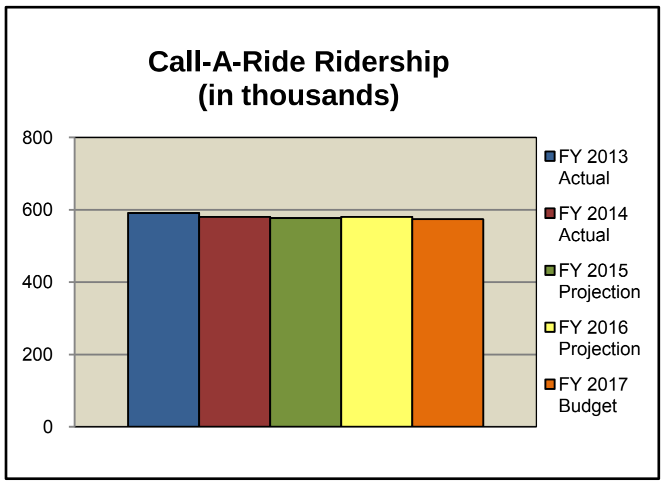
Call-A-Ride

Overview:

Since FY 1987, Call-A-Ride has provided alternative transportation to residents who have limited access to MetroBus or MetroLink service and/or disabled residents who are unable to use these services. Another important function of the Call-A-Ride organization is scheduling and dispatching paratransit vehicles operated by other members of the Transportation Management Association which coordinates paratransit operations in eastern Missouri. These programs are designed to ensure Bi-State Development meets the federal mandate of full ADA compliance.

Service levels (FY 2015 Actuals):

580,562 passenger boardings
94.6% ADA passenger boardings
1,976 average weekday ridership
5.3 million revenue miles
305,467 revenue hours
571,470 reservation/assistance calls
770,143 gallons of diesel consumed
118 vans (98 used at peak)

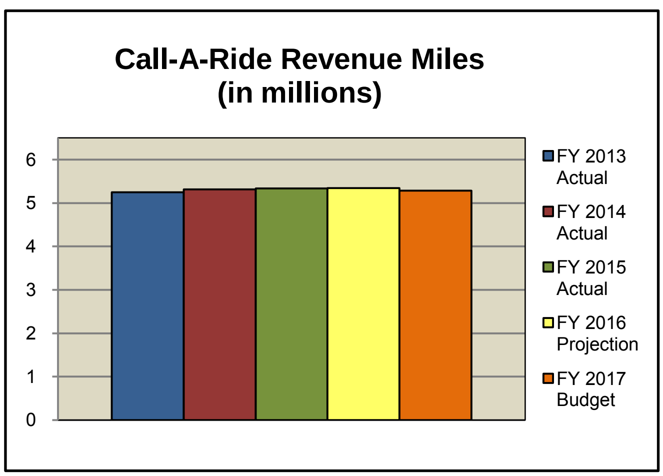


Facilities:

Paratransit maintenance facility at Main Shop

Development:

ADA Training Center, February 2004



Performance Indicators: Metro Transit

		FY 2017 Budget	FY 2016 Budget	FY 2015 Actual
Passenger boardings:	**System**	**45,254,840**	**48,679,022**	**46,653,939**
	MetroBus	28,762,545	30,751,987	29,439,358
	MetroLink	15,918,047	17,340,669	16,637,447
	Call-A-Ride	574,248	586,366	577,134
Revenue miles:	**System**	**27,013,380**	**27,370,402**	**26,855,576**
	MetroBus	18,588,866	18,861,573	18,396,462
	MetroLink	3,141,471	3,195,254	3,123,958
	Call-A-Ride	5,283,043	5,313,575	5,335,156
Revenue hours:	**System**	**1,824,401**	**1,831,090**	**1,801,321**
	MetroBus	1,387,418	1,386,686	1,363,259
	MetroLink	133,281	135,165	132,595
	Call-A-Ride	303,702	309,239	305,467
Passenger revenue (excluding TMA and contractual)	**System**	**$ 49,716,412**	**$ 54,249,049**	**$ 51,261,024**
	MetroBus	31,301,766	34,010,186	32,050,067
	MetroLink	17,191,492	19,083,718	17,989,720
	Call-A-Ride	1,223,154	1,155,145	1,221,237
TMA (regional van services) & contractual Medicaid services		**$ 4,334,416**	**$ 4,687,465**	**$ 4,285,859**
Operating expense by mode:	**System**	**$ 283,530,301**	**$ 284,311,819**	**$ 247,997,199**
	MetroBus	171,145,406	176,112,441	149,880,264
	MetroLink	85,980,233	81,007,364	73,882,040
	Call-A-Ride	26,404,662	27,192,014	24,234,895
Passenger boardings per revenue mile:	**System**	**1.7**	**1.8**	**1.7**
	MetroBus	1.5	1.6	1.6
	MetroLink	5.1	5.4	5.3
	Call-A-Ride	0.1	0.1	0.1
Operating expense:				
Per revenue mile:	**System**	**$ 10.50**	**$ 10.39**	**$ 9.23**
	MetroBus	9.21	9.34	8.15
	MetroLink	27.37	25.35	23.65
	Call-A-Ride	5.00	5.12	4.54
Per revenue hour:	**System**	**$ 155.41**	**$ 155.27**	**$ 137.68**
	MetroBus	123.36	127.00	109.94
	MetroLink	645.10	599.32	557.20
	Call-A-Ride	86.94	87.93	79.34
Per passenger boarding	**System**	**$ 6.27**	**$ 5.84**	**$ 5.32**
	MetroBus	5.95	5.73	5.09
	MetroLink	5.40	4.67	4.44
	Call-A-Ride	45.98	46.37	41.99
Farebox recovery:	**System**	**17.5%**	**19.1%**	**20.7%**
	MetroBus	18.3%	19.3%	21.4%
	MetroLink	20.0%	23.6%	24.3%
	Call-A-Ride	4.6%	4.2%	5.0%
Subsidy per passenger boarding:	**System**	**$ 4.92**	**$ 4.50**	**$ 4.00**
	MetroBus	4.71	4.50	3.88
	MetroLink	4.17	3.45	3.23
	Call-A-Ride	36.16	36.28	32.33

Metro Transit
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. FY16 Proj $ Change	FY17 Bgt vs. FY16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:								
Passenger Revenue								
Bus/Rail Revenue	$ 50,039,787	$ 53,093,904	$ 48,800,885	$ 48,493,258	$ (307,627)	-0.6%	$ 49,327,587	$ 51,038,250
C-A-R Revenue	1,221,237	1,155,145	1,217,074	1,223,154	6,080	0.5%	1,222,745	1,222,316
Total Passenger Revenue	**51,261,024**	**54,249,049**	**50,017,958**	**49,716,412**	(301,546)	-0.6%	**50,550,332**	**52,260,566**
TMA Revenue	1,394,802	1,452,546	1,397,812	1,430,591	32,779	2.3%	1,459,202	1,488,387
Other Operating Revenue	5,383,420	5,243,593	4,897,600	5,668,194	770,593	15.7%	5,805,544	5,957,812
Paratransit Contracts	2,891,057	3,234,919	2,973,038	2,903,825	(69,213)	-2.3%	2,918,384	2,947,567
Total Operating Revenue	**60,930,303**	**64,180,107**	**59,286,408**	**59,719,022**	432,613	0.7%	**60,733,462**	**62,654,332**
Non-Operating Revenue:								
Grants & Assistance	219,432,792	234,838,776	235,882,996	242,495,036	6,612,040	2.8%	248,699,767	252,748,322
Investment Income	1,071,953	680,500	895,220	831,385	(63,835)	-7.1%	833,020	836,301
Capital Lease Revenue	5,619,853	5,990,757	5,990,757	6,357,380	366,623	6.1%	6,808,011	7,257,758
Contributions from Outside Entities	27,385	42,500	16,250	42,500	26,250	161.5%	42,500	42,500
Other Misc Non-Operating Rev	548,911	-	604,158	-	(604,158)	-100.0%	-	-
Total Non-operating revenue	226,700,893	241,552,533	243,389,380	249,726,301	6,336,921	2.6%	256,383,298	260,884,881
Total Revenues	**287,631,197**	**305,732,640**	**302,675,789**	**309,445,323**	**6,769,534**	**2.2%**	**317,116,760**	**323,539,213**
Operating Expenses:								
Compensation	99,868,260	107,328,326	105,534,488	111,247,256	5,712,768	5.4%	114,377,738	118,071,227
Benefits	60,892,320	74,458,720	72,878,235	73,348,637	470,402	0.6%	76,661,277	80,185,401
Other Post-Employment Benefits	(1,757,494)	7,675,062	1,885,922	1,597,657	(288,265)	-15.3%	1,712,450	1,844,053
Services	28,813,588	31,944,429	31,997,018	34,928,328	2,931,311	9.2%	34,812,512	34,565,843
Fuel and Lubrications	17,298,208	18,466,981	17,299,783	13,962,941	(3,336,842)	-19.3%	14,839,142	15,061,651
Parts & Supplies	21,382,130	23,428,862	22,647,283	26,470,672	3,823,389	16.9%	27,129,120	26,267,533
Casualty and Liability Costs	8,710,342	5,424,602	5,991,023	4,739,710	(1,251,313)	-20.9%	4,908,062	5,081,419
Utilities	7,504,506	8,554,015	8,183,060	8,585,719	402,659	4.9%	8,691,603	8,646,218
Other Operating Expenses	2,485,338	3,932,915	4,146,917	3,357,319	(789,598)	-19.0%	3,580,375	4,316,820
Agency Fees	2,800,000	3,097,907	2,675,916	3,014,162	338,246	12.6%	3,103,463	3,221,761
Internal Service Fund Mgt Fee	-	-	-	2,277,901	2,277,901	-	2,316,840	2,371,873
Total Operating Expenses	**247,997,199**	**284,311,819**	**273,239,644**	**283,530,301**	**10,290,657**	**3.8%**	**292,132,582**	**299,633,799**
Non-Operating Expense:								
Capital Lease Expense	5,619,853	5,990,757	5,990,757	6,357,380	366,623	6.1%	6,808,011	7,257,758
Interest Expense	20,267,103	20,218,140	19,796,111	19,671,850	(124,261)	-0.6%	18,425,209	17,153,038
Sheltered Workshop	1,236,105	1,207,516	1,234,464	1,254,432	19,968	1.6%	1,279,967	1,306,083
Contributions To Outside Entities	97,200	-	-	-	-	-	-	-
Other Misc Non-Oper. Expense	522,909	426,079	520,624	-	(520,624)	-100.0%	-	-
Total Non-Operating Expenses	**27,743,170**	**27,842,492**	**27,541,956**	**27,283,662**	**(258,293)**	**-0.9%**	**26,513,187**	**25,716,879**
Total Expenses	**275,740,369**	**312,154,311**	**300,781,599**	**310,813,963**	**10,032,364**	**3.3%**	**318,645,769**	**325,350,678**
Net Income (Deficit) Before Depreciation & Amortization	**11,890,828**	**(6,421,671)**	**1,894,189**	**(1,368,641)**	**(3,262,830)**	**-172.3%**	**(1,529,009)**	**(1,811,465)**
Depreciation and Amortization	69,485,447	76,034,218	71,091,334	73,396,453	2,305,119	3.2%	73,498,220	74,944,199
Net Transfers	(13,329)	-	(627)	-	627	100.0%	-	-
Net Income (Deficit)	**$ (57,581,290)**	**$ (82,455,889)**	**$ (69,196,518)**	**$ (74,765,094)**	**$ (5,568,576)**	**-8.0%**	**$ (75,027,229)**	**$ (76,755,664)**

Metro Transit
Detail of Grant, Sales Tax and Contractual Revenue
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. FY16 Proj $ Change	FY17 Bgt vs. FY16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Missouri:								
City of St. Louis 1/2 Cent Sales Tax	$ 17,336,211	$ 18,756,937	$ 18,560,035	$ 18,934,817	$ 374,782	2.0%	$ 19,124,165	$ 19,315,406
City of St. Louis 1/4 Cent Sales Tax	8,292,850	8,818,212	8,804,219	8,822,025	17,806	0.2%	8,916,096	8,920,050
City of St. Louis Prop M2 Sales Tax	6,384,239	7,020,678	7,010,579	7,083,490	72,910	1.0%	7,154,323	7,225,868
Total City of St. Louis	**32,013,300**	**34,595,827**	**34,374,834**	**34,840,332**	465,498	1.4%	**35,194,584**	**35,461,324**
St. Louis County 1/2 Cent Sales Tax	39,228,873	39,586,633	40,689,323	41,706,559	1,017,236	2.5%	42,749,223	43,817,954
St. Louis County 1/4 Cent Sales Tax	34,143,614	34,932,767	36,151,294	36,650,427	499,133	1.4%	37,592,376	38,067,239
St. Louis County Prop A Sales Tax	46,127,669	49,991,893	49,991,893	54,522,139	4,530,246	9.1%	56,133,239	57,493,625
Total St. Louis County	**119,500,156**	**124,511,293**	**126,832,510**	**132,879,125**	6,046,615	4.8%	**136,474,838**	**139,378,818**
Other Local Match - MO	865,474	600,000	954,432	650,000	(304,432)	-31.9%	650,000	650,000
Planning and Demo Reimbursement	160,000	160,000	160,000	160,000	0	0.0%	160,000	160,000
Total Other Local MO	**1,025,474**	**760,000**	**1,114,432**	**810,000**	(304,432)	-27.3%	**810,000**	**810,000**
Gen. Operating & Special Asst. MODOT	668,968	270,150	410,587	468,912	58,325	14.2%	468,987	468,987
Total State of Missouri	**668,968**	**270,150**	**410,587**	**468,912**	58,325	14.2%	**468,987**	**468,987**
Total Missouri local & state revenue:	**153,207,897**	**160,137,270**	**162,732,363**	**168,998,369**	6,266,006	3.9%	**172,948,409**	**176,119,129**
Illinois:								
St. Clair County	48,110,848	52,018,796	51,377,412	51,884,630	507,218	1.0%	53,090,085	54,682,348
Other Local Match - IL	1,840,879	1,939,835	1,414,773	1,632,642	217,869	15.4%	1,632,642	1,000,000
Total Illinois local & state revenue:	**49,951,727**	**53,958,631**	**52,792,184**	**53,517,272**	725,088	1.4%	**54,722,727**	**55,682,348**
Total local & state revenue:	**203,159,624**	**214,095,901**	**215,524,548**	**222,515,641**	6,991,093	3.2%	**227,671,136**	**231,801,477**
Federal assistance:								
Vehicle Maintenance	13,000,000	16,000,000	16,000,000	16,000,000	-	0.0%	16,000,000	16,000,000
CMAQ Grant	-	-	-	-	-	-	-	-
Non-Capitalized Project revenue	3,271,447	4,742,875	4,394,859	3,979,395	(415,464)	-9.5%	5,028,631	4,946,845
Other Federal	1,720	-	(36,411)	-	36,411	100.0%	-	-
Total Federal:	**16,273,167**	**20,742,875**	**20,358,448**	**19,979,395**	(379,053)	-1.9%	**21,028,631**	**20,946,845**
Total grant, sales tax and contractual revenue	**$ 219,432,792**	**$ 234,838,776**	**$ 235,882,996**	**$ 242,495,036**	$ 6,612,040	**2.8%**	**$ 248,699,767**	**$ 252,748,322**

Totals may not sum due to rounding

Transit Operating - FY 2017-2019 Budget

Priorities

The priorities for the Transit operating budget are to maintain and build ridership, effectively manage resources of the system and provide future stability and growth.

Assumptions

The FY 2017 budget projects a $1.4 million deficit before depreciation, which is within the unfunded other post employment benefit obligation. Government Accounting Standards Board (GASB) ruling Number 45 requires the accruing of other post-employment benefits. GASB 45 dictates recording the OPEB liability and expenses, but leaves the method of funding to the discretion of the entity. Bi-State Development currently funds the annual normal cost portion of this obligation using "pay as you go" methodology. The FY 2018 and FY 2019 deficits before depreciation are also within the balanced budget guidelines.

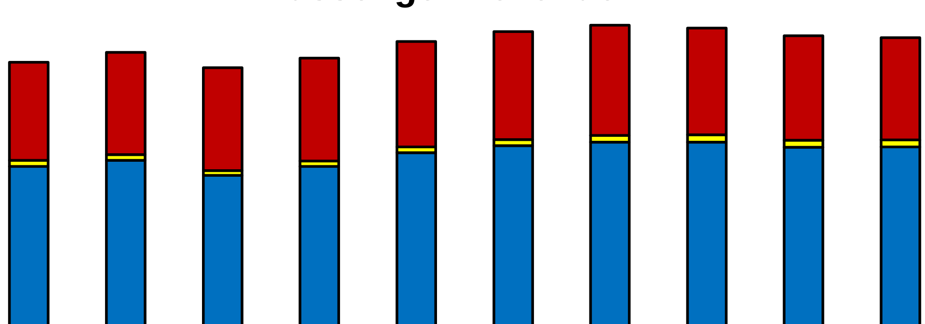
Service miles and hours for all three modes are planned with minimal increased levels for route adjustments and efficiencies and to accommodate passenger requirements. MetroBus miles and hours are adjusted to accommodate for the March 2016 opening of the North County Transit Center.

Passenger boardings on MetroBus, MetroLink and Call-A-Ride for FY 2017 show a combined system decrease of 7.0% compared to FY 2016 budget. The decline in ridership is believed to be primarily tied to both lower fuel costs, making personal transportation more economically feasible as compared to public transit, and cyclic factors. For the budget years of FY 2018 and FY 2019 we are projecting minimal increases of 1.5%.

Operating Revenue

Passenger revenue is budgeted at $49.7 million for FY 2017 which is a $4.6 million or 8.3% decrease from the 2016 budget and a $0.3 million or 0.6% decline from the FY 2016 Projection.

Passenger Revenue

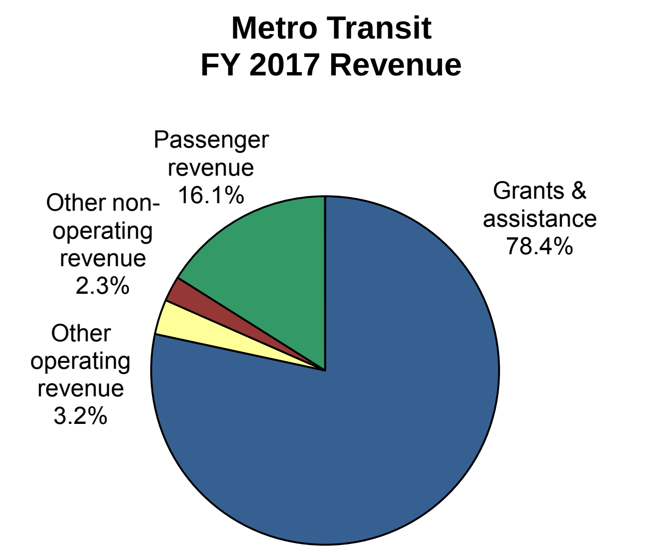


(in millions)	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projection	2017 Budget
Rail	16.5	17.2	17.3	17.3	17.7	18.2	18.5	18.0	17.6	17.2
Paratransit	1.0	1.0	0.8	0.9	1.0	1.0	1.1	1.2	1.2	1.2
Bus	28.0	29.0	26.5	28.0	30.3	31.5	32.1	32.1	31.2	31.3

The decrease in passenger revenue is due to the expected decline in ridership in FY 2017. We anticipate moderate ridership return in FY 2018 and FY 2019 as people utilize service efficiencies in routes and scheduling and take advantage of the reliable transit service and Smart Card technology. We are also including a minimal fare increase in FY 2019.

TMA revenue is received from Transit Management Association participants. The TMA is a network of social service agencies, funding agencies, and transportation service providers who coordinate services and share costs to achieve efficiencies in operations. FY 2017 will mark the 18th year of the TMA. The FY 2017 budget of $1.4 million is a 2.3% increase compared to the FY 2016 projection and remains flat to the FY 2016 budget. A 2.0% growth is anticipated for FY 2018 and FY 2019.

Paratransit contracts include Medicaid and dialysis revenue, and other contractual receipts related to trips provided by Paratransit Operations. The $2.9 million budgeted in FY 2017 is lower than the FY 2016 budget and projection as a result of healthcare related factors. Medicaid has created applications that are more complicated due to the requirements of the Affordable Care Act. For this reason, more customers are opting instead to forego the paperwork and pay the minimum fare. FY 2018 and FY 2019 will remain flat.



Other Operating includes TMA revenue and Paratransit contracts
Other non-operating includes Investment income, Capital Lease revenue and Contributions

Other operating revenue includes advertising on revenue vehicles, bus shelters, and MetroLink stations; provided maintenance service and vending machine concessions; rental income and miscellaneous other revenue. Other operating revenues are expected to increase 8.1% to $5.7 million compared to the FY 2016 budget. This increase is a result of greater advertising effectiveness, as a result of new contracts, and sales of maintenance services.

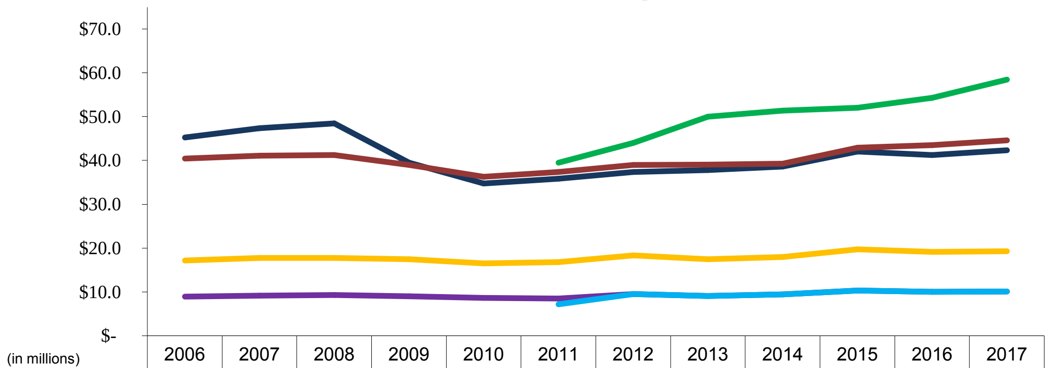
Grants and Assistance

City of St. Louis and St. Louis County sales taxes include ½ cent for transportation and ¼ cent for light rail development, operation and maintenance. Only the ½ cent tax (1973) is subject to deductions for Tax Increment Financing (TIF). St. Louis City forwards to BSD all taxes collected net of TIF's. St. Louis County appropriates a portion of the ½ cent tax and all of the ¼ cent tax to Bi-State Development.

St. Louis County voters passed Prop A, a ½ cent sales tax (2010) and the City of St. Louis activated Prop M2, a ¼ cent sales tax to fund service restoration, enhancements and future expansion. St. Louis County appropriates a portion of the Prop A ½ cent tax for annual operating, capital and debt service while St. Louis City appropriates all of the Prop M2 ¼ cent sales tax to Bi-State Development.

Sales tax receipts (after TIF reductions) appropriated to BSD:

Sales Tax Receipts



	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Proj	2017 Budget
County 1/2 cent	45.30	47.40	48.48	39.50	34.78	35.82	37.37	37.86	38.66	42.09	41.24	42.38
County 1/4 cent	40.42	41.11	41.26	38.97	36.28	37.41	38.97	39.07	39.30	42.91	43.55	44.64
County Prop A						39.50	44.00	50.02	51.42	52.08	54.34	58.50
City 1/2 cent	17.20	17.77	17.74	17.45	16.52	16.78	18.32	17.47	18.00	19.72	19.13	19.32
City 1/4 cent	8.90	9.18	9.27	9.01	8.61	8.51	9.51	9.11	9.46	10.32	10.03	10.12
City Prop M2						7.21	9.51	9.11	9.46	10.32	10.03	10.12

Slow growth in the local economy translates to relatively minimal growth in sales tax receipts for FY 2017 in the St. Louis City and a moderate growth for the St. Louis County sales taxes. Budgeted sales tax receipts are allocated between operating needs and capital programs. If additional sales taxes are generated above budget, the excess may be allocated to capital programs at the discretion of the President and CEO or the Chief Financial Officer.

State of Missouri revenue is expected to increase for FY 2017 with the annual contracted appropriation of $469 thousand. This amount is expected through FY 2019.

St. Clair County, Illinois revenue is based on a service agreement between St. Clair County Transit District and BSD. The District administers St. Clair County tax collections and Illinois Department of Transportation subsidies and contracts with BSD for services.

Federal vehicle maintenance represents federal capital formula funds that BSD chooses to program for vehicle maintenance per the Federal Transit Administration's guidelines. BSD is planning to use $16 million of their 5307 Federal Formula Funds in the FY 2017 - FY 2019 operating budgets for preventive maintenance.

Non-Capital Federal grant revenue anticipated funding is expected to be $4.0 million for FY 2017 and $5.0 million in FY 2018 and FY 2019 to be used for right-of-way MetroLink structural repairs, rail tie replacement and various Missouri projects.

Non-Operating Revenue

Investment income consists of interest earned on invested funds. As yields have improved in recent months, the projected budget for FY 2017 has also improved. FY 2018 and FY 2019 are conservatively projected to be flat due to fluctuating economic concerns.

Capital lease revenue recognizes the revenue associated with capital leases. The revenue and expense offset exactly. For FY 2017, these amounts are $6.3 million in both revenue and expense. The amounts for FY 2018 and FY 2019 are $6.8 and $7.3 million, respectively

Expenses

Wages & benefits budgeted for FY 2017 is expected to be 1.6% higher than FY 2016 budget, with increases of 3.5% in FY 2018 and 3.8% in FY 2019 budgets. Bi-State Development is containing costs with savings in OPEB and active medical costs through positive changes in the medical plan changes.

Other post-employment benefits arose from the implementation of GASB Statement No. 45, Accounting and Financial Reporting for Employers for Post-employment Benefit Plans Other Than Pension. Total OPEB consists of pay-as-you-go retiree medical payments, contributions to the OPEB trust and the unfunded portion. As the pay-as-you-go expenses increase, the unfunded portion decreases. For FY 2017, the unfunded, OPEB cost is expected to be lower than the FY 2016 budget level due to plan design change in retiree medical benefits.

Services increased 9.3% from the FY 2016 budget and 9.2% from the FY 2016 projection. These increases are primarily due to contract security and maintenance services. Service cost remains flat for the FY 2018 and FY 2019 budget years.

Fuel hedging (realized) helps neutralize the outcome of price spikes or drops in the budget. The fuel hedging program involves purchasing heating oil contracts up to 36 months into the future. In times of rising prices, hedging contracts rise in value at time of sale and generate a savings that slows the effect of the market increase on the financial statements. In this period of declining fuel prices, there is a projected loss on the hedging program is $885 thousand in FY 2016.

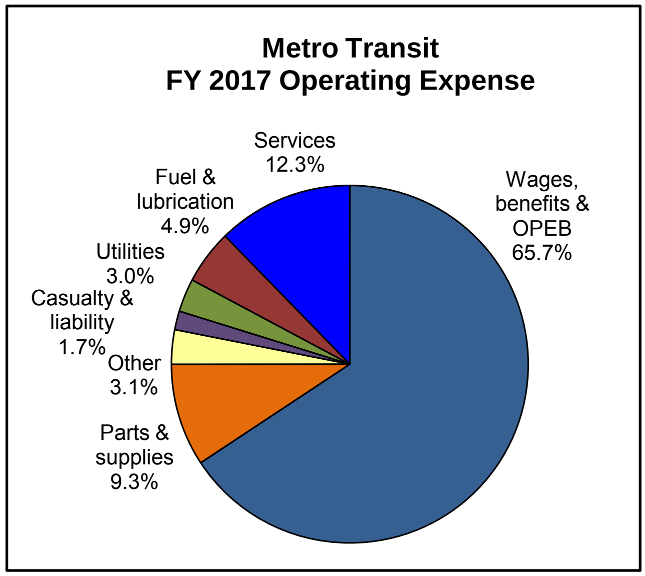
Fuel & lubrications net expense for the FY 2017 budget is anticipated to decrease 24.4% compared to the FY 2016 budget. Decreases from current diesel prices are driving these changes. Fuel prices are expected to hit a “bottom” in FY 2017; therefore slight increases are budgeted in FY 2018 and 2019. Even with price elevation in the out years, prices are still below FY 2015 price levels. Fuel usage throughout the system remains constant.

Parts & supplies expense is expected to increase 13.0% from FY 2016 budget. Revenue and non-revenue vehicle parts are the main factors for the change. Life cycle fleet maintenance is the basis in determining revenue equipment parts needs each year. BSD plans to continue its award-winning predictive vehicle maintenance program.

Casualty and liability expense is dependent on a variety of factors including the insurance market, passenger boardings, the number of miles driven, population density of the service area and the number of accidents, injuries and claims. The FY 2018 and FY 2019 budgets reflect annual increases of 3.5% indicating a period of time with only normal inflationary pressures driving pricing.

Utilities, including electric propulsion, are budgeted flat when compared to the FY 2016 budget, while there is a 4.9% increase over the FY 2016 projection. This increase is primarily due to expected cost increases of electric and telephone expense. In FY 2018 and FY 2019, utilities are projected to remain nearly flat with only a 1.2% increase each year.

Other expenses consist of taxes, leases, advertising, travel, staff development and other. Other expenses for FY 2017 reflect a decrease when compared to the FY 2016 budget, but an increase over FY 2015 actual. An increase of 6.6% is reflected in the FY 2018 budget due to inflationary factors. The FY 2019 budget has an increase of 20.6% due to the full effect of a new building lease.



Management fees are payments to Executive Services for providing services to the Metro Transit. Transit's fee is calculated at 75% of the Executive Services operating expenses.

Internal service fund administration fees in FY 2017 through FY 2019 are charged to Metro Transit by the Workers' Compensation and Casualty self-insurance funds. These fees represent ISF costs that are in excess of claim amounts paid for which they are entitled to reimbursement. The amount of the Internal Service Fund administration fee for FY 2017 is $2.3 million.

Non-Operating Expense

Capital lease expense recognizes the cost associated with capital leases. The expense is offset by a revenue amount. For FY 2017, these amounts are $6.3 million in both revenue and expense. The amounts for FY 2018 and FY 2019 are $6.8 million and $7.3 million, respectively

Interest on debt results primarily from interest paid on bonds issued to finance the Cross County expansion. Refinancing of debt in FY 2015 has led to lower interest costs. Interest expense is budgeted at $19.7 million in FY 2017.

Sheltered workshop expense is 2% of the 1974 Missouri ½ cent sales tax and is budgeted at $1.2 million in FY 2017and $1.3 million in FY 2018 and FY 2019.

Depreciation and Amortization

Depreciation and amortization in public transit systems is generally not funded by operating income, which is different than private industry that must generate profits for purchase/replacement of property and equipment. Depreciation is presented as required by generally accepted accounting principles. Depreciation is not funded to provide equity for capital replacements because such capital assets are predominately funded by federal grants. For FY 2017, depreciation is expected to increase 3.2% when compared to the FY 2016 projection as a result of the purchase of revenue equipment such as buses and capital improvements to bridges and tunnels.

Metro
Organizational Units

Metro Transit - Operating Expense

	Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
By type of expense:								
Wages & benefits without OPEB	$ 160,760,580	$ 181,787,047	$ 178,412,722	$ 184,595,892	$ 6,183,170	3.5%	$ 191,039,015	$ 198,256,628
Other post-employment benefits	(1,757,494)	$ 7,675,062	1,885,922	1,597,657	(288,265)	-15.3%	1,712,450	1,844,053
Services	28,813,588	$ 31,944,429	31,997,018	34,928,328	2,931,311	9.2%	34,812,512	34,565,843
Fuel & lubrications	17,298,208	$ 18,466,981	17,299,783	13,962,941	(3,336,842)	-19.3%	14,839,142	15,061,651
Parts & supplies	21,382,130	$ 23,428,862	22,647,283	26,470,672	3,823,389	16.9%	27,129,120	26,267,533
Casualty & liability	8,710,342	$ 5,424,602	5,991,023	7,017,611	1,026,588	17.1%	7,224,902	7,453,292
Utilities	7,504,506	$ 8,554,015	8,183,060	8,585,719	402,659	4.9%	8,691,603	8,646,218
Leases and other expense	2,485,338	$ 3,932,915	4,146,917	3,357,319	(789,598)	-19.0%	3,580,375	4,316,820
Agency fees	2,800,000	$ 3,097,907	2,675,916	3,014,162	338,246	12.6%	3,103,463	3,221,761
Total operating expense	**$ 247,997,199**	**$ 284,311,819**	**$ 273,239,644**	**$ 283,530,301**	**$ 10,290,658**	**3.8%**	**$ 292,132,582**	**$ 299,633,799**

	Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
By function:								
Transit Operations	$ 197,690,980	$ 225,272,887	$ 216,038,688	$ 227,036,146	$ 10,997,458	5.1%	$ 234,012,454	$ 239,508,807
Engineering and New Systems	3,563,255	$ 5,083,914	5,110,734	4,182,118	(928,617)	-18.2%	4,311,554	4,447,399
Labor Relations	464,697	$ 762,287	721,652	807,749	86,097	11.9%	837,572	872,260
Executive Vice-President - Administration	77	238,675	119,091	622,383	503,292	422.6%	641,093	663,646
Human Resources *	9,642,986	$ 10,403,770	10,434,453	9,360,432	(1,074,021)	-10.3%	9,762,326	10,250,827
Procurement, Inventory Management	4,318,925	$ 5,552,029	5,095,503	5,403,730	308,227	6.0%	5,590,969	5,825,048
Finance **	22,028,879	$ 23,332,827	23,285,310	22,370,218	(915,092)	-3.9%	22,958,355	23,652,464
Information Technology	7,227,328	$ 9,184,373	8,401,338	9,266,104	864,767	10.3%	9,560,739	9,882,199
Marketing & Communications	2,401,832	$ 3,614,453	3,258,663	3,603,274	344,611	10.6%	3,700,034	3,801,348
Real Estate & Meridian	658,239	$ 866,603	774,211	878,148	103,937	13.4%	757,486	729,800
Total Transit System	**$ 247,997,199**	**$ 284,311,819**	**$ 273,239,644**	**$ 283,530,301**	**$ 10,290,658**	**3.8%**	**$ 292,132,582**	**$ 299,633,799**

* Human Resources includes retiree benefits of $8.2, $8.1, $5.2, $5.6 and $5.9 million in FY 2015, FY 2016, FY 2017, FY 2018 and FY 2019, respectively

** Includes Passenger Revenue and Safety in addition to traditional finance functions

(Sums may not equal Total due to rounding)

Transit Operations

Operational overview:

Transit Operations manages three modes of public transportation in the St. Louis metropolitan area and associated support functions including the following:

Bus Transportation includes MetroBus activities related to bus operations management, bus operators and operator training.

Rail Transportation includes MetroLink activities related to light rail operations management, light rail operators and operator training.

Paratransit includes all Call-A-Ride activities related to paratransit operations management, van operators, operator training, passenger scheduling, and paratransit programs. Paratransit also operates the Green Line van service in the Washington University campus area.

Vehicle Maintenance is responsible for maintaining and cleaning all revenue and non-revenue vehicles. Vehicles maintained include buses, light rail cars, vans, and support vehicles. In addition to development and management of predictive, preventative, and condition-based maintenance programs, this function also operates a heavy repair facility, which includes a body and paint shop, engine overhaul shop, radiator shop, transmission overhaul shop, and radio communications maintenance shop. Also included are the vehicle maintenance management, vehicle maintenance training, maintenance analysis, and product development groups.

Facilities Maintenance is responsible for maintaining and cleaning the DeBaliviere, Brentwood, and Illinois bus operations facilities, and the paratransit facility.

Maintenance of Way is responsible for the inspection, maintenance, and repair of assets along the MetroBus and MetroLink routes.

MetroBus responsibilities include transfer centers, shelters, loops, and bus stops.

MetroLink responsibilities cover all rail systems including communications, signals, and traction power right-of-way including light rail stations, light rail maintenance facilities, tunnels, structures, track, and rail right-of-way.

Security is responsible for the safeguarding of Bi-State Development's customers, personnel, and property as well as fare enforcement. Bi-State Development utilizes certain employees, jurisdictional police officers, outside security service guards, and undercover police officers.

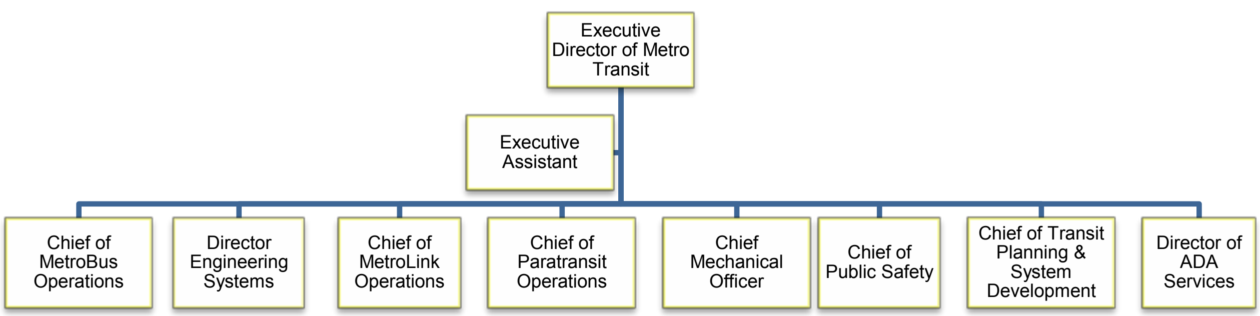
Planning & Systems Development plans for efficient and effective routes and operating schedules for bus and light rail service, reports on passenger boardings and service miles and hours, operates the transit call center, and researches service opportunities and trends.

ADA Services administers and oversees compliance with transportation provisions of the Americans with Disabilities Act. The group administers and coordinates the ADA activities related to Bi-State Development's Call-A-Ride paratransit service. This includes certification of customers as eligible for ADA complementary paratransit service, monitoring of service to the disability community, and active participation in community outreach. A Travel Training Program designed to train disabled customers in the use of transit's fixed route bus and light rail service is managed by the department.

Operations Administration provides overall management of the Transit Operations functions.

Engineering and New Systems design, engineer, and construct projects for the Transit Operations. See their separate section for further detail.

Organization:





Goals and Objectives Action Plan: Transit Operations

The following strategies and action steps help Bi-State Development define its goals and objectives as outlined in the Strategic Plan section of this document.

Goal: Deliver a high quality transit experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence		
Objective: Improve service quality and capacity for van, bus, and rail systems		
Strategy	**Action Steps**	**Performance Measurements**
Continue a program of enhancing bus stops in compliance with ADA standards and optimizing bus stop spacing	• Create an amenity component of bus stop improvement program • Optimize bus stop spacing, locate new bus stops more accessible / proximal to ridership generators • Encourage customers to submit requests for improvements and new bus stop locations	• Created / released communications plan for accessibility programs • Reduce customer complaints regarding bus stop issues
Objective: Implement innovative technologies		
Strategy	**Action Steps**	**Performance Measurements**
Implement automated fare collection system using smart card technology	• Convert existing infrastructure to smart card technology. • Train staff on technology • Perform pilot program testing • Roll out new system	• Enhance ridership information • Reduce fare evasion • Eliminate paper transfers • App which would allow riders to anticipate the next vehicle arrival
Objective: Improve transit security of van, bus, and rail		
Strategy	**Action Steps**	**Performance Measurements**
Engage independent security specialist to evaluate existing combination of internal personnel, local police, and security contractors and analyze security deployment options	• Recommendations to senior management & Board Operations Committee in review process	• Development of FY 2017 Legislative Agenda

Performance Indicators – Transit Operations

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators for the Transit Operations:

	FY 2017	FY 2016		FY 2015
	Target	**Projection**	**Target**	**Actual**
Bus Transportation:				
On-time performance	91.0%	91.5%	91.0%	92.0%
Accidents per 100,000 vehicle miles	2.3	2.2	2.3	2.2
Passenger injuries per 100,000 boardings	1.3	2.0	1.2	1.9
Customer complaints per 100,000 boardings	15.0	12.5	15.0	12.1
Rail Transportation:				
On-time performance	98.0%	97.0%	98.0%	97.3%
Accidents per 100,000 vehicle miles	0.1	0.1	0.1	0.1
Passenger injuries per 100,000 boardings	0.6	0.6	0.7	0.5
Customer complaints per 100,000 boardings	1.8	2.0	1.8	1.4
Paratransit Transportation:				
On-time performance	95.0%	93.5%	95.0%	93.3%
Accidents per 100,000 vehicle miles	1.5	1.5	1.8	0.8
Passenger injuries per 100,000 boardings	5.0	6.0	4.5	6.7
Customer complaints per 100,000 boardings	15.0	17.5	15.0	18.1
Vehicle Maintenance:				
Average revenue miles between incidents:				
MetroBus roadcalls	20,000	18,589	22,000	18,214
MetroLink failures	25,000	17,707	30,000	18,269
Call-A-Ride roadcalls	45,000	42,264	50,000	31,383
Maintenance of Way (MOW):				
MOW system reliability (on-time performance)	98.5%	98.0%	98.6%	97.5%
Elevator and escalator availability	98.0%	98.5%	98.0%	99.2%
On-time performance of equipment inspections	97.5%	94.0%	98.0%	96.5%
ADA Services:				
Percent of incoming calls answered	95.0%	95.0%	95.0%	94.9%

Transit Operations - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Transit Operations	Wages & benefits without OPEB	$ 134,764,825	$ 150,020,829	$ 147,251,715	$ 155,114,641	$ 7,862,926	5.3%	$ 160,391,170	$ 166,255,861
	Other post-employment benefits	(1,325,537)	6,659,833	1,636,570	1,384,648	(251,922)	-15.4%	1,484,343	1,598,637
	Services	19,344,979	20,761,285	21,067,954	24,329,709	3,261,755	15.5%	24,063,698	23,533,604
	Fuel & lubrications	17,298,208	18,466,981	17,299,783	13,962,941	(3,336,842)	-19.3%	14,839,142	15,061,651
	Parts & supplies	19,856,936	19,820,433	20,101,734	22,747,931	2,646,197	13.2%	23,417,388	22,555,882
	Utilities	6,930,856	7,837,900	7,277,988	7,859,334	581,346	8.0%	8,009,744	8,011,242
	Leases and other expense	820,713	1,705,627	1,402,945	1,636,942	233,997	16.7%	1,806,968	2,491,931
	Operating expense	**$ 197,690,980**	**$ 225,272,887**	**$ 216,038,688**	**$ 227,036,146**	**$ 10,997,458**	**5.1%**	**$ 234,012,454**	**$ 239,508,807**
Bus Transportation	Wages & benefits without OPEB	65,513,502	72,960,151	71,124,814	75,271,950	4,147,137	5.8%	77,961,384	80,632,292
	Other post-employment benefits	(734,905)	3,534,367	856,679	734,807	(121,872)	-14.2%	787,713	848,367
	Services	165,410	227,681	203,023	235,731	32,708	16.1%	182,731	182,731
	Parts & supplies	140,609	286,600	197,786	284,542	86,757	43.9%	300,204	306,343
	Utilities	22,052	35,844	29,007	29,880	873	3.0%	36,204	36,204
	Leases and other expense	67,161	210,047	152,897	214,536	61,639	40.3%	212,084	212,197
	Operating expense	**$ 65,173,854**	**$ 77,254,691**	**$ 72,564,204**	**$ 76,771,447**	**$ 4,207,242**	**5.8%**	**$ 79,480,320**	**$ 82,218,134**
Rail Transportation	Wages & benefits without OPEB	10,669,299	11,944,875	11,807,355	12,361,088	553,733	4.7%	12,773,518	13,239,658
	Other post-employment benefits	(75,505)	570,424	143,709	118,593	(25,116)	-17.5%	127,132	136,921
	Services	467	4,750	2,375	250	(2,125)	-89.5%	4,750	4,750
	Parts & supplies	18,449	23,520	24,954	23,942	(1,013)	-4.1%	24,374	24,817
	Utilities	14,192	29,340	21,337	30,060	8,723	40.9%	29,340	29,340
	Leases and other expense	48,118	111,300	81,038	111,300	30,262	37.3%	111,300	111,300
	Operating expense	**$ 10,675,020**	**$ 12,684,209**	**$ 12,080,769**	**$ 12,645,233**	**$ 564,464**	**4.7%**	**$ 13,070,414**	**$ 13,546,787**
Paratransit Transportation	Wages & benefits without OPEB	11,999,672	13,621,150	13,143,214	13,633,339	490,125	3.7%	14,052,565	14,573,388
	Other post-employment benefits	(117,594)	138,036	35,784	28,698	(7,086)	-19.8%	30,765	33,133
	Services	140,214	167,400	197,413	171,548	(25,866)	-13.1%	175,799	180,156
	Parts & supplies	25,209	34,422	30,381	41,740	11,359	37.4%	35,405	35,915
	Utilities	13,571	22,800	20,518	22,800	2,282	11.1%	22,800	22,800
	Leases and other expense	29,587	47,800	42,077	47,900	5,823	13.8%	47,800	47,800
	Operating expense	**$ 12,090,659**	**$ 14,031,608**	**$ 13,469,388**	**$ 13,946,025**	**$ 476,637**	**3.5%**	**$ 14,365,134**	**$ 14,893,193**
Vehicle Maintenance	Wages & benefits without OPEB	25,667,449	29,047,037	28,568,292	29,855,802	1,287,510	4.5%	31,032,374	32,399,980
	Other post-employment benefits	(332,816)	1,431,044	351,562	297,519	(54,043)	-15.4%	318,940	343,499
	Services	2,635,187	2,774,504	3,001,821	2,940,796	(61,024)	-2.0%	3,036,446	3,124,541
	Fuel & lubrications	17,297,567	18,464,599	17,297,435	13,960,640	(3,336,795)	-19.3%	14,836,754	15,059,174
	Parts & supplies	16,581,820	16,164,192	16,650,328	18,818,329	2,168,000	13.0%	19,405,901	18,434,759
	Utilities	20,807	23,220	23,369	127,261	103,892	444.6%	127,261	127,261
	Leases and other expense	167,189	261,603	250,172	164,291	(85,882)	-34.3%	159,317	161,385
	Operating expense	**$ 62,037,203**	**$ 68,166,199**	**$ 66,142,979**	**$ 66,164,638**	**$ 21,659**	**0.0%**	**$ 68,916,992**	**$ 69,650,598**
Facility Maintenance	Wages & benefits without OPEB	2,538,936	2,625,726	2,537,925	2,673,577	135,652	5.3%	2,760,070	2,866,558
	Other post-employment benefits	(5,345)	130,336	30,661	27,097	(3,563)	-11.6%	29,048	31,285
	Services	1,833,982	2,527,632	2,352,506	1,957,379	(395,127)	-16.8%	1,992,895	2,024,544
	Fuel & lubrications	617	2,382	2,348	2,301	(47)	-2.0%	2,388	2,477
	Parts & supplies	963,365	925,951	1,074,674	1,112,620	37,946	3.5%	1,127,210	1,166,707
	Utilities	2,221,367	2,740,629	2,307,953	2,564,131	256,178	11.1%	2,601,895	2,666,227
	Leases and other expense	142,333	583,821	483,301	545,562	62,261	12.9%	720,993	1,409,106
	Operating expense	**$ 7,695,255**	**$ 9,536,477**	**$ 8,789,368**	**$ 8,882,667**	**$ 93,300**	**1.1%**	**$ 9,234,498**	**$ 10,166,903**
Maintenance of Way	Wages & benefits without OPEB	12,188,104	11,849,291	12,411,906	12,111,610	(300,296)	-2.4%	12,394,565	12,806,838
	Other post-employment benefits	86,051	537,630	135,459	111,775	(23,684)	-17.5%	119,823	129,049
	Services	7,408,230	7,417,361	7,519,546	8,670,328	1,150,782	15.3%	8,382,113	7,466,477
	Parts & supplies	1,927,841	2,113,574	1,927,853	2,165,970	238,116	12.4%	2,219,675	2,274,723
	Utilities	4,588,903	4,915,117	4,814,745	5,027,151	212,406	4.4%	5,133,787	5,070,538
	Leases and other expense	94,921	129,250	86,783	129,750	42,967	49.5%	129,250	129,250
	Operating expense	**$ 26,294,050**	**$ 26,962,222**	**$ 26,896,292**	**$ 28,216,583**	**$ 1,320,292**	**4.9%**	**$ 28,379,213**	**$ 27,876,876**
Security	Wages & benefits without OPEB	2,969,802	3,797,548	4,048,302	5,034,708	986,406	24.4%	5,173,932	5,382,842
	Other post-employment benefits	(98,664)	115,782	32,759	24,071	(8,688)	-26.5%	25,805	27,791
	Services	6,740,953	7,185,450	7,349,990	9,538,602	2,188,612	29.8%	9,731,872	9,961,711
	Parts & supplies	84,905	38,249	28,085	38,994	10,908	38.8%	39,839	40,704
	Utilities	27,934	33,600	30,314	33,600	3,286	10.8%	33,600	33,600
	Leases and other expense	115,150	62,366	66,025	109,866	43,841	66.4%	107,366	107,366
	Operating expense	**$ 9,840,081**	**$ 11,232,994**	**$ 11,555,476**	**$ 14,779,841**	**$ 3,224,365**	**27.9%**	**$ 15,112,414**	**$ 15,554,016**
Planning & System Development	Wages & benefits without OPEB	2,520,504	3,110,963	2,742,406	3,026,987	284,581	10.4%	3,111,809	3,221,391
	Other post-employment benefits	(32,487)	178,701	43,154	37,152	(6,001)	-13.9%	39,827	42,894
	Services	205,576	222,100	192,267	553,170	360,903	187.7%	319,441	350,274
	Parts & supplies	93,650	167,535	129,668	190,383	60,715	46.8%	196,320	202,377
	Utilities	5,407	19,200	12,435	6,000	(6,435)	-51.7%	6,100	6,200
	Leases and other expense	5,578	46,241	32,242	51,237	18,994	58.9%	61,614	54,192
	Operating expense	**$ 2,798,227**	**$ 3,744,740**	**$ 3,152,172**	**$ 3,864,929**	**$ 712,757**	**22.6%**	**$ 3,735,110**	**$ 3,877,328**
ADA Services	Wages & benefits without OPEB	401,650	748,371	565,867	791,930	226,064	39.9%	767,325	756,147
	Other post-employment benefits	(21,587)	8,161	2,884	1,697	(1,187)	-41.2%	1,819	1,959
	Services	56,489	23,480	41,811	48,892	7,081	16.9%	24,314	24,747
	Parts & supplies	18,280	26,605	17,916	30,695	12,779	71.3%	26,788	26,882
	Utilities	15,230	16,626	16,897	16,926	29	0.2%	17,234	17,549
	Leases and other expense	141,974	222,428	191,800	231,487	39,687	20.7%	225,997	227,849
	Operating expense	**$ 612,037**	**$ 1,045,671**	**$ 837,175**	**$ 1,121,627**	**$ 284,452**	**34.0%**	**$ 1,063,477**	**$ 1,055,133**
Operations Administration	Wages & benefits without OPEB	295,907	315,718	301,635	353,650	52,015	17.2%	363,628	376,766
	Other post-employment benefits	7,314	15,354	3,919	3,238	(681)	-17.4%	3,471	3,738
	Services	158,470	210,927	207,201	213,013	5,812	2.8%	213,338	213,672
	Parts & supplies	2,807	39,784	20,087	40,717	20,629	102.7%	41,673	42,653
	Utilities	1,392	1,524	1,413	1,524	111	7.9%	1,524	1,524
	Leases and other expense	8,703	30,770	16,610	31,014	14,404	86.7%	31,247	31,487
	Operating expense	**$ 474,594**	**$ 614,076**	**$ 550,866**	**$ 643,155**	**$ 92,290**	**16.8%**	**$ 654,881**	**$ 669,839**

Engineering & New Systems Development

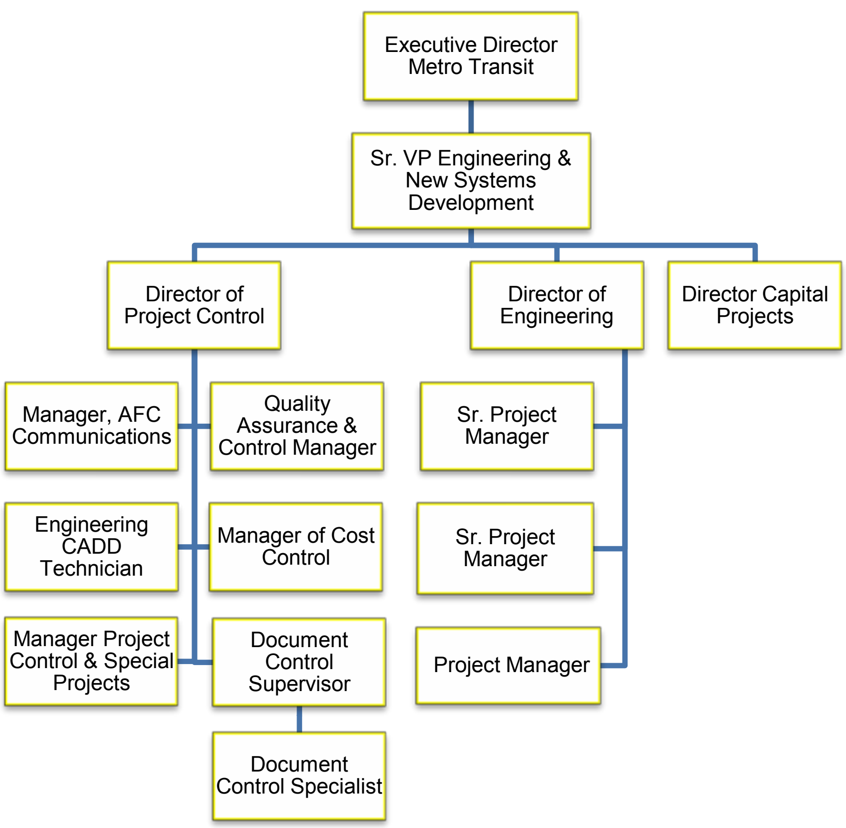
Operational overview:
Engineering and New Systems design, engineer, and construct capital projects of the rail and bus systems. Capital projects are typically funded from capital grants. Engineering & New Systems include:

New Systems Development is responsible for the design and engineering of emerging transit technologies including:

Capital Projects manage the design and construction of projects that repair, upgrade or expand the MetroLink and MetroBus facilities.

Project Controls track and monitor project schedules and budgets and provides quality assurance. All project documents are maintained within this department.

Organization:
The Engineering Division reports to the Executive Director - Metro Transit. (The position of Senior Vice-President Engineering & New Systems Development is currently vacant.) The distinctive operations of the Engineering department justify separate coverage from transit operations for budgeting purposes.



Goals and Objectives Action Plan: Engineering and New Systems Development

The organizational unit develops its strategic plan based on the company's goals and Objectives. This Strategic Plan is detailed into strategies and action steps that help Bi-State Development achieve its goals and objectives as outlined in the Strategic Plan section of this document.

Goal: **Deliver a high quality transit experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence**		
Objective**: Improve service quality and capacity for van, bus, and rail systems; Deliver quality capital projects on time and within budget**		
Strategy	**Action Steps**	**Performance Measurements**
Implement the new Fare Collection System	• Final software installed in production environment • Perform final acceptance Testing • Implement customer information program	• Deploy Trapeze software to integrate with farebox with the AVL system, begin Single driver Logon (July 2016) • System wide testing of Farebox system. Initial testing complete (August 2016) • System-wide testing of Smart card system. Initial testing complete (October 2017) • Begin conversion of Monthly passes (November 2016) • Eliminate paper transfers on bus (June 2017)
Completion of the Eads Bridge Rehabilitation Project	• Abide by the requirements and restrictions of the ARRA Program	• Project will complete June 2016 (FY16)
Downtown Transfer Center	• Schematic design & design development • Procure construction services • Construct project	• Award Construction Contract 2^{nd} Quarter 2016 • Complete Construction - construction anticipated completing approximately 15 – 18 months following award; 3^{rd} or 4^{th} Quarter 2017
North County Transfer Center	• Construction project, Phase I	• Complete construction – March 2016 • Operate facility March 2016

Strategy	Action Steps	Performance Measurements
Spruce Street Bridge Replacement	• Schematic design & design development • Procure construction services • Construct project	• Design complete August 2015 • Construction awarded October 2015 • Project to complete April 2016
Ewing Wall Rehabilitation	• Issue Part 2, design build RFP • Complete design build competition • Negotiate design build contract and issue NTP • Implement	• Complete design build negotiations by July 2015 • Complete project 2016
Downtown Tunnel Repairs	• Develop design RFP • Issue and award design contract • Complete preliminary design and obtain NEPA approval • Complete final design • Implementation	• Issue design RFP May 2016 • Award design contract September 2016 • Complete preliminary design and obtain NEPA approvals by January 2017 • Complete final design by September 2017
Boyle Street Station and Interlocking	• Obtain NEPA approval • Complete grant contract execution • Develop design RFP • Issue and award design contract • Complete design • Implementation	• Obtained NEPA approval March 2015 • Grant contract executed October 2015 • Issue design RFP March 2016 • Complete design December 2016 • Complete construction October 2018

Performance Indicators - Engineering & New Systems Development

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators.

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
New Systems Operating:				
Project Measurement:				
Permits and agreements secured as required	100%	100%	100%	100%
Managed according to policy and procedure	100%	100%	100%	100%
Managed using standardized engineering process	100%	100%	100%	100%
Monitor compliance to policy	100%	100%	100%	100%
Projects completed within budget	100%	100%	100%	100%
Projects completed on-time	90%	80%	90%	80%

Engineering and New Systems - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Engineering & New Systems	Wages & benefits without OPEB	$ 818,334	$ 1,405,491	$ 1,020,527	$ 1,284,089	$ 263,562	18.8%	$ 1,318,324	$ 1,366,060
	Other post-employment benefits	(36,696)	58,773	12,848	12,219	(629)	-1.1%	13,099	14,107
	Services	2,763,929	3,530,578	3,338,092	2,808,336	(529,756)	-15.0%	2,889,733	2,976,146
	Parts & supplies	11,337	31,440	22,035	29,926	7,892	25.1%	32,425	32,935
	Utilities	7,853	12,400	10,333	10,146	(187)	-1.5%	12,400	12,400
	Leases and other expense	(1,502)	45,233	706,899	37,401	(669,498)	-1480.1%	45,574	45,751
	Operating expense	**$ 3,563,255**	**$ 5,083,914**	**$ 5,110,734**	**$ 4,182,118**	**$ (928,617)**	**-18.3%**	**$ 4,311,554**	**$ 4,447,399**

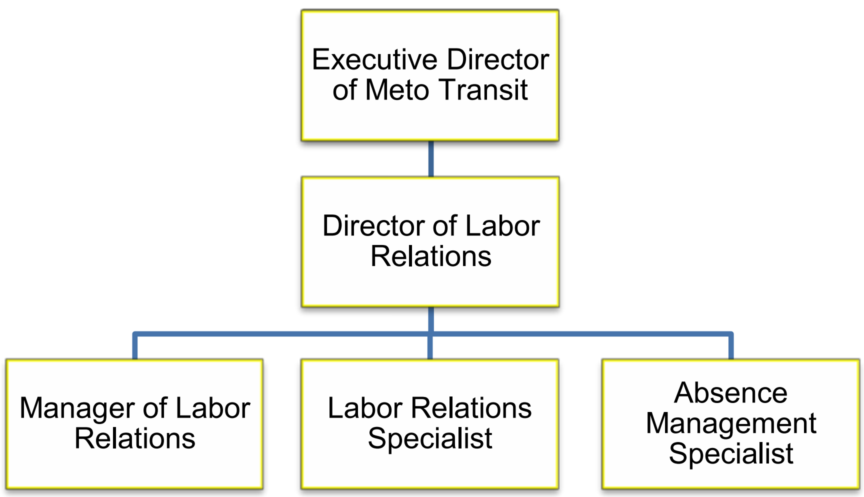
Labor Relations

Operational overview:

The Labor Department endeavors to help provide positive management-workforce relationships.

Labor Relations is responsible for maintaining relationships with bargaining units, negotiating labor contracts, managing grievance processes, and maintaining data unique to union personnel.

Organization:



Goals and Objectives Action Plan: Labor Relations

The Labor Relations organizational unit develops its strategic plan based on the company's goals and objectives. This strategic plan is arranged into strategies and action steps that help Bi-State Development achieve its goals and objectives as outlined in the strategic plan overview.

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement cost reduction strategies		
Strategy	**Action Steps**	**Performance Measurements**
Reduce costs and impact on productivity associated with absenteeism	• Implement a structured absence management program • Add an absence management specialist	• Established attendance program review committee including Labor Relations and facilities management for bus, rail and van in 2016 • Maintain Absence Management program (FMLA, STD and other leaves of absence)
Goal: Value all members of our staff and endeavor to help all of our employees develop to their fullest potential		
Objective: Strengthen the labor – management working relationship		
Strategy	**Action Steps**	**Performance Measurements**
Maintain a positive working relationship with union management to ensure an open communication process for resolving work related issues.	• Develop a joint complaint and grievance review committee with Local 788 to address issues for operations and maintenance • Develop and implement grievance/arbitration training for first line supervisors in operations and maintenance	• Joint committee formed by Sep 2016 • Training completed by Dec 2016 • Reduction in number of work related issues

Performance Indicators – Labor Relations

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators for Labor Relations.

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Labor Relations				
Employee/Retiree Outreach				
Education events	30	32	30	32
Communications	6	6	6	6
Reduce labor grievances by 15%	175	205	144	205

Labor Relations - Operating Expense

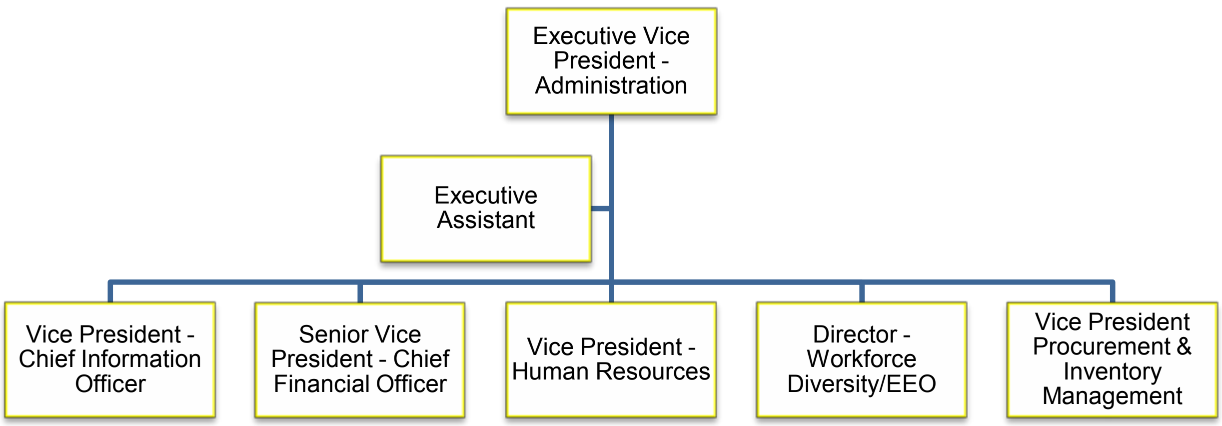
		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Labor	Wages & benefits without OPEB	$ 309,580	$ 398,240	$ 374,103	$ 404,876	$ 30,773	8.2%	$ 416,935	$ 433,941
Relations	Other post-employment benefits	(4,039)	8,613	2,874	1,791	(1,083)	-37.7%	1,920	2,067
	Services	156,093	350,748	340,839	395,000	54,161	15.9%	412,500	430,000
	Parts & supplies	128	586	390	582	193	49.4%	617	652
	Utilities	1,262	-	609	1,400	791	129.8%	1,500	1,500
	Leases and other expense	1,673	4,100	2,837	4,100	1,263	44.5%	4,100	4,100
	Operating expense	**$ 464,697**	**$ 762,287**	**$ 721,652**	**$ 807,749**	**$ 86,097**	**11.9%**	**$ 837,572**	**$ 872,260**

Executive Vice President - Administration

Operational overview:

The Executive Vice President - Administration manages the following administrative functional areas: information technology, finance, human resources, workforce diversity and EEO and procurement.

Organization:



Executive Vice-President - Administration

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Executive Vice President - Administration	Wages & benefits without OPEB	$ -	$ 203,244	$ 101,413	$ 501,613	$ 400,201	394.6%	$ 516,308	$ 536,614
	Other post-employment benefits	-	6,604	3,264	4,877	1,613	49.4%	4,990	5,119
	Services	-	4,743	2,372	57,714	55,343	2333.6%	59,794	60,678
	Parts & supplies	-	3,985	1,992	11,211	9,219	462.7%	11,709	12,134
	Utilities	-	600	300	1,885	1,585	528.3%	1,960	1,990
	Leases and other expense	77	19,500	9,750	45,081	35,331	362.4%	46,332	47,111
	Operating expense	**$ 77**	**$ 238,675**	**$ 119,091**	**$ 622,383**	**$ 503,292**	**422.6%**	**$ 641,093**	**$ 663,646**
EEO & Workforce Diversity	Wages & benefits without OPEB	-	203,244	101,413	215,229	113,816	112.2%	221,593	230,487
	Other post-employment benefits	-	6,604	3,264	3,312	48	1.5%	3,312	3,312
	Services	-	4,743	2,372	37,456	35,084	1479.4%	39,407	40,159
	Parts & supplies	-	3,985	1,992	5,715	3,723	186.9%	5,915	6,041
	Utilities	-	600	300	1,500	1,200	400.0%	1,575	1,605
	Leases and other expense	77	19,500	9,750	30,126	20,376	209.0%	31,369	32,139
	Operating expense	**$ 77**	**$ 238,675**	**$ 119,091**	**$ 293,338**	**$ 174,247**	**146.3%**	**$ 303,171**	**$ 313,744**
Executive Administration	Wages & benefits without OPEB	-	-	-	286,385	286,385	-	294,715	306,127
	Other post-employment benefits	-	-	-	1,565	1,565	-	1,678	1,807
	Services	-	-	-	20,259	20,259	-	20,387	20,519
	Parts & supplies	-	-	-	5,496	5,496	-	5,794	6,093
	Utilities	-	-	-	385	385	-	385	385
	Leases and other expense	-	-	-	14,955	14,955	-	14,963	14,972
	Operating expense	**$ -**	**$ -**	**$ -**	**$ 329,045**	**$ 329,045**	**-**	**$ 337,922**	**$ 349,903**

Human Resources

Operational overview:

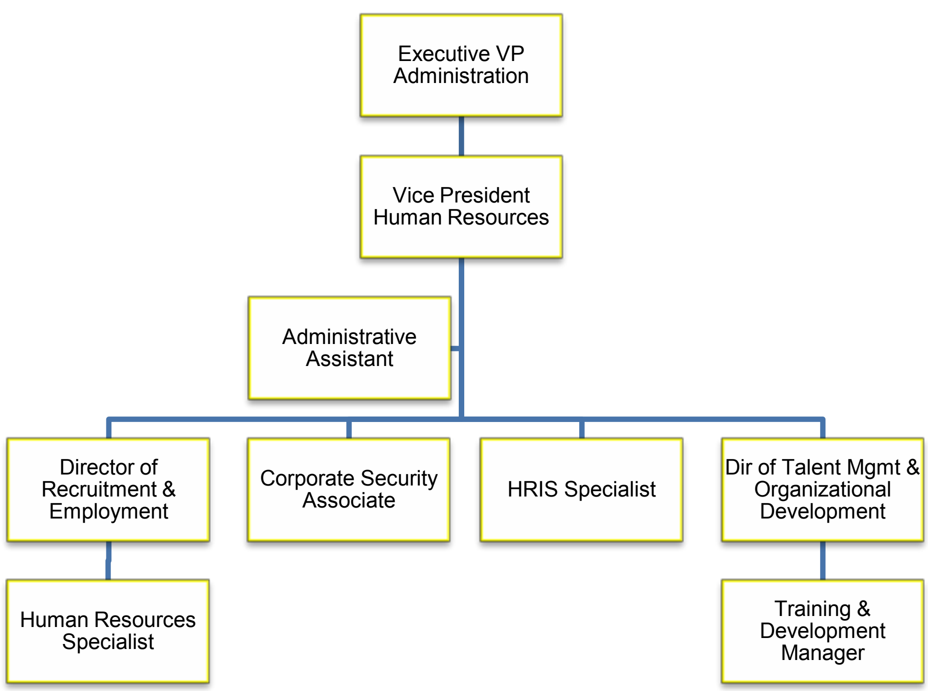
The Human Resources Division provides services in the areas of talent acquisition and management, compensation, staff training and development. The Human Resources Division also provides coaching and consulting in the areas of organizational effectiveness and workforce diversity. The division endeavors to provide these services and the pursuit of excellence in all employee-oriented programs, while influencing positive management-workforce relationships.

Human Resources Management includes the staff of the Vice President of Human Resources, employee relations and performance management, compensation, human resources data maintenance, and the three specialty areas that follow:

Talent Acquisition and Management is responsible for finding, acquiring, assessing, and hiring long-term and temporary candidates to fill positions that are required to meet Bi-State Development's workforce staffing requirements.

Training and Organizational Development provides staff development programs that include leadership development, supervisory training, succession planning and employee relations coaching.

Organization:



Goals and Objectives Action Plan: Human Resources

The Human Resources organizational unit develops its strategic plan based on the company's goals and objectives. This strategic plan is arranged into strategies and action steps that help Bi-State Development achieve its goals and objectives as outlined in the strategic plan overview.

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement cost reduction strategies		
Strategy	**Action Steps**	**Performance Measurements**
Reduce costs and impact on productivity associated with absenteeism	• Implementation of a structured absence management program	• Implemented Absence Management program (FMLA, STD and other leaves of absence) in partnership with case management vendor

Goal: Value all members of our staff and endeavor to help all of our employees develop to their fullest potential		
Objective: Implement A Performance Management System that provides valuable feedback and drives performance that supports the Agency's Goal and Objectives		
Strategy	**Action Steps**	**Performance Measurements**
Evaluate current BSD employee measurement and feedback systems and develop approach to improve performance management	• Develop or re-design the performance management system	• New performance management system implemented by June 2016.
Reintroduce program organizational development	• Hire manager and staff • Design and develop the program • Implement program	• To complete in FY 2017: Hire the Director of Talent Management and Organizational Development and the Talent Organizational Development Manager. Organize and develop program

Performance Indicators – Human Resources

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators for the Human Resources unit:

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Human Resources Management				
Implement programs that re-balance the employer / employee cost ratio	100%	On Target	100%	Met
Executive dashboard provided quarterly 45 days following close of prior period	100%	On Target	100%	Met

Human Resources - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Human Resources	Wages & benefits without OPEB	$ 9,377,456	$ 9,928,673	$ 9,833,511	$ 8,470,248	$ (1,363,263)	-13.9%	$ 8,910,409	$ 9,386,915
	Other post-employment benefits	(31,471)	49,838	11,682	10,361	(1,320)	-11.3%	11,108	11,963
	Services	259,580	263,815	462,754	711,625	248,871	53.8%	671,500	681,500
	Parts & supplies	11,063	34,589	23,205	34,693	11,487	49.5%	34,954	35,219
	Utilities	1,788	3,600	3,159	3,000	(159)	-5.0%	3,000	3,075
	Leases and other expense	24,569	123,255	100,142	130,505	30,363	30.3%	131,355	132,155
	Operating expense	**$ 9,642,986**	**$ 10,403,770**	**$ 10,434,453**	**$ 9,360,432**	**$ (1,074,021)**	**-10.3%**	**$ 9,762,326**	**$ 10,250,827**
Benefits*	Retiree Benefits	8,579,584	8,908,379	8,938,902	7,435,938	$ (1,502,964)	-16.8%	7,845,001	8,277,168
	Other post-employment benefits	-	-	621	-	(621)	-100.0%	-	-
	Services	-	30,000	255,603	425,000	169,397	66.3%	432,500	440,000
	Leases and other expense	-	-	1,569	5,000	3,431	218.8%	5,000	5,000
	Operating expense	**$ 8,579,584**	**$ 8,938,379**	**$ 9,196,695**	**$ 7,865,938**	**$ (1,330,756)**	**-14.5%**	**$ 8,282,501**	**$ 8,722,168**
Training & Development	Wages & benefits without OPEB	-	-	-	181,707	181,707	-	187,195	195,062
	Services	-	55,000	27,500	55,000	27,500	100.0%	55,000	55,000
	Parts & supplies	-	17,759	8,880	17,893	9,013	101.5%	18,029	18,169
	Utilities	-	1,200	600	1,200	600	100.0%	1,200	1,200
	Leases and other expense	-	71,305	35,653	71,305	35,653	100.0%	71,305	71,305
	Operating expense	**$ -**	**$ 145,264**	**$ 72,632**	**$ 327,104**	**$ 254,472**	**350.4%**	**$ 332,730**	**$ 340,737**
Human Resources Management	Wages & benefits without OPEB	797,871	1,020,294	894,609	852,603	(42,006)	-4.7%	878,213	914,685
	Other post-employment benefits	(31,471)	49,838	11,061	10,361	(699)	-6.3%	11,108	11,963
	Services	259,580	178,815	179,650	231,625	51,975	28.9%	184,000	186,500
	Parts & supplies	11,063	16,830	14,326	16,800	2,474	17.3%	16,925	17,050
	Utilities	1,788	2,400	2,559	1,800	(759)	-29.7%	1,800	1,875
	Leases and other expense	24,569	51,950	62,921	54,200	(8,721)	-13.9%	55,050	55,850
	Operating expense	**$ 1,063,401**	**$ 1,320,127**	**$ 1,165,126**	**$ 1,167,389**	**$ 2,263**	**0.2%**	**$ 1,147,095**	**$ 1,187,923**

*The Benefits function includes all current period retiree expense while future other post-employment benefits are allocated to each BSD cost center

Procurement & Inventory Management

Descriptions of organization:

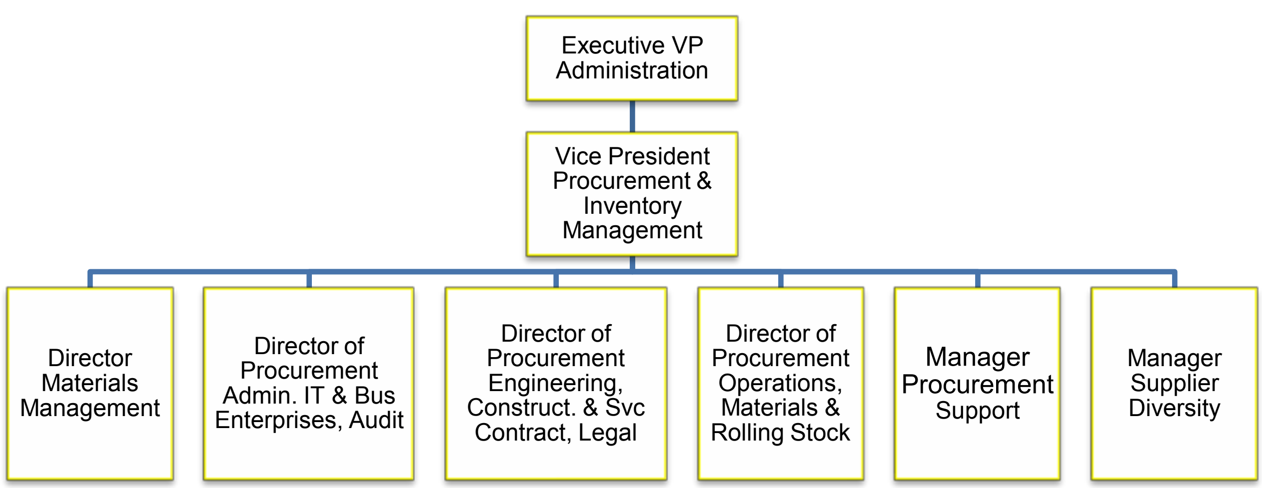
The Procurement and Inventory Management Division consists of the following units that are responsible for delivering on a timely basis the best value product or service, while maintaining the public's trust and fulfilling public policy goals.

Inventory Management is responsible for managing and safeguarding the transit inventory of repair parts and supplies required for efficient day-to-day operations. The department also interprets maintenance and operations plans and forecasts materials requirements to support the needs of the organization.

Procurement is responsible for purchasing and/or contracting all equipment, goods, and services that Bi-State Development requires for operations and expansion. The department is also responsible for ensuring compliance with all federal, state, and local laws and regulations and BSD Board policy requirements relating to procurement.

Procurement Administration provides overall management of the procurement and inventory management functions.

Organization:



Goals and Objectives Action Plan: Procurement and Inventory Management

The organizational unit develops a strategic plan based on the company's goals and objectives. This strategic plan is set into strategies and action steps that help Bi-State Development achieve its goals and objectives as outlined in the strategic plan section of this document.

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement cost reduction strategies		
Strategy	**Action Steps**	**Performance Measurements**
Improve MetroLink warehouse and materials management processes	• Identify and categorize parts and supplies • Identify ML critical spares • Evaluate inventory item attributes • Implement recommendations	• Parts identification completed for all operating systems • Process recommendations and implementation schedule completed
Objective: Implement internal process improvements		
Strategy	**Action Steps**	**Performance Measurements**
Improve equipment and parts availability and supplier performance	• Develop and implement supplier performance measurement program	• Performance measurement program in place and scorecards are created and reviewed with key suppliers
Implement planned maintenance process in partnership with maintenance for all Agency divisions as mirrored with bus maintenance	• Establish project teams • Evaluate current maintenance and material requirement plans • Develop process improvement recommendations • Implement recommendations	• Project teams established and operating • Process improvement recommendations and implementation schedule for ML rail operations completed • Process improvement recommendations and implementation schedule for MOW completed

Performance Indicators – Procurement and Inventory Management

Progress in meeting the goals and objectives are measured through performance indicators. Following is the list of the performance indicators for the organization:

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Inventory Management:				
Accuracy of bus parts inventory	98.0%	97.8%	98.0%	96.8%
Accuracy of rail parts inventory	98.0%	97.9%	98.0%	97.8%
Bus parts inventory turnover	3.00	2.50	3.00	2.09
Rail parts inventory turnover	2.00	1.25	2.00	1.05
Procurement:				
Percent of purchases competitively sourced	90.0%	90.0%	90.0%	85.5%

Procurement, Inventory Management - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	% Change	Budget FY 2018	Budget FY 2019
Procurement, Inventory Management	Wages & benefits without OPEB	$ 4,138,637	$ 4,872,948	$ 4,621,725	$ 4,904,254	$ 282,528	6.1%	$ 5,079,425	$ 5,300,745
	Other post-employment benefits	(162,122)	224,963	56,201	45,205	(10,996)	-19.6%	48,460	52,192
	Services	28,646	45,371	47,930	43,809	(4,121)	-8.6%	44,395	44,995
	Parts & supplies	240,033	324,357	281,113	327,850	46,737	16.6%	335,990	344,328
	Utilities	2,947	4,980	3,567	3,515	(52)	-1.5%	3,515	3,515
	Leases and other expense	70,784	79,409	84,966	79,097	(5,869)	-6.9%	79,184	79,273
	Operating expense	**$ 4,318,925**	**$ 5,552,029**	**$ 5,095,503**	**$ 5,403,730**	**$ 308,227**	**6.0%**	**$ 5,590,969**	**$ 5,825,048**
Inventory Management	Wages & benefits without OPEB	2,687,942	3,159,755	2,968,832	3,153,887	$ 185,055	6.2%	3,276,023	3,421,053
	Other post-employment benefits	(35,407)	148,033	36,327	30,777	(5,550)	-15.3%	32,993	35,533
	Services	263	2,500	1,250	2,500	1,250	100.0%	2,500	2,500
	Parts & supplies	234,703	309,367	267,716	317,166	49,450	18.5%	324,909	332,848
	Utilities	1,171	1,500	1,170	1,500	330	28.2%	1,500	1,500
	Leases and other expense	15,675	25,598	18,935	25,598	6,664	35.2%	25,598	25,598
	Operating expense	**$ 2,904,346**	**$ 3,646,754**	**$ 3,294,230**	**$ 3,531,427**	**$ 237,197**	**7.2%**	**$ 3,663,523**	**$ 3,819,032**
Procurement	Wages & benefits without OPEB	933,152	1,133,353	1,063,890	1,108,942	45,051	4.2%	1,142,733	1,191,656
	Other post-employment benefits	(158,925)	47,887	12,312	9,956	(2,356)	-19.1%	10,673	11,494
	Services	11,554	15,914	14,219	16,311	2,092	14.7%	16,719	17,137
	Parts & supplies	1,103	-	-	-	-	-	-	-
	Leases and other expense	9,200	-	5,455	-	(5,455)	-100.0%	-	-
	Operating expense	**$ 796,083**	**$ 1,197,154**	**$ 1,095,876**	**$ 1,135,209**	**$ 39,332**	**3.6%**	**$ 1,170,125**	**$ 1,220,288**
Supplier Diversity	Wages & benefits without OPEB	169,406	220,822	231,745	302,973	71,228	30.7%	312,372	326,253
	Other post-employment benefits	10,139	12,617	3,077	2,623	(454)	-14.8%	2,812	3,028
	Services	15,514	1,030	18,137	1,056	(17,082)	-94.2%	1,082	1,109
	Parts & supplies	113	4,145	2,073	4,189	2,116	102.1%	4,233	4,279
	Utilities	1,084	2,640	1,672	1,560	(112)	-6.7%	1,560	1,560
	Leases and other expense	13,301	33,200	24,718	35,825	11,107	44.9%	35,902	35,981
	Operating expense	**$ 209,558**	**$ 274,454**	**$ 281,423**	**$ 348,226**	**$ 66,803**	**23.7%**	**$ 357,962**	**$ 372,210**
Procurement Administration	Wages & benefits without OPEB	348,138	359,017	357,258	338,452	(18,806)	-5.3%	348,297	361,783
	Other post-employment benefits	22,072	16,426	4,485	1,850	(2,635)	-58.8%	1,983	2,136
	Services	1,315	25,927	14,324	23,942	9,618	67.1%	24,093	24,249
	Parts & supplies	4,114	10,845	11,325	6,495	(4,829)	-42.6%	6,847	7,201
	Utilities	693	840	725	455	(270)	-37.2%	455	455
	Leases and other expense	32,608	20,611	35,857	17,674	(18,183)	-50.7%	17,684	17,694
	Operating expense	**$ 408,938**	**$ 433,668**	**$ 423,974**	**$ 388,868**	**$ (35,106)**	**-8.3%**	**$ 399,359**	**$ 413,518**

Finance

Operational overview:

The Finance Division, under the direction of the CFO, is a diverse operation. Finance is responsible for customary functions such as Treasury, Program Development and Grants, Accounting, Payroll, Accounts Receivable and Accounts Payables. However, it is also responsible for passenger revenue collection, passenger ticket sales and safety.

Safety is responsible for administering federal drug and alcohol programs including random testing, coordinates emergency response planning with federal, state and local authorities, provides training for local emergency first responders, reviews contracts and agreements and oversees contractor safety programs.

Treasury is responsible for cash management including cash receipts, disbursements, banking relations, investments and commodities hedging programs. The department is also responsible for debt and structured lease administration and financial disclosures. The department works closely with the Chief Financial Officer structuring short-term and long-term financing.

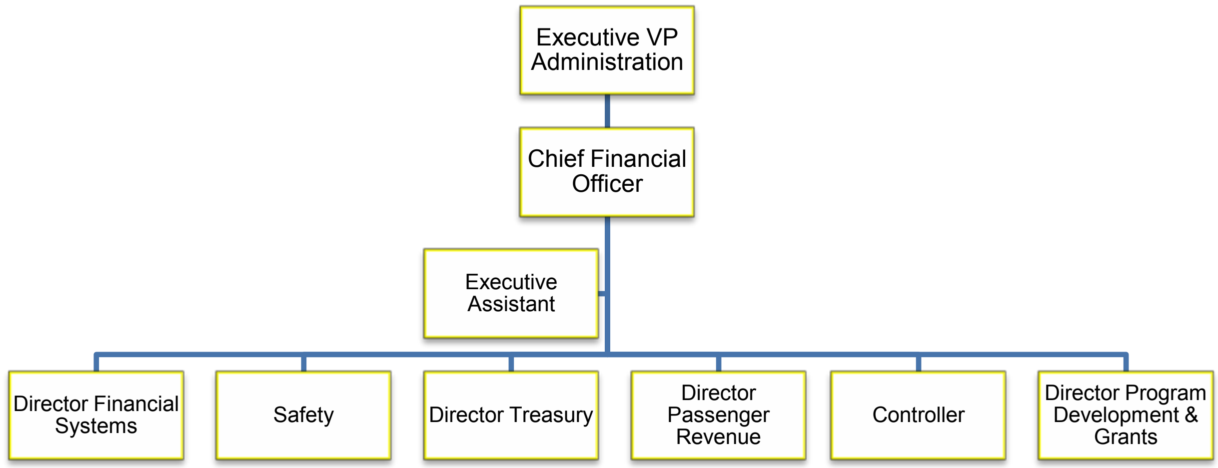
Passenger Revenue is responsible for the overall management and maintenance of fare collection and bus head sign equipment in addition to Ticket Vending Machines and Validation equipment employed on the MetroLink alignment. The department is in charge of the collection and processing of Bi-State Development revenues and ensures that adequate controls surrounding the accounting and handling of bus and light rail transit passenger fares are in place and consistently practiced. The department manages pass distribution, lock box program, special-event ticketing programs and is responsible for timely and accurate revenue reporting.

Controller's Group is responsible for coordinating, planning, and reporting on the financial activities of Bi-State Development. The department sets financial policies, and oversees the activities of the Accounting, Budgeting, Payroll and Accounts Payable sections. The department coordinates the activities of the external auditor, and is responsible for all external financial reporting. The department provides analytical support to management and prepares detailed indicators reports measuring the performance of Bi-State Development.

Program Development and Grants Department is responsible for the development and administration of all federal, state and local grants. The department is responsible for the coordination of all sub-recipient grant relations, coordinating the development and ranking of internal grant requests and grant applications with federal, state and local authorities, as well as the municipal planning organization.

Finance Administration provides overall management of all financial functions.

Organization



Goals and Objectives Action Plan: Finance

Strategies and action steps help Bi-State Development achieve its goals and objectives as outlined in the strategic plan overview.

<table>
<tr><td colspan="3">Goal: Build an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds</td></tr>
<tr><td colspan="3">Objective: Establish and manage communications plan that improves public perception of Bi-State Development programs and credibility of management</td></tr>
<tr><th>Strategy</th><th>Action Steps</th><th>Performance Measurements</th></tr>
<tr><td>Expand public outreach efforts regarding safety</td><td>• Campaign the “See something. Say something” program in the public</td><td>• Distribute “See something. Say something” cards to public
• Post “See something. Say something” bus cards, train decals and posters</td></tr>
<tr><td colspan="3">Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources</td></tr>
<tr><td colspan="3">Objective: Implement internal process improvements</td></tr>
<tr><th>Strategy</th><th>Action Steps</th><th>Performance Measurements</th></tr>
<tr><td>Increase income from investments</td><td>• Finish the implementation of the Treasury module to include all cash and investments for reporting purposes
• From the new reporting, develop more sophisticated cash flow analysis to enable funds to be invested longer term</td><td>• Reporting that forecasts maturities to help better manage a laddered portfolio
• From the improved cash flow analysis, put non-operating funds to work in investment vehicles that provide a better return</td></tr>
</table>

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement internal process improvements		
Strategy	**Action Steps**	**Performance Measurements**
Identify opportunities to reimburse cost of staff training and administrative time through grant resources	• Identify grant funds to support front-line employee training for emergency preparedness and security awareness - e.g., Homeland Security, FTA, Public Education and Enforcement Research Study • Identify grant funds to support administrative effort to procure and manage grant funded projects	• Identify sources of revenue to support Bi-State Development's capital and eligible operating needs • Maintain line of communication with funding sources to identify agency needs and identify available resources to support capital needs
Provide project management and coordination for the FTA funded state of good repair program	• Develop Transit Asset Management Plan and design and implement Transit Asset Software to support Bi-State Development oversight of all assets, asset condition and capital and operating costs	• Transit Asset Management Software design by Q1 FY 2017; implementation in early FY 2018
Objective: Implement cost reduction strategies		
Strategy	**Action Steps**	**Performance Measurements**
Improve bank fee analysis process	• Continue to improve on reporting and analysis in preparation for the upcoming Bank RFP	• Cost savings on bank fees and improved contract pricing on RFP
Strategy	**Action Steps**	**Performance Measurements**
Implement internal service funds	• Coordinate effort with Internal Audit Department and the Vice President of Pension and Insurance to create the ability in the Oracle system to report on financial information	• Internal service funds fully functional July 1, 2016
Improve and update technology related processes to improve efficiencies.	• AP process improvements include US Bank Payment Plus and automatic invoice scanning • Operating and capital budget system replacement • Claims management system	• Implement 2017 • Implement 2018 • Implement 2017

Goal: Deliver a high quality transit experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence		
Objective: Efficiently and effectively operate service sectors		
Strategy	**Action Steps**	**Performance Measurements**
Continue to promote a culture of safety at Metro.	To ensure the health and safety of Metro employees and passengers, Safety will: • Conduct routine fleet & vehicle inspections • Conduct engineering design reviews to ensure Safety is incorporated into all BSD projects • Provide training on Safety SOP's and track access, tier training	• Post vehicle inspection reports • Post facility inspection reports • Tier training/safety meeting attendance metrics • BSD accident and incident metrics

Performance Indicators - Finance

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators for the Finance Division areas:

	FY 2017 Target	FY 2016 Projection	FY 2016 Target	FY 2015 Actual
Safety:				
MetroBus preventable accidents per 100,000 miles	1.00	1.36	0.75	1.01
Call-A-Ride preventable accidents per 100,000 miles	0.80	0.66	0.8	0.82
Treasury:				
Percent of months in which:				
Yield on working capital funds equal 90-day T-Bill	100%	75%	100%	75%
Yield on long term investments exceed one year T-Bill by ten basis points	100%	92%	100%	100%
Treasury Module closed within three working days after month end	100%	100%	100%	92%
All EFTs timely made with no errors	100%	100%	100%	100%
Positive pay issue files transmitted in a timely manner	100%	99%	100%	99%
Monthly Treasurer's Report completed before Board deadline	100%	100%	100%	100%

	FY 2017 Target	FY 2016 Projection	FY 2016 Target	FY 2015 Actual
Passenger Revenue:				
Percent of TVM refund claims processed within three days of receipt	100%	98%	100%	97%
Percent of special events staffed with ticket sales where TVMs are unable to handle demand	100%	100%	100%	100%
Percent of pass/ticket distributions to third party vendors meeting deadline	100%	100%	100%	100%
Percent of month-end journal entries meeting closing schedule	100%	100%	100%	100%
Percent of working fund balances reconciled with general ledger	100%	100%	100%	100%
Number of farebox revenue audits performed	12	12	12	12
Program Development and Grants:				
Percent of annual formula, & discretionary funded grant applications submitted on time	100%	100%	100%	100%
Percent of FTA/FEMA-DHS/IDOT milestone progress reports submitted on time (within 30 days after the end of the quarter or as required)	100%	100%	100%	100%
Percent of federal grants closed within 90 days of all grant activity and expenditure of all federal funds	100%	100%	100%	100%
Controller's Group:				
GFOA Certificates of Achievement:				
1.) Comprehensive Financial Report	Yes	Yes	Yes	Yes
2.) Budget Presentation	Yes	Yes	Yes	Yes
Percent of months in which the general ledger was closed within 7 days or less	100%	100%	100%	100%
Percent of invoices paid within supplier payment terms	95.0%	92.0%	95.0%	90.0%
Percent of supplier records to be maintained in supplier master file	100.0%	99.0%	99.0%	100.0%
Payroll errors as a percent of paychecks	0%	0%	0%	0%
Percent of employees using direct deposit	99.99%	99.98%	100%	99.98%

Finance - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Finance	Wages & benefits without OPEB	$ 6,907,071	$ 7,769,084	$ 9,269,530	$ 6,668,066	$ (2,601,464)	-28.1%	$ 6,940,771	$ 7,217,557
	Other post-employment benefits	(105,931)	371,135	92,607	77,160	(15,447)	-16.7%	82,716	89,085
	Services	2,477,246	3,022,275	2,681,626	2,406,612	(275,014)	-10.3%	2,441,791	2,503,308
	Parts & supplies	501,720	2,444,392	1,384,621	2,532,953	1,148,332	82.9%	2,489,503	2,461,509
	Casualty & liability	8,690,527	5,406,024	5,970,416	6,996,611	1,026,195	17.2%	7,203,272	7,431,012
	Utilities	(168,152)	74,015	197,375	70,265	(127,110)	-64.4%	70,340	70,415
	Leases and other expense	926,398	1,147,996	1,013,220	604,390	(408,830)	-40.3%	626,500	657,817
	Agency fees	2,800,000	3,097,907	2,675,916	3,014,162	338,246	12.6%	3,103,463	3,221,761
	Operating expense	**$ 22,028,879**	**$ 23,332,827**	**$ 23,285,310**	**$ 22,370,218**	**$ (915,092)**	**-3.9%**	**$ 22,958,355**	**$ 23,652,464**
Safety	Wages & benefits without OPEB	1,781,696	2,214,271	2,079,875	1,041,772	(1,038,103)	-49.9%	1,148,541	1,193,050
	Other post-employment benefits	(20,817)	90,590	22,259	18,834	(3,424)	-15.4%	20,190	21,745
	Services	846,473	1,028,400	848,396	526,000	(322,396)	-38.0%	536,000	546,000
	Parts & supplies	186,399	311,302	173,023	354,032	181,010	104.6%	355,008	356,008
	Casualty & liability	8,635,802	5,346,024	5,912,904	6,935,111	1,022,207	17.3%	7,140,272	7,366,512
	Utilities	126,774	68,050	61,677	64,300	2,623	4.3%	64,300	64,300
	Leases and other expense	603,899	665,007	622,610	116,775	(505,835)	-81.2%	116,775	116,775
	Operating expense	**$ 12,160,225**	**$ 9,723,645**	**$ 9,720,743**	**$ 9,056,824**	**$ (663,919)**	**-6.8%**	**$ 9,381,086**	**$ 9,664,390**
Treasury	Wages & benefits without OPEB	514,379	287,866	2,116,053	275,008	(1,841,045)	-87.0%	283,305	295,180
	Other post-employment benefits	4,141	12,179	3,135	2,532	(603)	-19.2%	2,714	2,923
	Services	325,763	730,250	492,326	608,000	115,674	23.5%	617,100	626,700
	Parts & supplies	182	1,600	1,048	1,600	552	52.7%	1,600	1,600
	Casualty & liability	54,725	60,000	57,512	61,500	3,988	6.9%	63,000	64,500
	Utilities	(300,076)	-	130,000	-	(130,000)	-100.0%	-	-
	Leases and other expense	19,103	29,900	20,715	30,050	9,335	45.1%	30,200	30,350
	Agency fees	2,800,000	3,097,907	2,675,916	3,014,162	338,246	12.6%	3,103,463	3,221,761
	Operating expense	**$ 3,418,218**	**$ 4,219,702**	**$ 5,496,705**	**$ 3,992,852**	**$ (1,503,853)**	**-27.4%**	**$ 4,101,382**	**$ 4,243,015**
Passenger Revenue	Wages & benefits without OPEB	2,171,411	2,552,099	2,431,714	2,593,094	161,381	6.6%	2,684,200	2,795,994
	Other post-employment benefits	(63,633)	131,238	32,084	27,285	(4,800)	-15.0%	29,249	31,501
	Services	1,023,768	1,034,615	1,099,254	1,016,800	(82,454)	-7.5%	1,009,410	1,031,341
	Parts & supplies	273,922	2,070,195	1,163,520	2,118,984	955,464	82.1%	2,072,342	2,042,028
	Utilities	4,721	5,215	5,097	5,215	118	2.3%	5,215	5,215
	Leases and other expense	272,432	306,584	281,106	314,645	33,539	11.9%	339,972	365,451
	Operating expense	**$ 3,682,620**	**$ 6,099,945**	**$ 5,012,775**	**$ 6,076,023**	**$ 1,063,248**	**21.2%**	**$ 6,140,388**	**$ 6,271,530**
Controller's Group	Wages & benefits without OPEB	1,650,546	1,990,006	1,857,835	1,995,225	137,390	7.4%	2,039,326	2,116,792
	Other post-employment benefits	(25,459)	99,175	24,788	20,619	(4,169)	-16.8%	22,103	23,805
	Services	167,227	26,250	87,994	52,350	(35,644)	-40.5%	55,850	60,850
	Parts & supplies	27,656	32,518	22,735	29,303	6,568	28.9%	29,556	29,806
	Leases and other expense	14,052	36,225	27,209	36,025	8,816	32.4%	32,035	36,700
	Operating expense	**$ 1,834,022**	**$ 2,184,174**	**$ 2,020,562**	**$ 2,133,522**	**$ 112,960**	**5.6%**	**$ 2,178,870**	**$ 2,267,953**
Program Development & Grants	Wages & benefits without OPEB	394,736	322,617	384,437	349,073	(35,363)	-9.2%	359,583	374,590
	Other post-employment benefits	(6,145)	19,075	5,342	3,966	(1,376)	-25.8%	4,251	4,579
	Services	62,659	2,260	46,128	2,312	(43,816)	-95.0%	2,364	2,418
	Parts & supplies	4,214	8,477	7,180	8,639	1,459	20.3%	8,805	8,975
	Leases and other expense	50,386	83,980	44,791	84,107	39,316	87.8%	84,237	84,371
	Operating expense	**$ 505,850**	**$ 436,409**	**$ 487,877**	**$ 448,097**	**$ (39,780)**	**-8.2%**	**$ 459,241**	**$ 474,933**
Finance Administration	Wages & benefits without OPEB	394,304	402,225	399,618	413,893	14,275	3.6%	425,816	441,950
	Other post-employment benefits	5,981	18,878	5,000	3,925	(1,075)	-21.5%	4,207	4,531
	Services	51,356	200,500	107,527	201,150	93,623	87.1%	221,066	235,999
	Parts & supplies	9,348	20,300	17,115	20,395	3,280	19.2%	22,192	23,092
	Utilities	429	750	600	750	150	25.0%	825	900
	Leases and other expense	(33,473)	26,300	16,789	22,788	5,999	35.7%	23,281	24,170
	Operating expense	**$ 427,945**	**$ 668,952**	**$ 546,648**	**$ 662,900**	**$ 116,252**	**21.3%**	**$ 697,388**	**$ 730,643**

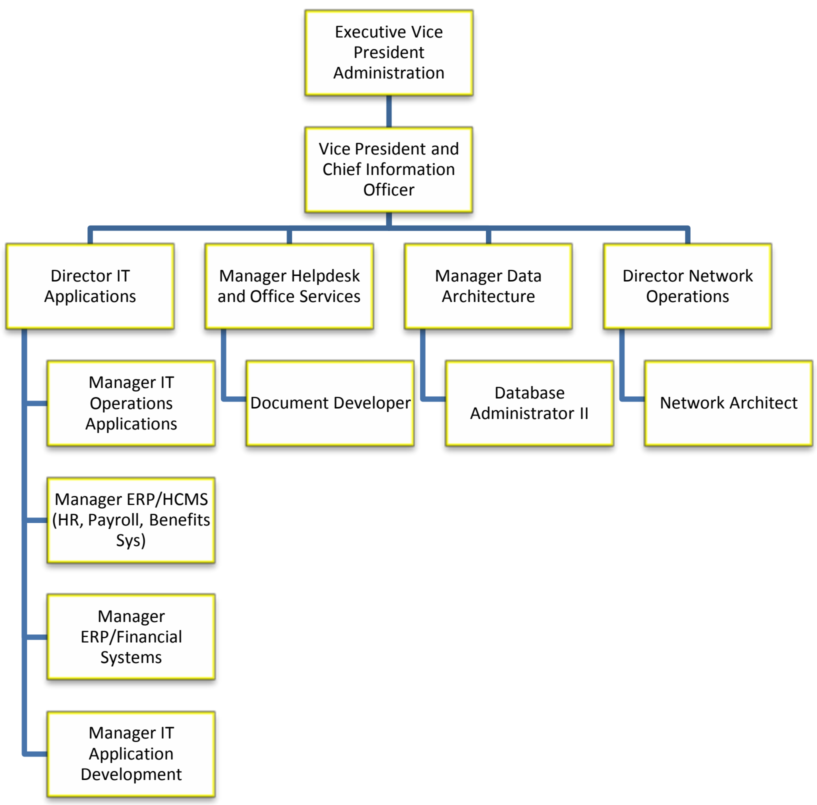
Information Technology

Organizational overview:
The Information Technology Division is responsible for providing efficient, reliable, cost-effective and responsive technology services and dedicated support to all technology users throughout Bi-State Development.

Information Technology is responsible for developing, operating, and maintaining information and telecommunications systems; designing, programming, and purchasing software that supports all business processes within the company; providing help-desk support for computer-dependent employees; designing and maintaining both internet and intranet websites; supporting customers, employees, and the general public.

Office Services is responsible for in-house publishing, mail delivery services, and copying services.

Organization:



Goals and Objectives Action Plan: Information Technology

The following strategies and action steps help Bi-State Development achieve its goals and objectives as outlined in the strategic plan section of this document.

Goal: Deliver a high quality transit experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence.		
Objective: Efficiently and effectively operate service sectors		
Strategy	**Action Steps**	**Performance Measurements**
Support technology improvements in revenue collection, reporting, and the transit rider experience	Support implementation of the Gateway Fare Collection Project: • Test and control release of all technical Gateway system components • Work with project team to identify implementation plan and tasks • Execute assigned IT Gateway Fare Collection project tasks	• Project timeline supported • Project informed on IT progress and issues • Gateway Implementation progressed
Improve transit system management and customer experience	Lead and manage the Transit Operations Improvements (TOI) project • Publish and manage project tasks & schedule • Monitor vendor activities • Coordinate key business resources & milestones • Manage issues and work with project to determine resolutions • Monitor and control spending to budget	• Project schedule and status is communicated and known to stakeholders • Project progresses and major negotiated vendor milestones are met • Project budget met

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement cost reduction strategies and internal process improvements		
Strategy	**Action Steps**	**Performance Measurements**
Right size software licensing and maintenance costs	• Periodically assess licensing, vendor maintenance, and support for accuracy and value • Assess alternatives to support if warranted • Evaluate long term support as part of each new software purchase	• Adjustments to support that reflect changing licensing and needs • RFP evaluations that include long term support considerations
Evaluate new technologies for value and usability	• Research new technology trends • Understand value, issues, and potential impacts • Discuss latest changes with peer organizations • Recommend and implement when appropriate	• Evaluations, white papers, and recommendations from Information Technology to business teams • New technologies and approaches in evidence within Bi-State Development

Goal: Maintain a high quality experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence during a period of major reconstruction in and around the Gateway Arch.		
Objective: Efficiently and effectively operate service sectors		
Strategy	**Action Steps**	**Performance Measurements**
Support technology improvements in the Gateway Arch customer experience	Support Implementation of a new ticket management and selling system for the Gateway Arch • Work with project team and vendor to identify implementation plan and tasks • Execute assigned IT Arch Ticketing Project tasks	• Project timeline supported • Project informed on IT progress and issues
Support technology changes and improvements in the National Park	Support reconfiguration and renewal of the Museum of Westward Expansion and Park • Work with project team to plan and identify technology changes and tasks • Execute assigned IT project tasks	• Project timeline supported • Project informed on IT progress and issues

Performance Indicators – Information Technology

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators:

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Information Technology:				
System uptime	98.8%	99.0%	98.8%	99.4%
Information Technology % personnel turnover	<10%	6.5%	<10%	6.9%
Information Technology request turnaround (days per request)	< 4	4	< 5	4.4
Office Services:				
In-house professional print jobs	>60	60	>58	58

Information Technology - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Information	Wages & benefits without OPEB	$ 2,885,746	$ 5,145,948	$ 4,068,469	$ 5,211,500	$ 1,143,031	28.1%	$ 5,370,578	$ 5,580,390
Technology	Other post-employment benefits	(85,363)	221,541	49,894	46,059	(3,835)	-7.7%	49,375	53,177
	Services	3,221,937	2,632,571	3,146,604	2,817,405	(329,199)	-10.5%	2,979,059	3,121,886
	Parts & supplies	443,955	494,262	360,120	502,538	142,418	39.5%	516,917	528,458
	Utilities	631,070	528,820	586,498	531,274	(55,224)	-9.4%	481,454	431,514
	Leases and other expense	129,984	161,232	189,753	157,328	(32,425)	-17.1%	163,356	166,774
	Operating expense	**$ 7,227,328**	**$ 9,184,374**	**$ 8,401,338**	**$ 9,266,104**	**$ 864,767**	**10.3%**	**$ 9,560,739**	**$ 9,882,199**

Marketing and Communications

Organizational overview:

Marketing and Communications is responsible for developing and executing strategic and tactical marketing, sales, community outreach and public relations plans for Bi-State Development and its divisions.

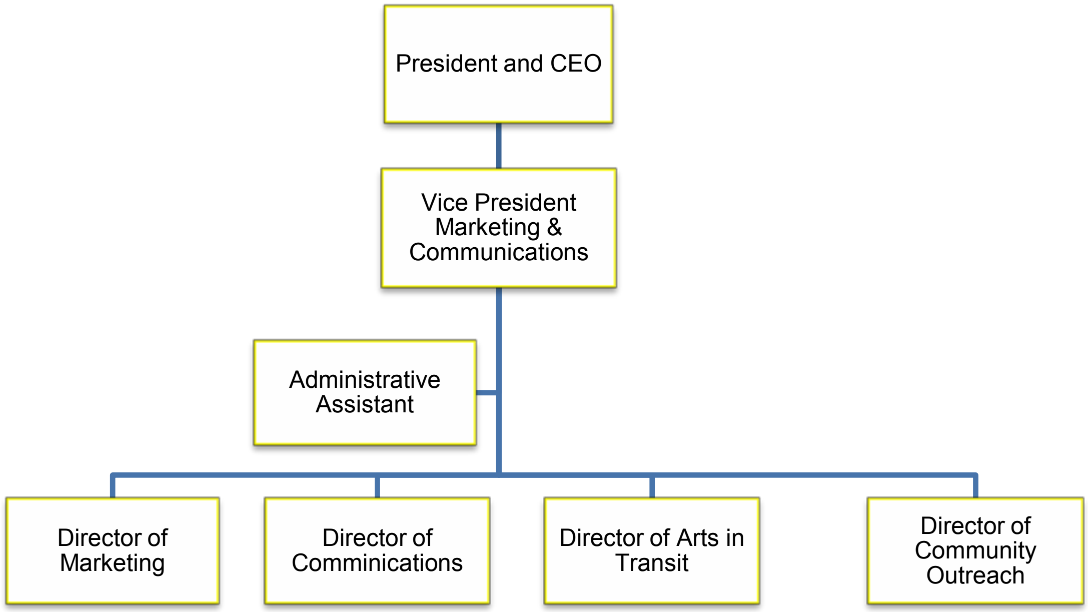
Marketing develops and implements marketing, sales and graphic communication strategies and programs to support BSD and all its business units. Marketing is responsible for the Gateway Card customer education function that supports transit's new fare collection system, and for MetroStore, the Bi-State Development's "owned and operated" consignment location positioned to generate tourism and corporate sales for transit.

Communications is responsible for the development and implementation of messages, programs, activities, materials, presentations and media relations designed to enhance employee and public awareness, understanding and support for Bi-State Development's policies, plans, services and initiatives.

Community Outreach executes proactive strategic programs to build relationships with civic, business and community groups in order to advance understanding of the Bi-State Development's role in driving economic activity in the region.

Arts in Transit (AIT) develops and implements art and design projects that enhance the aesthetic and ambient environment of the Metro transit system and the region. In addition AIT supports collaborative public art projects including bus painting, displays of poetry and art competitions.

Organization:



Goals and Objectives Action Plan: Marketing and Communications

The following strategies and action steps are designed to further the achievement of the Bi-State Development goals and objectives as outlined in the Strategic Plan section of this document.

<table>
<tr><td colspan="3">Goal: Build an effective and efficient publically supported organization that is viewed as a transparent and accountable steward of public funds</td></tr>
<tr><td colspan="3">Objective: Establish and execute communications, marketing and outreach plans that build public perception of Bi-State Development programs, enterprises and leadership</td></tr>
<tr><th>Strategy</th><th>Action Steps</th><th>Performance Measurements</th></tr>
<tr><td>Execute strategic external public relations strategies and tactics to raise awareness and support for Bi-State Development goals, achievements and contributions to the region

Continue to build awareness of BSD enterprises, recognized for effective economic development through world-class transit services, regional freight development, research, tourism and operation of St. Louis Downtown Airport

Create opportunities to engage constituents in conversations about BDS's role in regional vitality; its programs, enterprises and leadership</td><td>• Continue to develop and execute brand strategy for Bi-State Development, promoting all operating entities
• Execute strategic media plan based on key initiatives
• Promote awareness of BSD's contributions to the economic vitality of the region
• Launch and promote identity of St. Louis Regional Freightway, BSD Research Institute and support BSD Tourism Innovations launch
• Support testing and implementation of Gateway Card rollout
• Create and execute opportunities to engage strategic community partners throughout the region
• Produce Second Annual Meeting to promote collaboration around regional economic development
• Circulate Annual Report to the Region to wider audience</td><td>• Increase the number of positive media reports about BSD and its enterprises
• Increase website assets to reflect all BSD enterprises
• Share Annual Report with a greater number of constituents through print and electronic media
• Increase attendance at Annual Meeting
• Host additional BSD Economic Development events, including a public launch of St. Louis Regional Freightway
• Increase public awareness of BSD Research Institute
• Increase external website users and social media presence</td></tr>
</table>

Goal: Pursue revenue through ridership, advertising revenue & other funding partnerships		
Objective: Execute revenue enhancement strategies		
Strategy	**Action Steps**	**Performance Measurements**
Drive revenue through Commuter Advantage Program sales.	• Develop, execute and adjust as needed specific and trackable sales plan including client categories, product strategies, program baseline and growth goals • Create CRM system • Create new collateral materials to support programs	• Improved revenue over FY16 actual • Improved sales against FY16 total ridership & revenue • Reach FY17 Corporate participation goal
Drive revenue through Tourism, Convention and Recreation markets.	• Develop and execute plan to target tourism & convention markets • Engage conference planners to create partnerships for opportunities such as packaging event with Metro tickets, creation of specialty passes, and co-marketing & social media programs • Work with Revenue to provide increased ease of access to the transit system	• Increased Pass Sales • Increased event ridership • Increased awareness through "Take Metro to the..." campaigns.
Drive revenue through Special Event Passes	• Target special events easily accessed by transit system • Engage event planners to create partnerships for opportunities such as packaging event & Metro tickets, creation of specialty passes, and co-marketing & social media programs	• Increased Pass Sales • Increased event ridership • Increased awareness through "Take Metro to the..." campaigns.
Drive revenue through advertising opportunities	• Maximize revenue from advertising contracts • Expand sales opportunities to sell unused inventory • Work with advertising partner to develop sales strategy targeting corporate clients with multi-year advertising and naming right programs	• Increased sales from advertising sales

Goal: Deliver a high quality transit experience that is recognized by its customers, industry peers and regional stakeholders for its excellence		
Objective: Improve the value of regional transit infrastructure and the quality of the transit experience through aesthetic enhancement		
Strategy	**Action Steps**	**Performance Measurements**
Support the regional transit system and the community aesthetic through an effective Arts In Transit program.	• Secure and maintain grants and sponsorships, and other earned income that support Arts in Transit programs • Review organizational structure and bylaws of Arts In Transit, Inc. to become more competitive for securing grant funds • Host annual Art Bus, MetroLines poetry competition, and MetroScapes bus shelter poster competition, and other relevant community-based arts programs • Operate *Gallery North* at the North County Transit Center (Opens March 2016) • Explore Arts In Transit potential contribution in future projects like Civic Center and Boyle Street MetroLink Stations • Develop marketing strategy and supporting materials for AIT • Collaborate with Operations in the development of new Wayfinding and Signage strategies.	• Increased number and amount of grants • Increased revenue from Art Bus sponsorships • Increased sales of MetroScapes posters • Increased participation in Art Bus, MetroLines, and MetroScapes events and competitions; and enhanced reputation within the general community due to Arts in Transit programs • Increased public awareness of Metro Arts In Transit program • Plan in place for improved wayfinding throughout the Metro transit system

Goal: Value all members of our staff and endeavor to help all of our employees develop their fullest potential		
Objective: Build employee awareness of and support for BSD enterprises, goals and achievements		
Strategy	**Action Steps**	**Performance Measurements**
Develop and execute internal communications plans that improves employee knowledge and employee engagement	• Create an internal communications plan that incorporates survey feedback from employees • Use employee feedback to address internal communications needs and better inform and engage BSD employees • Remain consistent with internal and external messaging • When possible, provide employees advance notice about news or changes that will be released publically • Continue to develop new features and functionality to the internal website • Manage electronic message boards at BSD facilities	• Increase in employee awareness of BSD enterprises, initiatives and accomplishments

Performance Indicators – Marketing and Communications

Progress in meeting the goals and objectives are measured through performance indicators. The following is a list of the performance indicators for marketing, communications, and community outreach:

	FY 2017	FY 2016		FY 2015
	Target	**Projection**	**Target**	**Actual**
Increase public awareness and support for company policies, plans, services and initiatives through growing effective social media.				
• Facebook likes	11,257	7,484	8,438	4,232
• Twitter followers	17,710	14,440	14,600	12,137
• Instagram followers	3,340	2,170	2,260	1,276

	FY 2017 Target	FY 2016 Projection	FY 2016 Target	FY 2015 Actual
Increase public awareness and support for company policies, plans, services and initiatives through effective media relations.				
• Positive media reports* accomplishing that goal:	13,000	12,000	2,400	11,883
• Estimated positive media exposures*	15.5B	15B	0.5B	15B
• $ value of comparable paid advertising*	$19M	$18.7M	$4.3M	$18.7M

*New media monitoring resource, acquired in FY15, has a more extensive database that provides greater access to print circulation, broadcast audiences and unique visitors to websites directly from the media sources. The result is, we now have access to thousands more BSD news items that have appeared locally and nationally in the media.

	FY 2017 Target	FY 2016 Projection	FY 2016 Target	FY 2015 Actual
Develop and execute strategic and tactical marketing and sales plans that meet business targets for transit				
• Advertising Revenue	$1.6M	$1.4M	$1.4M	$1.3M
• MetroStore Sales	$2.8M	$2.7M	$2.6M	$2.6M
• Transit Benefit Program corporate participants	110	100	100	92
• Transit Benefit Program passes purchased: (monthly average)	$4.4M	$4.2M	$4.2M	$4.1M
Arts in Transit grants and other revenue:	$75,000	$50.000	$75,000	$40,600
Community events participation:	105	95	90	85

Marketing & Communications - Operating Expense

		Actual FY 2015	Budget FY 2016	Projection FY 2016	Budget FY 2017	FY17 Bdgt/FY16 Proj $ Change	FY17 Bdgt/FY16 Proj % Change	Budget FY 2018	Budget FY 2019
Marketing & Communications	Wages & benefits without OPEB	1,363,464	1,814,703	1,644,892	$ 1,810,106	$ 165,214	10.0%	$ 1,861,937	$ 1,936,147
	Other post-employment benefits	(28,030)	63,044	17,209	13,107	(4,102)	-23.8%	14,051	15,133
	Services	288,269	886,784	545,862	908,744	362,882	66.5%	933,772	940,363
	Parts & supplies	316,959	261,242	465,196	269,085	(196,111)	-42.2%	275,380	281,834
	Casualty & liability	-	-	1,000	-	(1,000)	-100.0%	-	-
	Utilities	8,036	9,200	8,419	10,400	1,981	23.5%	10,400	10,400
	Leases and other expense	453,134	579,480	576,086	591,833	15,747	2.7%	604,494	617,472
	Operating expense	**$ 2,401,832**	**$ 3,614,453**	**$ 3,258,663**	**$ 3,603,274**	**$ 344,611**	**10.6%**	**$ 3,700,034**	**$ 3,801,348**
Arts In Transit	Wages & benefits without OPEB	123,009	100,687	109,212	97,426	(11,785)	-10.8%	100,268	104,173
	Other postemployment benefits	2,340	2,500	954	520	(435)	-45.5%	557	600
	Services	22,611	46,000	26,909	46,150	19,241	71.5%	46,304	46,461
	Parts & supplies	685	20,587	10,345	21,094	10,749	103.9%	21,614	22,146
	Utilities	632	800	705	800	95	13.5%	800	800
	Taxes, leases & other	2,726	2,400	5,689	2,400	(3,289)	-57.8%	2,400	2,400
	Operating expense	**$ 152,002**	**$ 172,974**	**$ 153,813**	**$ 168,390**	**$ 14,577**	**9.5%**	**$ 171,942**	**$ 176,581**
Gateway Card Center	Wages & benefits without OPEB	52,720	70,272	74,340	78,841	4,501	6.1%	81,287	84,853
	Other postemployment benefits	(3,347)	-	338	0	(338)	-100.0%	-	0
	Services	30,028	209,500	108,763	214,738	105,975	97.4%	226,576	219,615
	Parts & supplies	696	750	375	750	375	100.0%	750	750
	Utilities	-	-	-	600	600	-	600	600
	Taxes, leases & other	5	3,200	1,637	3,200	1,563	95.5%	3,200	3,200
	Operating expense	**$ 80,102**	**$ 283,722**	**$ 185,453**	**$ 298,128**	**$ 112,676**	**60.8%**	**$ 312,413**	**$ 309,019**
Marketing Management Management	Wages & benefits without OPEB	1,187,736	1,643,743	1,461,340	1,633,839	172,499	11.8%	1,680,382	1,747,120
	Other postemployment benefits	(27,022)	60,543	15,917	12,587	(3,330)	-20.9%	13,493	14,532
	Services	235,630	631,284	410,191	647,856	237,666	57.9%	660,892	674,286
	Parts & supplies	315,578	239,906	454,476	247,241	(207,235)	-45.6%	253,017	258,937
	Casualty & liability	-	-	1,000	0	(1,000)	-100.0%	-	0
	Utilities	7,404	8,400	7,714	9,000	1,286	16.7%	9,000	9,000
	Taxes, leases & other	450,403	573,880	568,760	586,233	17,473	3.1%	598,894	611,872
	Operating expense	**$ 2,169,729**	**$ 3,157,756**	**$ 2,919,398**	**$ 3,136,755**	**$ 217,358**	**7.4%**	**$ 3,215,679**	**$ 3,315,748**

Transit Improvement Plan Assumptions

The three-year Transit Improvement Plan reflects known factors currently in existence to estimate the financial position for BSD through 2020. Deficits projected for FY 2018 through FY 2020 represent the unfunded portion of OPEB obligations.

Operating Revenue

Passenger revenue for FY 2018 - FY 2020 reflects consistent service levels as planned in the FY 2017 budget. Passenger revenue projections include a 1.7% increase in 2018 as a result of returning ridership and smart card technology. A fare increase and an expected boost in ridership in FY 2019 yields a 3.4% increase. Planned regional development supports a 3.0% growth in passenger ridership and revenue in FY 2020.

TMA revenue to be received from Transit Management Association participants is expected to grow moderately at 2.0% annually for FY 2018 - FY 2020.

Paratransit contract revenues are associated with Call-A-Ride operations primarily due to Missouri Medicaid customers. Revenue is expected to increase 0.5% for FY 2018 and then 1.0% for FY 2019 and FY 2020. The modest increase is due to fewer customers expected to use Medicaid services.

Other operating revenue consists of advertising on revenue vehicles, shelters and MetroLink stations; property rental; contracted maintenance for St. Clair ATS service; concessions; and other revenue. For FY 2018 - FY 2020, other operating revenues are expected to increase in the 2.4% to 2.6% range annually.

Operating Expense

Operating expenses are projected to increase at the rate of 3.0% for FY 2018, 2.6% for FY 2019 and 3.0% for FY 2020. Moderate inflation demands will increase wages, materials and parts, services and utilities costs.

Grants, Sales and Contractual Revenue

City of St. Louis ½ cent sales tax assumes a modest growth of 1.0% in FY 2018 through FY 2020.

St. Louis County ½ cent sales tax assumes that the county will continue to appropriate to Bi-State Development 50.0% of collections for FY 2018 through FY 2020. Tax receipts from St. Louis County are projected to increase 2.5% in FY 2018, FY 2019 and FY 2020 from regional development and a strengthened economy.

City of St. Louis and St. Louis County 1/4 cent sales tax (Prop M) incorporates the regional plan for funding MetroLink. This sales tax is pledged for bond debt (principal and interest) requirement. Prop M sales tax receipts from the City of St. Louis are projected to increase 1.0% for FY 2018 - FY 2020. St. Louis County Prop M sales tax receipts are projected to increase 2.5% each year over the TIP period. The amounts to the operating budget vary due to change in reserves for principal payments.

St. Louis County ½ cent sales tax (Prop A) assumes that St. Louis County will appropriate 64.2% of projected Proposition A sales tax receipts to fund Metro operations, capital and debt requirements between FY 2018 and FY 2020. Receipts from this sales tax are projected to increase 2.5% for FY 2018 - FY 2020. In FY 2018, the percent allocated to the operating budget increased by 0.4% adding to the overall change. Per an agreement with St. Louis County, remaining tax receipts can be borrowed at mutually advantageous rates to accelerate debt repayment of the 2013 bonds.

City of St. Louis ¼ cent sales tax (Prop M2) tax receipts from the City of St. Louis are projected to increase 1.0% from FY 2018 - FY 2020.

All sales taxes must support operation and capital requirements of the system. Prop M, Prop M2 and Prop A sales tax receipts must also support principal and interest expense (debt service) on bonds in addition to the operating and capital requirements. Approximately $8.2 million annually is required to be reserved for local match to attract federal funding for capital projects.

State of Missouri revenue and the EWGCOG reimbursement for FY 2018 - FY 2020 are expected to remain at the FY 2017 budget level.

St. Clair County revenue assumes continuation of St. Clair County, Illinois MetroBus and MetroLink service at the same levels as used in the FY 2017 budget. The FY 2018 projected increase is at the 2.3%, followed by a 3.0% increase in FY 2019 and FY 2020. The rate increases are following the increases in operating expense.

State of Illinois revenue for the non-capital soil erosion and other non-capital projects are flat in FY 2018, reduced in FY 2019 due to project completion and flat in FY 2020.

Federal vehicle maintenance (Federal Formula Funds) is budgeted at $16 million for FY 2018 - FY 2020. Using these funds for operations may result in transit deferring capital spending in future years. If deferring capital replacement and rehabilitation spending is required, it could be detrimental to our investment in assets which the FTA expects Bi-State Development to keep in good condition. Examples of projects that should be funded with 5307 money include technology and infrastructure. Most of transit's facilities are 20-plus years of age.

Other non-capital projects Federal assistance is projected at approximately $3.3 million in FY 2017 and increasing to $4.3 million in FY 2018.

Federal non-capital Grants administration is $254 thousand in FY 2017 and remains at or near that level through FY 2020.

Non-Operating Revenue (Expense)

Investment income is projected that investment funds will see some growth in upcoming years. As a result, interest income will also increase.

Interest on debt decreases as debt is annually retired per the amortization schedule. The debt reserve requirement also decreases and funds are used to pay down current debt service payments

Deficit before Depreciation

Net deficits projected for FY 2018 - FY 2020 represent annual unfunded OPEB obligations. Actual deficits may differ from these projections due to adverse economic conditions or unexpected expenditures.

Transit Improvement Plan Financial Summary

The following pages include a three year Statement of Revenue and Expenses and a three year Statement of Grants, Sales Tax and Contractual Revenue detail.

Metro Transit
Transit Improvement Plan
Three Year Financial Summary

(Dollars in thousands)

	FY 2017	FY 2018		FY 2019		FY 2020	
	Budget	Projection	Change	Projection	Change	Projection	Change
Operating revenue:							
Passenger revenue	$ 49,716	$ 50,550	1.7%	$ 52,261	3.4%	$ 53,851	3.0%
TMA revenue	1,431	1,459	2.0%	1,488	2.0%	1,519	2.0%
Paratransit contracts	2,904	2,918	0.5%	2,948	1.0%	2,978	1.0%
Other	5,668	5,806	2.4%	5,958	2.6%	6,109	2.5%
	59,719	**60,733**	**1.7%**	**62,654**	**3.2%**	**64,458**	**2.9%**
Operating expense	**283,530**	**292,133**	**3.0%**	**299,634**	**2.6%**	**308,475**	**3.0%**
Operating income (loss)	**(223,811)**	**(231,399)**	**(3.4)%**	**(236,979)**	**(2.4)%**	**(244,017)**	**(3.0)%**
Non-operating revenue (expense):							
Grants, sales tax and contractual revenue	242,495	248,700	2.6%	252,748	1.6%	258,412	2.2%
Investment income	7,189	7,641	6.3%	8,094	5.9%	8,337	3.0%
Interest on debt	(26,029)	(25,233)	(3.1)%	(24,411)	(3.3)%	(23,605)	(3.3)%
Sheltered workshop	(1,254)	(1,280)	2.0%	(1,306)	2.0%	(1,332)	2.0%
Other non-operating revenue/(expense)	42	43	0.0%	43	0.0%	43	0.0%
	222,443	**229,870**	**3.3%**	**235,168**	**2.3%**	**241,854**	**2.8%**
Net income (deficit) before depreciation	**(1,369)**	**(1,529)**	**(11.7)%**	**(1,811)**	**(18.5)%**	**(2,163)**	**(19.4)%**
Depreciation & Amortization	73,396	73,498	0.1%	74,944	2.0%	76,818	2.5%
Net income (deficit)	**$ (74,765)**	**$ (75,027)**	**(0.4)%**	**$ (76,756)**	**(2.3)%**	**$ (78,981)**	**(2.9)%**

Totals may not sum due to rounding.

Metro Transit
Transit Improvement Plan
Three Year Grants, Sales Tax and Contractual Revenue Detail

(Dollars in thousands)

	FY 2017 Budget	FY 2018 Projection	FY 2018 Change	FY 2019 Projection	FY 2019 Change	FY 2020 Projection	FY 2020 Change
Local & state:							
Missouri:							
City of St. Louis 1/2 cent sales tax	$ 18,935	$ 19,124	1.0%	$ 19,315	1.0%	$ 19,516	1.0%
City of St. Louis 1/4 cent sales tax	8,822	8,916	1.1%	8,920	0.0%	9,013	1.0%
City of St. Louis Prop M2 sales tax	7,083	7,154	1.0%	7,226	1.0%	7,301	1.0%
Total City of St. Louis	34,840	35,195	1.0%	35,461	0.8%	35,830	1.0%
St. Louis County 1/2 cent sales tax	41,707	42,749	2.5%	43,818	2.5%	44,927	2.5%
St. Louis County Prop M 1/4 cent sales tax	36,650	37,592	2.6%	38,067	1.3%	39,030	2.5%
St. Louis County Prop A 1/2 cent sales tax	54,522	56,133	3.0%	57,494	2.4%	58,948	2.5%
Total St. Louis County	132,879	136,475	2.7%	139,379	2.1%	142,905	2.5%
Other local match - MO	650	650	0.0%	650	0.0%	650	0.0%
State of Missouri	469	469	0.0%	469	0.0%	483	3.0%
Planning & demonstration reimbursement - EWGCOG	160	160	0.0%	160	0.0%	160	0.0%
Total Missouri local & state:	**168,998**	**172,948**	**2.3%**	**176,119**	**1.8%**	**180,028**	**2.2%**
Illinois:							
St. Clair County	51,885	53,090	2.3%	54,682	3.0%	56,347	3.0%
State of Illinois	1,633	1,633	0.0%	1,000	(38.7)%	1,000	0.0%
Total Illinois local & state:	**53,517**	**54,723**	**2.3%**	**55,682**	**1.8%**	**57,347**	**3.0%**
Total local & state	**222,516**	**227,671**	**2.3%**	**231,801**	**1.8%**	**237,375**	**2.4%**
Federal assistance:							
Vehicle maintenance	16,000	16,000	0.0%	16,000	0.0%	16,000	0.0%
JARC West County reverse commute express	393	393	0.0%	393	0.0%	393	(0.0)%
Non-capital projects- other	3,251	4,300	32.3%	4,218	(1.9)%	4,345	3.0%
Non-capital grants administration	254	254	0.0%	254	0.0%	217	(14.5)%
Total federal	**19,979**	**21,029**	**5.3%**	**20,947**	**(0.4)%**	**21,037**	**0.4%**
Total grants, sales tax and contractual revenue	**$ 242,495**	**$ 248,700**	**2.6%**	**$ 252,748**	**1.6%**	**$ 258,412**	**2.2%**

Metro Transit
Capital Budget

Transit System

Capital Revenue Assumptions
FY 2017 – FY 2019

Federal Funding

"Fixing America's Surface Transportation Act" (FAST Act)

The FAST Act is a five-year bill signed into law by President Obama on December 4, 2015. The FAST Act became effective on October 1, 2015. The new transportation law authorizes transit programs for FY 2016 – FY 2020, through September 30, 2020. The FAST Act provides steady and predictable funding over the next five years with an increase of $1billion dollars per year to transit. The FAST Act also targets funding increases towards improving state of good repair and the bus program.

There are several changes anticipated under the new FAST ACT law. Anticipated annual authorizations through the Section 5307 Urbanized Area Formula program is expected to increase by approximately 2% each year over FY15 authorized amounts. Additionally, recipients are no longer required to expend 1% of the 5307 funding on associated transit improvements. Anticipated annual authorizations through the Section 5337 State of Good Repair program is expected to increase by approximately 1.7% each year over FY2015 authorized amounts. The Section 5339 Bus and Bus Facility formula program is maintained under the new transportation law and annual authorizations are anticipated to increase by approximately 2% each year over FY 2015 authorized amounts. Additionally, the FAST Act re-introduces a discretionary bus program that was eliminated under the previous transportation law.

Annual capital revenue assumptions over the FY 2017 – FY 2019 capital budget period for Bi-State Development will be based on several factors. For urbanized areas (UZAs) with populations of 200,000 or more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, bus operating costs, fixed guideway vehicle revenue miles, and fixed guideway route miles, as well as population and population density. The formula allocation also includes a percent of the Section 5307 funds that will be allocated based on low-income persons residing in urbanized areas. Also, annual revenue from these formula based programs will be based on Bi-State Development's annual reporting of data to the National Transit Database.

Additional capital revenue assumptions included in the FY 2017 – FY 2019 capital plan include several discretionary funding programs. Under MAP-21, the Bus and Bus Facility discretionary program was repealed and in its place, a new Bus and Bus Facility Formula program was created. Under the FAST Act, the Bus and Bus Facility

Discretionary program has been re-introduced, and includes a sub-program for technological changes or innovations to modify low or no emission vehicles and facilities. The FAST Act also continues federal highway funding for the Congestion Mitigation and Air Quality program and the Surface Transportation program. Funding under each of these programs is eligible for various public transportation purposes.

The FAST Act also continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program that is a formula program to improve mobility for seniors and individuals with disabilities by removing barriers to transportation service and expanding transportation mobility options.

The FAST Act will support many of Bi-State Development's capital program goals, including safety, state of good repair, performance, and program efficiency.

Through funding apportioned under the FAST Act, Bi-State Development's capital program is planned primarily through the Section 5307 Urbanized Area Formula program; Section 5337 State of Good Repair Formula Program, and the Section 5339 Bus and Bus Facility Formula program.

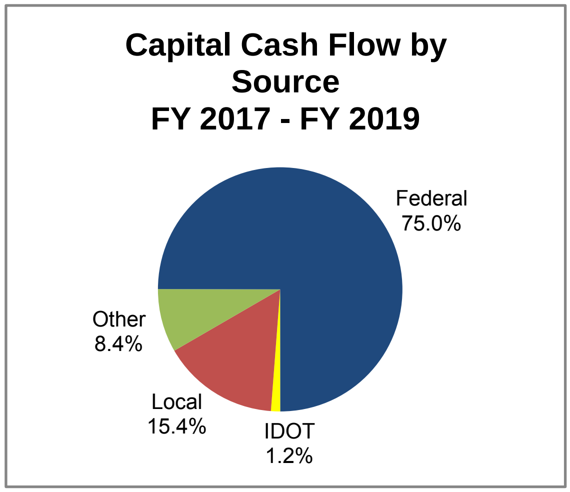
Bi-State Development's FY 2017 – FY 2019 capital budget totals $633.9 million. Funding is planned through the FAST Act programs including Section 5307 Formula, Section 5337 State of Good Repair and Section 5339 Bus and Bus Discretionary Formula as well as previously authorized and apportioned programs under MAP-21 and SAFETEA-LU. Federal discretionary programs such as Congestion Mitigation & Air Quality (CMAQ) funds and Surface Transportation Program (STP) funds are continued under the FAST Act law and are planned in this capital program. In addition, the Bus and Bus Facility discretionary grant program is being re-introduced under the FAST Act law and funding is planned for revenue rolling stock and facility rehabilitation and replacement.

Under the FAST Act transportation law, capital projects are planned with an 80% federal investment and 20% local match. In the case of revenue vehicles and facilities, which seek to meet Clean Air regulations and ADA, compliance, under the FAST Act federal funding is eligible for up to 80% of the net project costs. For vehicles and facilities programmed and awarded with funding under the prior transportation law MAP-21, the authorized federal investment was 85% with a 15% local match.

"Moving Ahead for Progress in the 21st Century" (MAP-21)

MAP-21 was a two-year bill signed into law by President Obama on July 6, 2012. MAP-21 became effective Oct. 1, 2012 and authorized transportation programs through the federal fiscal year ending September 30, 2014. MAP-21 was under a continuing resolution until December 4, 2015. Funding and programs authorized under MAP-21 will continue to be administered through their programmatic life.

Beginning with the FY 2013 apportionment, the Urbanized Area Formula funds have been apportioned based on UZA designations and population counts from the 2010 Census. For UZAs with populations of 200,000 or more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, fixed guideway passenger miles and fixed guideway route miles, as well as population and population density. In addition, under MAP-21 a new factor in computing the Formula allocation includes a percent of the section 5307 funds that will be allocated on the basis of low-income persons residing in urbanized areas. This allocation will continue under the FAST Act.



MAP-21 repealed the New Freedom Program (Section 5317) established under SAFETEA-LU and the New Freedom Program activities were merged into an existing Section 5310 Elderly and Disabled program creating the new Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program. The original Section 5310 program was established in 1975 as a discretionary capital assistance program awarding grants to private nonprofit organizations to serve the transportation needs of seniors and persons with disabilities. Under SAFETEA-LU, the Section 5317 New Freedom program was a formula grant program that provided funding for capital and operating expenses that support new public transportation services beyond those required by the Americans with Disabilities Act of 1990.Under the new Section 5310 program, funding supports “Traditional” capital projects and incorporates the New Freedom activities into the program. The FAST Act continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program over the five-year authorization.

Safe, Accountable, Flexible and Efficient Transportation Equity Act - A Legacy for Users (SAFETEA–LU)

SAFETEA-LU was signed into law on August 10, 2005 and authorized a total of $52.6 billion in guaranteed funding for Federal transit programs for FY 2005 through FY 2009. SAFETEA-LU was structured to increase investments in public transit through common sense transit solutions. The law expired September 30, 2009 and remained in effect under a series of continuing resolutions until its final expiration on September 30, 2012. Funding and programs authorized under SAFETEA-LU will continue to be administered through their programmatic life.

Department of Homeland Security Transit Security Grant Program (TSGP)

The Transit Security Grant Program continues to be an important funding source for Bi-State Development. These funds provide for the critical hardening of Bi-State Development's assets by enhancing various security measures as well as providing funding to support front-line employee training and bus and rail response and recovery drills to address potential terrorist threats. The capital budget includes projects and planned applications throughout the FY 2017 – FY 2019 period.

State Funding

Illinois Department of Transportation (IDOT)

IDOT funds are used to support various capital projects located in Illinois. Bi-State Development also uses Illinois funds for a share of the cost of capital projects that benefit Illinois but are located in Missouri.

Missouri Department of Transportation (MoDOT)

Funding to support capital projects will be sought through MoDOT as available.

Local and Other Funding

Missouri Local Sales Tax Funds

Bi-State Development uses a combination of ½ cent and ¼ cent local sales tax capital funds generated by St. Louis City and County as the local match to Federal funding for bus and non-bus capital projects located in the City and County. Currently, 98% of the ½-cent sales tax receipts will be used for operating purposes for FY 2017 - FY 2019.

Funds generated by the ¼-cent sales tax approved as "Proposition M" in August 1994 are applied first to cover debt service requirements of the Cross County bond issuance. After covering debt service requirements, a portion of the remaining funds may be used as the local match to fund specified capital projects located in Missouri as approved by St. Louis City and County.

Proposition A was authorized through a referendum passed in St. Louis County on April 6, 2010. Proposition A provides an additional ½ cent sales tax to fund public transit capital and operating needs for the St. Louis region. Prop A's passage in the County also triggered a ¼ cent sales tax in the City of St. Louis that voters there approved in 1997.

St. Clair County (Illinois) Transit District

The St. Clair County Transit District will provide funds for specific projects related to their Transit District.

Other Financing

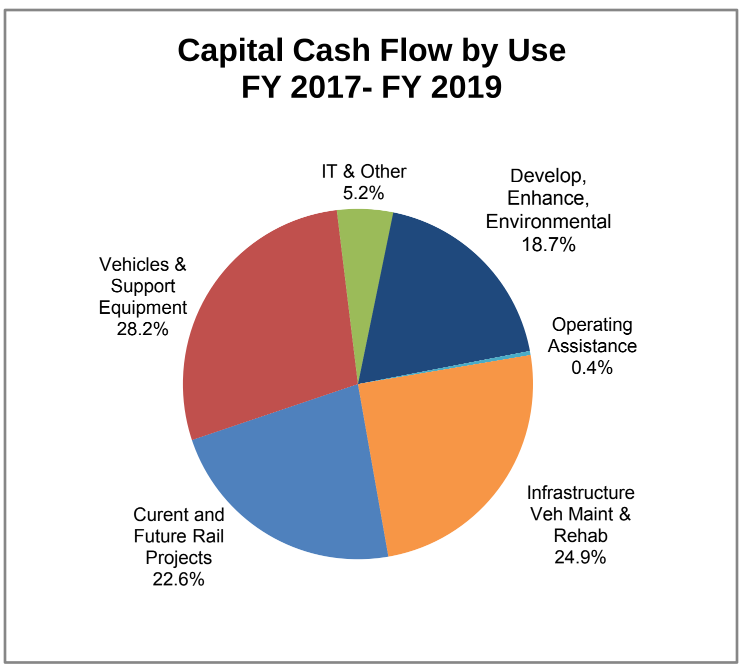
Other financing is made up of operating dollars used to match capital projects such as preventive maintenance of vehicles and facilities. From time to time, funding is also identified from sources other than local sales taxes.

Capital Expenditure Assumptions FY 2017 – FY 2019

Capital Expenditures

The capital expenditure program for FY 2017 – FY 2019 encompasses a wide range of initiatives over the next three years meeting Bi-State Development's major capital projects and priorities and incorporates the federal program changes reflected in the new transportation law Fixing America's Surface Transportation Act.

A capital project is defined as costing more than $5,000 and having a useful life of more than one year. Total capital expenditures planned for FY 2017 is $469.4 million. Total capital expenditures planned for the three-year capital program is $633.9 million. The FY 2017 – FY 2019 capital expenditure program includes both recurring and non-recurring capital expenditures. The recurring capital expenditures are those that are included in almost every budget and will have no significant impact on the operating budget. These recurring investments include bus and paratransit revenue rolling stock replacements; various security upgrades; hardware and software upgrades to support advances in technology; and preventive maintenance along the MetroLink Right-of-Way and at MetroBus stations. Federal Formula funds will be allocated to the vehicle maintenance program throughout this capital budget period.



Under the FAST Act the requirement to set aside one percent of Section 5307 Formula funds for associated transit improvements to enhance MetroBus and MetroLink facilities as a part of Bi-State Development's recurring capital activities has been repealed. However, carryover funding approved from prior transportation laws under SAFETEA-LU and MAP-21, are included in the FY 2017 – FY 2019 budget to support transit improvements throughout the transit system.

To support future transit enhancements, other capital funds will be designated for the Arts in Transit Program as directed by Board policy.

The three-year capital budget assumes approximately $143.2 million for MetroLink infrastructure projects, $2.3 million for JARC operating assistance, $13.7 million for safety and security enhancements, and $18.3 million for information technology improvements. Vehicles and supporting equipment needs assume $179.1 million; infrastructure and vehicle maintenance needs assume $157.7 million.

Peripheral equipment is planned to improve operating efficiencies, customer enhancements and support "smart bus" technology that includes automatic passenger counters, an automated vehicle locator system, closed circuit TV systems, additional ticket vending machines, and a farebox upgrade for "smart card" capability. These improvements will meet regional Intelligent Transportation System architecture requirements.

Various security upgrades will be met through this capital program period including additional cameras and digital recording devices on light rail vehicles, buses and paratransit vehicles and in various MetroLink tunnels and bridges. In addition, various security enhancements will be implemented at bus and light rail facilities including installation of upgraded public address systems.

Upgrades at various MetroLink stations and bus stops throughout the transit service area will serve to address the Americans with Disabilities Act (ADA) requirements. ADA improvements include the upgrade of tactile warning strips at various MetroLink stations as well as continuing to improve access to bus stops and the installation of passenger benches at various bus stop locations throughout the system.

Various technological advancements are planned over the next three years to support Bi-State Development's premiere transit operations. Hardware and software upgrades will be implemented throughout the system.

Major facility improvements planned over the next three years include the replacement of 15-20 year-old major components such as heating, ventilation and air conditioning systems, elevators, escalators, electrical systems and doors. In addition, MetroLink infrastructure projects over the next three years include bridge and tunnel repairs, surface and alignment of the mainline track, substations and catenary insulators.

Non-Routine Capital Expenditures

There are a number of non-recurring capital expenditures planned in the FY 2017 - FY 2019 capital budget. These non-recurring expenditures are intended to address an immediate capital need within the Bi-State Development's Metro Transit system and may impact the operating budget after initial capitalization. The non-recurring capital expenditures include major enhancements of the system infrastructure including the construction of a new MetroLink station in the central corridor of the St. Louis service area as well as the expansion of the existing Central West End MetroLink station. It also includes construction of a new bus transfer center in Downtown St. Louis and a new bus transfer center and maintenance facility in the North County portions of the service area. These planned improvements total $55.7 million.

Additionally, Bi-State Development continues to upgrade its interoperable communications system to be compliant with FCC regulations and to enable communications with first responders within the region. These improvements total $34 million. During this FY 2017 - FY 2019 capital program period, funds totaling $22.0 million are planned for expenditure to complete this project. A total of $7.2 million in expenditures is planned for the FY 2017 – FY 2019 capital program year to support the continued upgrade of the fare collection system and smart card program. Total investment in this project is $29.5 million.

During the FY 2017 – FY 2019 capital program period, $48 million will be allocated to the vehicle maintenance program through Federal Formula funds. A total of $16 million in Federal Formula funds annually will be allocated to the program for FY 2017 - FY 2019.

Under the FAST Act, funding for the State of Good Repair program which supports maintenance, replacement and rehabilitation of light rail infrastructure, facilities and equipment continues to be authorized. During the FY 2017 - FY 2019 capital investment program, projects will be administered and funds expended under the State of Good Repair program as well as the previously authorized Fixed Guideway Modernization program. In addition, funds totaling $18 million dollars have been returned to the capital budget from Bi-State Development's debt service reserve fund and applied to fixed guideway eligible projects. A total of $94 million in federal State of Good Repair funds are planned over FY 2017 - FY 2019 to support light rail facility and right-of-way improvements throughout the system, as well as rehabilitation and replacement of aged revenue and non-revenue equipment. As a part of Bi-State Development's overall state of good repair efforts, Bi-State Development continues to develop its' transit asset management program which will further establish standards for the state of good repair of Bi-State Development's transportation infrastructure and vehicles and to develop a transit asset management database to more efficiently manage all assets.

As a part of Bi-State Development's adopted Long Range Transit Plan, bus rapid transit (BRT) is planned to support several transit corridors. Through an alternatives analysis study funded in a previous capital year, the study is expected to lead to future design and construction of the selected corridors. These transportation efforts are being planned and coordinated with the region's metropolitan planning organization.

The three-year capital budget of $633.9 million addresses all major elements of Bi-State Development's Metro Transit system improvements. Included within this plan are eight significant non-routine capital expenditures. They include:

	(in millions)
Integrated Fare System Upgrade	$ 7.2
Radio Replacement	22.0
Union Station Tunnel Rehabilitation	34.9
Downtown Transfer Center	9.7
North County Bus Transfer Center\Maintenance Facility	30.6
Light Rail Vehicle Upgrades	74.0
Information Technology Upgrades	18.3
Boyle Avenue MetroLink Station & CWE Platform Extension	15.4
Total non-routine projects	$ 212.1

Funding for all programs will be derived from Federal Formula, Fixed Guideway, State of Good Repair, Bus and Bus Facility Formula, Bus and Bus Facility Discretionary, Surface Transportation Program, Job Access and Reverse Commute, Homeland Security, Congestion Mitigation & Air Quality, New Freedom, Enhanced Mobility of Seniors and Individuals with Disabilities and other sources of discretionary funding appropriately matched by local sources of funding. This plan is progressive and when effectively implemented will ensure that Bi-State Development is on target to meet the needs of the community.

Non-Routine Capital Grant Administration Agreements

In FY 2005, Bi-State Development assumed the grant administration responsibilities of the region's JARC and New Freedom funding. The JARC funding was previously administered as a competitive grant program awarded directly to Bi-State Development. As a part of the SAFETEA-LU authorization, the JARC funding was changed to a formula program. Under MAP-21, the JARC program was eliminated and the JARC related activities were incorporated as a part of eligible activities under the Federal Urbanized Area Formula funding. The FAST Act maintains this program element under the formula funding. Previously authorized and approved JARC funding will be expended over the FY 2017-FY 2019 capital program period.

The New Freedom program was introduced in SAFETEA-LU as a formula program. Under MAP-21, the program was eliminated and the activities are now incorporated as eligible activities in a new formula program known as the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities. The FAST Act continues the funding authorization for the Enhanced Mobility of Seniors and Individuals with Disabilities over the five-year authorization and is planned during the FY 2017 – FY 2019 program period.

The East-West Gateway Council of Governments (EWGCOG) was identified as the designated recipient for JARC and New Freedom funds through SAFETEA-LU. Through a memorandum of understanding, Bi-State Development administers sub-recipient awards and agreements for any projects that were selected through a competitive application process for these programs. Under MAP-21, the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities responsibilities were assigned to co-designated recipients including Bi-State Development, East-West Gateway Council of Governments, Missouri Department of Transportation (MoDOT) and Illinois Department of Transportation (IDOT). Bi-State Development will manage subrecipient awards and agreements for the "New Freedom" type projects; the State DOT's will manage the "traditional" 5310 program activities; and, EWGCOG will administer the application process and the development of the Coordinated Human Services Transportation Plan.

The FAST Act continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities funding program. It is expected that the co-designated recipients and their assigned responsibilities previously established under the prior authorization will be maintained and that funding will be administered as identified under the current MOU.

Bi-State Development will continue to administer funds remaining under the SAFETEA-LU and MAP-21 authorizations through the FY 2017 – FY 2019 program period. New funding appropriated under the FAST Act will also be administered through this program period.

While Bi-State Development is responsible for the administration of the grants and the reimbursement of expenditures generated by these partner agencies, Bi-State Development is not a direct recipient of these funds. Therefore, these projects and funds are not included in Bi-State Development's capital improvement program. Bi-State Development serves as administrator for the following subrecipients:

SAFETEA-LU Funded Projects
Job Access and Reverse Commute and New Freedom

	(in millions)
Jefferson County Developmental Disabilities Resource Board	$ 0.09
OATS	0.19
Jefferson County Community Partnership	0.04
Independence Center	0.18
Sub-total JARC/New Freedom agreements	$ 0.50

MAP-21 Funded Projects
Enhanced Mobility of Seniors and Individuals with Disabilities

	(in millions)
Paraquad	$ 0.19
ITN St. Charles	0.04
Disability Resource Association	0.14
Touchette Regional Hospital	0.02
Challenge Unlimited	0.21
Jefferson County Community Partnership	0.16
Sub-total Enhanced Mobility of Seniors & Individuals with Disabilities agreements	$ 0.76
Total non-routine capital grant administration agreements	$ 1.26

Impact of Capital Improvements on Operating Budget

Included in the capital budget is a three-year program designed to build, maintain or replace Bi-State Development's core infrastructure critical to the operation of the system. The effect of these projects on the operating budget is as varied as the projects. The capital budget provides the funding to implement necessary improvements and upgrades to the system infrastructure as well as various expenditures for asset replacements that occur on an infrequent basis and have an expected long-term useful life. The operating budget provides the funding to support everyday maintenance and resources necessary to support those maintenance efforts. This section addresses the expected operating budget impact of significant, current active capital projects or those planned to begin during the FY 2017 – FY 2019 capital program period and that directly affect the FY 2017 operating budget period.

Current and Future Rail Projects

Track, catenary, alignment, bridge, tunnel and maintenance projects generally have the effect of stabilizing maintenance activity in the operating budget by avoiding expense peaks and valleys. One very important project is the Eads Bridge rehabilitation project, along the original MetroLink alignment. This project is currently funded and rehabilitation efforts are on-going through early FY 2017. The Eads Bridge rehabilitation project will return the bridge to a state of good repair and reduce operating related maintenance expenses. In addition, the capital budget plans for a significant upgrade of the Union Station MetroLink Tunnel. This project is projected to cost $35 million. Full funding is planned through the FY 2017 – FY 2019 capital plan. This tunnel has experienced significant repairs over the past few years. The $35 million capital investment in this infrastructure is expected to reduce operating expenditures related to the tunnel by 15%. Additional light rail bridge and tunnel upgrades are planned through the FY 2017 - FY 2019 capital period to bring a number of infrastructures and facilities back to a state of good repair.

Vehicles and Supporting Equipment

Timely replacement of vehicles that have met their useful life will ensure that operating expenses remain stable. Revenue vehicles currently on order include 26 buses and 17 paratransit vehicles.

Capital expenditures are planned for upgrades to peripheral equipment including the fare collection system replacement, which is currently underway. This project is expected to improve efficiency of operations by improving equipment reliability and labor related repairs. Initially, parts will be under warranty as well. Smartcard technology will likely increase the cost of supplies, as materials related to card production are higher than paper related to tickets. Customer services during the transition will also increase. Estimated first year operating cost increases may be over $1 million.

A multi-year radio system replacement project is underway with design and planning of optimal sites for location of new radio towers being planned. This $34 million project is the result of FCC regulations requiring changes in technology and operating frequency. The radio system upgrade will incorporate Automated Vehicle Locator (AVL) technology. The addition of AVL should result in operating savings of more than $500,000 annually. If the radio project were not undertaken, the operational issues that would result from losing operating radio frequency would be unacceptable.

Transit Development - Facility, Centers, Stations, Parking Lots, Loops, Other

Construction of a new MetroLink station in the central corridor of the St. Louis service area and the expansion of the current Central West End MetroLink station will have a modest impact on operating costs beginning in FY 2019. Design is complete and construction for the expansion of a downtown bus transfer center will begin in late FY 2016 and will be complete in late FY 2017. Additionally a transfer center in the North County portion of our service area will open in March 2016 with a modest impact to operating costs beginning in FY 2017. With the construction and expansion of these three facilities there are expected operating costs to add additional positions as well as maintenance contracts and utilities. These projects continue the hub and spoke system Bi-State Development created ten years ago to support better transfer options for customers connecting via bus-to-bus or bus-to-rail. Seven other centers have been built since 2002. They include Ballas, North Broadway, Clayton, Civic Center at 14th and Spruce, Shrewsbury, Riverview and Meridian MetroBus Center. These centers provide improved transfers between bus routes in a safe and secure location. The maintenance contracts, utilities, additional positions, and landscaping have added $160,000 annually for these facilities.

Parking lot upgrades and ADA improvements at our MetroLink stations will decrease current maintenance efforts. A new maintenance facility is planned to support state of good repair needs for revenue vehicles operating from the planned North County Transfer Center. Additional manpower and utility costs will impact the operating budget.

Information Technology Improvements

Investments to improve Customer Service Information and Operations Management are planned over the three-year period. Additional technology upgrades will include a number of enhancements to the systems that will improve our customer relations and system management efforts without increasing manpower costs.

Long Range Capital and Operating Budget Impacts

An alternative analysis to consider possible Bus Rapid Transit (BRT) corridors was funded in a previous capital year. The preferred corridor(s) is expected to be identified through this analysis. As a part of long-range capital planning, funding will be sought to support the system improvements and equipment needs to build and operate the selected BRT corridor(s). Capital and operating costs will be determined based on outcomes of the alternatives analysis and design of the BRT corridors.

Significant Capital Improvement Projects and Operating Impacts Planned in FY 2017 – FY 2019

Description	Capital Investment (in millions)	Annual Impact FY	Operating $
North County Transfer Center	$5.4	2017	$ 0.3
Downtown Transfer Center Expansion	$10.5	2018	-
North County Maintenance Facility	$29.0	2019	$ 0.3
Radio/CAD/AVL Upgrades	$34.0	2017	($ 0.5)
Replacement Rolling Stock	$138.2	2017-2019	($ 3.0)
Boyle Avenue MetroLink Station and Expansion of Existing Central West End MetroLink Station	$15.4	2019	tbd

Transit System

Federal Programming Needs
FY 2017 – FY 2019

To meet the goals identified in the capital budget, appropriate federal funding must be secured to support capital programs for the planned three-year fiscal period. This section describes the planned projects and identifies the anticipated sources of funding and the fiscal year in which grant funds must be obligated. Any delay or reduction in federal, state or local funding will necessitate modifications to the capital improvements contained in this capital program.

The FAST Act is a five-year bill signed into law by President Obama on December 4, 2015. The FAST Act became effective on October 1, 2015. The new transportation law authorizes transit programs for FY 2016 – FY 2020, through September 30, 2020. The FAST Act provides steady and predictable funding over the next five years with an increase of $1billion dollars per year to transit. The FAST Act re-introduces a discretionary bus program, which was eliminated under the previous transportation law. The FAST Act also targets funding increases towards improving state of good repair and the bus program.

Programs authorized under the FAST ACT will continue to addresses several important goals facing the transportation system today including improving safety, ensuring the state of good repair of the system and focusing on performance and program efficiency. It also emphasizes rehabilitation and replacement of aged infrastructure by furthering the asset management requirements and performance-based planning requirements established under the previous transportation law MAP-21.

Projects identified in Bi-State Development's FY 2017 – FY 2019 capital plan seek to meet the requirements detailed in the FAST Act authorization and guidance. Planned replacement of rolling stock, including buses and paratransit vehicles that meet EPA clean air standards and are equipped with ADA complaint lifts and equipment will ensure the safety and security of our traveling customers throughout the region. Bi-State Development's planned projects to rehabilitate rail right-of-way, tunnels and bridges will ensure the state of good repair of our light rail system. Federal funding to support these significant capital upgrades are planned from Urbanized Area Formula, State of Good Repair and Bus & Bus Facility formula funds as well as discretionary sources including Bus and Bus Facility (new discretionary program under the FAST Act), Congestion Mitigation & Air Quality and Surface Transportation Program funds.

Bi-State Development is continuing its efforts to meet the goals of the Long Range Transit plan by completing a corridor study which will lead to the identification and selection of preferred corridors for the development of bus rapid transit. Under the FAST Act, Bi-State Development will seek funding under the Fixed Guideway Capital Investments Grant program which includes streamlined guidance for the New Starts and Small Starts programs as well as the Core Capacity program. These funding sources will support new or expanded fixed guideway systems as well as bus rapid transit efforts.

Transit System Transportation Improvement Plan
FY 2017 - FY 2019
Capital Cash Flow Summary

Sources of Funds	FY 2017	FY 2018	FY 2019	TOTAL
Federal Formula Funds - New	$ 32,262,865	$ 32,262,865	$ 32,262,865	$ 96,788,595
Federal Formula Funds - Carryover	91,279,868	-	-	91,279,868
Fixed Guideway Funds - Carryover	28,060,046	-	-	28,060,046
State of Good Repair - New	14,010,461	14,010,461	14,010,461	42,031,383
State of Good Repair - Carryover	51,962,708	-	-	51,962,708
Bus and Bus Facility - New	3,073,365	3,073,365	3,073,365	9,220,095
Bus and Bus Facility - Carryover	6,392,849	-	-	6,392,849
Approved Federal Discretionary Funds	55,174,461	392,589	392,590	60,959,640
Planned Federal Discretionary Funds	61,133,368	16,000,000	16,000,000	88,133,368
IDOT Funding	6,418,774	770,421	506,160	7,695,355
Missouri Local Match	68,387,815	11,300,027	11,580,513	91,268,355
St. Clair County Transit District Funds	6,522,070	16,227	-	6,538,297
Other Financing	44,742,186	4,451,917	4,392,590	53,586,693
Grand Total	**$ 469,420,836**	**$ 82,277,872**	**$ 82,218,544**	**$ 633,917,252**

FY 2017 Capital Programs and Projects

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$ 121,064,835	
		$ 121,064,835
Operating Assistance		
Job Access/Reverse Commute Service	808,141	
		808,141
Vehicles and Supporting Equipment		
Peripheral Equipment	11,269,921	
Peripheral Support	21,980,769	
Revenue Vehicles	91,201,455	
Support Vehicles	7,554,672	
		132,006,817
New Development, Enhancement, Environmental Projects		
Bike Trail	813,082	
Community Development Projects	8,347,463	
Enhancement Projects	4,782,034	
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	94,313,879	
		108,256,458
Information Technology Improvements		
Hardware and Software Data Systems	15,963,549	
Office Equipment	349,094	
		16,312,643

FY 2017 Capital Programs and Projects

Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	18,607,896	
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	4,931,487	
Preventative Maintenance	20,000,000	
Vehicle Maintenance, Rehab, Overhaul Programs	35,049,139	
		78,588,522
Health, Safety, and Security		
Health, Safety and Security Projects	11,681,135	
		11,681,135
Program Administration		
Program Administration	702,285	
		702,285
	Grand Total	**$ 469,420,836**

FY 2017 - FY 2019 Capital Programs and Project

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$ 143,221,677	
		$ 143,221,677
Operating Assistance		
Job Access/Reverse Commute Service	2,378,499	
		2,378,499
Vehicles and Supporting Equipment		
Peripheral Equipment	11,269,921	
Peripheral Support	21,980,769	
Revenue Vehicles	138,259,867	
Support Vehicles	7,554,672	
		179,065,229
New Development, Enhancement, Environmental Projects		
Bike Trail	813,082	
Community Development Projects	8,347,463	
Enhancement Projects	4,841,362	
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	104,727,352	
		118,729,259
Information Technology Improvements		
Hardware and Software Data Systems	17,963,549	
Office Equipment	349,094	
		18,312,643

FY 2017 - FY 2019 Capital Programs and Project

Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	18,607,896	
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	4,931,487	
Preventative Maintenance	60,000,000	
Vehicle Maintenance, Rehab, Overhaul Programs	74,137,142	
		157,676,525
Health, Safety, and Security		
Health, Safety and Security Projects	13,681,135	
		13,681,135
Program Administration		
Program Administration	852,285	
		852,285
	Grand Total	**$ 633,917,252**

Transit System Transportation Improvement Plan
FY 2017 - FY 2019
Capital Cash Flow Summary

Uses of Funds	FY 2017	FY 2018	FY 2019	TOTAL
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$ 121,064,835	$ 13,162,008	$ 8,994,834	$ 143,221,677
Job Access/Reverse Commute Service	808,141	785,178	785,180	2,378,499
Peripheral Equipment	11,269,921	-	-	11,269,921
Peripheral Support	21,980,769	-	-	21,980,769
Revenue Vehicles	91,201,455	23,529,206	23,529,206	138,259,867
Support Vehicles	7,554,672	-	-	7,554,672
Bike Trail	813,082	-	-	813,082
Community Development Projects	8,347,463	-	-	8,347,463
Enhancement Projects	4,782,034	59,328	-	4,841,362
Transit Development - Facility, Centers, Stations, Parking, Lots, Loops, Other	94,313,879	10,413,473	-	104,727,352
Hardware and Software Data Systems	15,963,549	1,000,000	1,000,000	17,963,549
Office Equipment	349,094	-	-	349,094
Existing Facilities - Maintenance and Rehab	18,607,896	-	-	18,607,896
Preventative Maintenance	20,000,000	20,000,000	20,000,000	60,000,000
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	4,931,487	-	-	4,931,487
Vehicle Maintenance, Rehab, Overhaul Programs	35,049,139	12,253,679	26,834,324	74,137,142
Health, Safety and Security Projects	11,681,135	1,000,000	1,000,000	13,681,135
Program Administration	702,285	75,000	75,000	852,285
Grand Total	**$ 469,420,836**	**$ 82,277,872**	**$ 82,218,544**	**$ 633,917,252**

Tourism Innovation

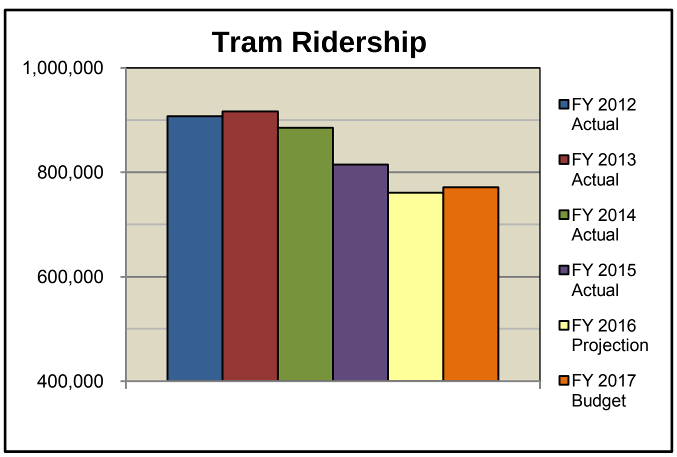
Gateway Arch

Overview:

In 1962, as the construction of the Gateway Arch was beginning, National Park Service officials recognized that existing funds were insufficient to construct a tram system to carry visitors to the top of the monument. Bi-State Development proposed its first major public transaction which was for the sale of revenue bonds to finance the Gateway Arch Tram Transportation System. Since its opening in 1967, Bi-State has overseen the tram system operation. Today, BSD employees also handle all aspects of ticketing and reservations and provide marketing support for the monument in partnership with the National Park Service. With the December 2014 bond issuance to fund additional capital projects at the Arch, BSD and NPS have extended the agreement for another 30 years.

Strategic focus:

The Gateway Arch is a premier tourist destination in the Midwest and one of the most visited monuments in the United States. Our focus is to create a sustainable increase in visitation to the Gateway Arch, Jefferson National Expansion Memorial and surrounding area through targeted marketing and capital improvements to meet the demands of our visitors. Bi-State Development is partnering with the National Park Service and other organizations to leverage and enhance the unique entertainment and educational products at the Gateway Arch, with the goal of creating a higher perceived value to our visitors. The Gateway Arch hosts more than 2.3 million visitors each year and generates more than $100 million of direct and peripheral economic benefit for the St. Louis Region.



Attractions:

Journey to the Top
New exhibits will be implemented for both the North and South Trams in FY 2017.

Westward Expansion Museum
The Westward Expansion Museum is closed and is being renovated and reopened in 2017.

Odyssey Theatre
This theatre was permanently closed in 2015 and will reopen as a retail store in 2016.

Tucker Theater
Features the film "Monument to the Dream" recapping construction of the Arch.

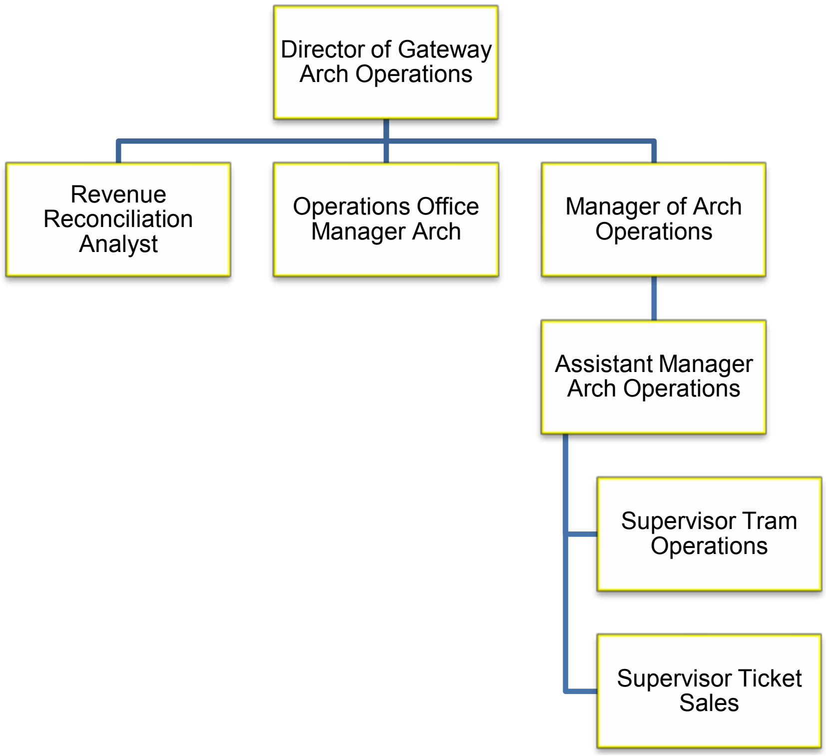
Museum Stores
Closed in 2015 and is being repurposed to house a portion of BSD's new offices.

Also on the St. Louis Riverfront:
Old Courthouse, Gateway Arch Riverboats, helicopter tours, Laclede's Landing MetroLink station

Website: www.gatewayarch.com

Gateway Arch

Organization:



Total Personnel:

Full-Time -	14
Part-Time -	Seasonal employee count varies throughout the year

Gateway Arch
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY 17 Bgt vs. FY 16 Proj $ Change	FY 17 Bgt vs. FY 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:								
Arch ticket sales	$ 5,285,976	$ 6,042,614	$ 6,066,861	$ 7,713,850	$ 1,646,989	27.1%	$ 9,219,530	$ 9,219,530
Sales discounts and allowances	(64,620)	(87,798)	(98,859)	(109,492)	(10,633)	-10.8%	(129,074)	(129,074)
Site rental and other revenues	32,048	28,799	28,989	29,399	410	1.4%	52,199	52,883
Total Operating Revenue	**5,253,404**	**5,983,615**	**5,996,991**	**7,633,757**	**1,636,766**	**27.3%**	**9,142,655**	**9,143,339**
Non-Operating Revenue:								
Investment income	4,335	14,293	9,595	14,293	4,698	49.0%	14,293	14,293
Total Non-Operating Revenue	**4,335**	**14,293**	**9,595**	**14,293**	**4,698**	**49.0%**	**14,293**	**14,293**
Total All Revenue	**5,257,739**	**5,997,908**	**6,006,586**	**7,648,050**	**1,641,464**	**27.3%**	**9,156,948**	**9,157,632**
Operating Expenses:								
Compensation	1,179,929	1,391,344	1,357,167	1,460,860	103,693	7.6%	1,648,751	1,669,680
Benefits excluding OPEB	208,575	502,189	436,951	568,292	131,341	30.1%	603,762	630,586
OPEB	46,311	52,000	29,608	27,000	(2,608)	-8.8%	27,000	27,000
Services	566,801	979,257	836,267	1,023,209	186,942	22.4%	1,116,855	1,144,908
Parts & supplies	405,980	241,133	180,944	254,119	73,175	40.4%	250,344	252,192
Casualty & liability	48,284	53,566	56,176	56,143	(33)	-0.1%	43,141	44,419
Utilities	111,926	127,613	127,714	114,585	(13,129)	-10.3%	117,920	121,356
Other expense	1,222,549	1,200,751	1,177,194	1,708,236	531,042	45.1%	2,052,304	1,850,772
Total Operating Expense	**3,790,356**	**4,547,852**	**4,202,019**	**5,212,443**	**1,010,424**	**24.0%**	**5,860,077**	**5,740,912**
Non-Operating Expense:								
Interest expense	343,427	307,465	307,465	305,999	(1,466)	-0.5%	300,016	293,791
Contributions to outside entities	7,141,917	-	(1,233,194)	-	1,233,194	100.0%	825,749	1,121,367
Total Non-Operating Expense	**7,485,344**	**307,465**	**(925,729)**	**305,999**	**1,231,728**	**133.1%**	**1,125,765**	**1,415,158**
Total All Expense	**11,275,700**	**4,855,317**	**3,276,289**	**5,518,442**	**2,242,152**	**68.4%**	**6,985,842**	**7,156,070**
Net Income (Deficit) Before Depreciation & Amortization	**(6,017,961)**	**1,142,591**	**2,730,296**	**2,129,609**	**(600,688)**	**-22.0%**	**2,171,107**	**2,001,563**
Depreciation & amortization	322,970	151,874	102,514	151,874	49,359	48.1%	151,874	151,874
Net transfers (in) out	(476,134)	-	627	-	(627)	-100.0%	-	-
Net Surplus (Deficit)	**$ (5,864,797)**	**$ 990,717**	**$ 2,627,155**	**$ 1,977,735**	**$ (649,420)**	**-24.7%**	**$ 2,019,233**	**$ 1,849,689**

Tourism Innovation

Gateway Arch - FY 2017 Budget

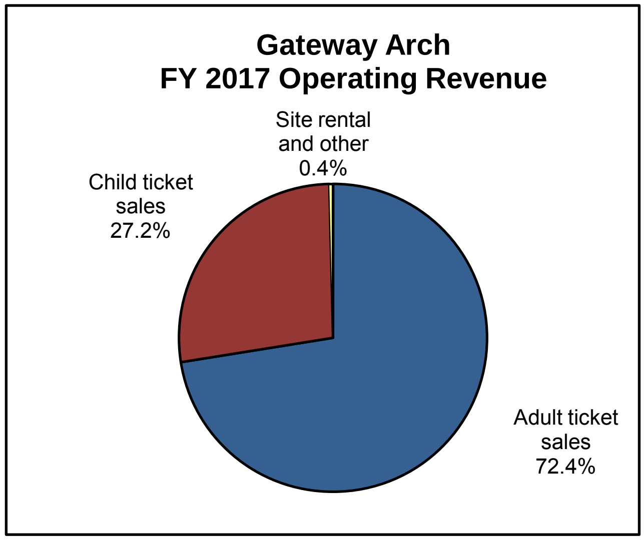
Starting in summer 2016, portions of the Jefferson National Expansion Memorial (JNEM) are expected to reopen to the public. In the fall of 2016, the grounds and landscaping projects are scheduled to be completed and those areas reopened. In 2017, the new visitor center and renovated museum will be completed. The Gateway Arch staff will continue to be heavily involved both by managing portions of the construction and providing visitor service solutions to accommodate visitors during this challenging time.

At the beginning of FY 2017, the visitor center will continue to be under construction with limited capacity in the facility and limited amenities available to visitors. To address the capacity issue and reduce time spent in queues for security / building entry, the Gateway Arch Visitor Center will require a timed-ticket for entry. By securing an entry time with a timed-ticket, visitors can spend more time enjoying attractions in downtown St. Louis instead of standing in line to enter the Arch. In the fall, BSD's permanent tram operations offices are expected to be available in what was formally the Museum Store.

During the winter of 2016/2017, the Arch Transportation System (ATS) will close for a period of 3 months for two projects. The motor generator sets located at the top of the Arch will be replaced with a variable frequency drive system that will greatly upgrade the technology used to power the ATS. This project (along with the Arch Visitors Center roof replacement) will be funded with $7,656,000 of Arch Tram Revenue Bonds issued in December 2014. Concurrent construction will occur in the ATS exhibit areas, reinvigorating the *Journey to the Top* experience with new audio visuals and a guest-oriented tour process.

The Gateway Arch will continue operating two additional ticketing locations with five points-of-sale at the Old Courthouse and three points-of-sale in a ticket booth near the entrance to the Arch. Operating multiple locations and ensuring that all visitors to the facility have an entry ticket will increase expenses and require additional staff.

Revenue



Arch ticket sales in FY 2017 result from a budgeted 771,385 tram passengers which is 1.3% higher than the 761,117 passengers projected for FY 2016. FY 2017 will experience the closing of the Arch trams between December 2016 and February 2017 for the motor generator sets replacement project. The tram fares in FY 2017 have increased from $7.00 for adults and $5.00 for children to $10.00 for both adults and children.

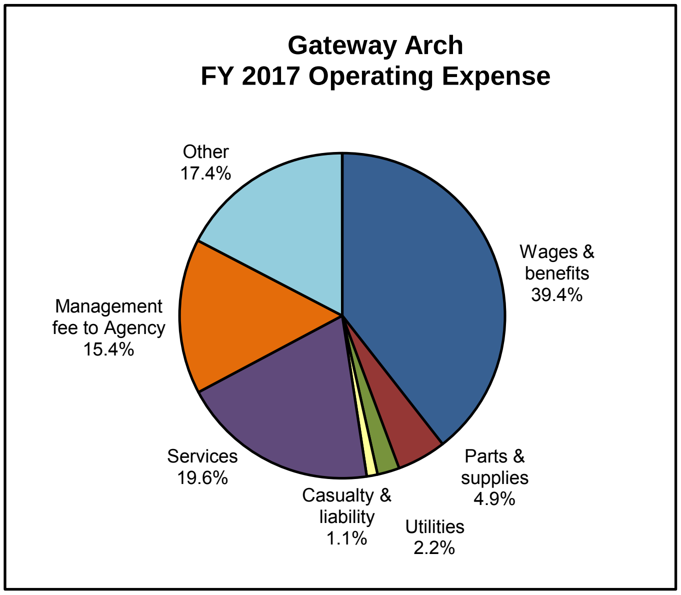
Site rental and other revenues represent convenience fees charged on the online and individual phone ticket purchases. There is no site rental revenues budgeted in FY 2017.

Expense

Wages and benefits including OPEB are budgeted in FY 2017 at 12.7% higher than the FY 2016 projection due to higher salaried wages and benefits. Changes to the Arch campus will require additional staffing for visitor orientation and guidance.

Services increased 22.4% over the FY 2016 projection and 4.5% over the FY 2015 budget primarily due to National Park Service maintenance mechanics services, website development and maintenance and other maintenance services. Services include the following (in thousands):

Mechanics employed by the National Park Service to service and repair the Gateway Arch transportation system	$ 714
Credit card fees, banking service charges	183
Legal	30
Internet web site maintenance and development	30
Maintenance Services	52
Other	14
	$1,023



Parts and supplies are budgeted at $254,119, which is $40.4% greater than the FY 2016 projection. The increase is in ticket stock, computer equipment, furniture and fixtures, and tram repair parts.

Utilities are primarily electricity costs that are $111,185 of the overall $114,585 utility budget in FY 2017.

Casualty and liability cost is budgeted in FY 2017 at the same level as the FY 2016 projection.

Other expense includes the following (in thousands):

Management fee to the Agency	$ 803
Advertising and promotion	834
Travel, training, lease expense and other	71
	$ 1,708

Other expense is budgeted in FY 2017 to be 45.1% higher than the FY 2016 projection due to higher advertising and marketing expenses related to efforts preparing for opening of the new Arch Visitor Center; and because of higher management fees which are based on higher tram ticket revenues.

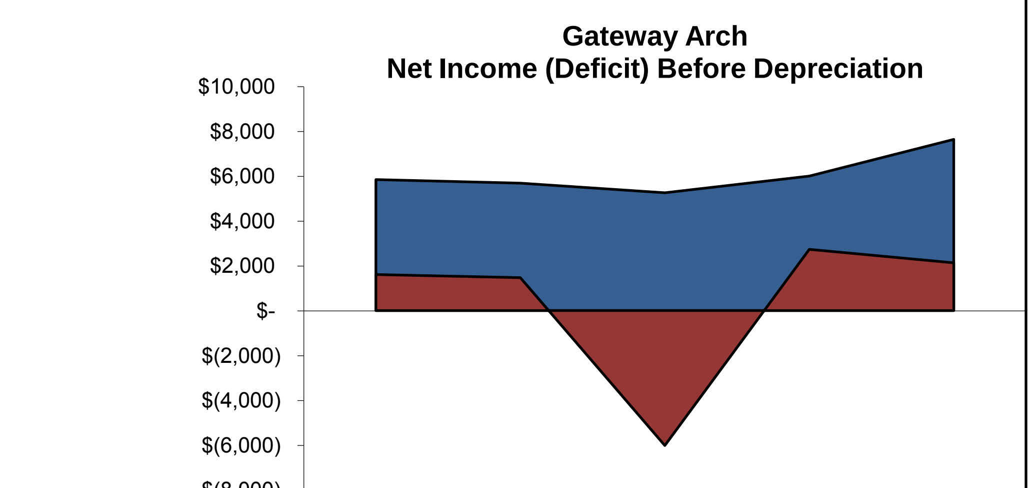
Interest expense is the interest for the $7,656,000 Arch Tram Revenue Bond Issue from December 2014. The bond issue will fund the motor generator set replacement and the Arch visitor center roof replacement projects.

Contributions to outside entities in the FY 2016 projection are for the temporary return of funds from the National Park Service for the Arch Roof project. The FY 2018 and FY 2019 amounts budgeted are for the allocation by the NPS to Bi-State Development for Operations and Maintenance costs related to the expanded Arch grounds.

For FY 2017 there are no contributions to outside entities budgeted.

Income

Net income (deficit) before depreciation for FY 2017 is budgeted at 22.0% less than the FY 2016 projection due to the projection including a temporary return of $1.2 million from the National Parks Service for the Arch roof project. Those funds will be subsequently reallocated to the motor generator set project. The FY 2015 net deficit is a result of $7.1 million of contributions to the NPS for several projects. All income the Gateway Arch generates is held in the Jefferson National Expansion Memorial Beneficial Fund to fund capital improvements. The capital budget for FY 2017 is $1.7 million.



($ In thousands)	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projection	FY 2017 Budget
Operating revenue	5,841	5,682	5,253	5,997	7,634
Net income (deficit) before depreciation	1,607	1,467	(6,018)	2,730	2,129

Gateway Arch Goals and Objectives Action Plan

The following goals and objectives are consistent with the four primary organization level goals used to achieve Bi-State Development's strategic plan. Progress in attaining these goals and objectives are measured through performance indicators. A list of performance indicators follows the goals and objectives action plan.

Goal: Mitigate effects of construction on the visitor experience.		
Objective: Make the visitor experience as pleasant as possible during construction.		
Strategy	**Action Steps**	**Performance Measurements**
Operations: Modify "Journey To The Top" process to be a more interactive, engaging, and personable experience	• Redefine the Tour Guide position to be the primary position responsible for a guided, interactive, and personable experience. • Provide staff with training that will provide skills to deliver a more interactive and engaging experience. • Redesign "Journey to the Top" load zones to focus on park themes and improved pre-boarding processes	• Reorganize time spent in queues for "Journey To The Top" experience • Increase efficiency of the "Journey to the Top" experience and improve customer satisfaction with the overall experience
Public/Media Relations: Communicate construction related impacts on visitor experience	• Communicate through all channels (media, social media, etc) the closure of the tram experience from Dec 2016 through February 2017 • Communicate completion of park grounds scheduled for the Summer and Fall of 2016 • Publicize NPS 100th anniversary • Publicize completion of museum and new entrance in 2017	• Limited visitor complaints about closure. • Increased attendance and ticket sales at and around the various completion dates • Increased number of media stories as well as social media impressions about completion milestones • Local and regional media coverage of NPS 100thanniversary
Marketing/Advertising: Build the new brand for the new Gateway Arch experience	• Research and Discovery • Brand Position and Development • Logo/Tagline Development and Brand Guidelines • Marketing Planning • Implementation	• Gather critical information in order to identify marketable strengths • Define what we stand for and determine our unique position • Create a logo and tagline that connects to our markets • Develop budgets and key

		performance indicators • Launch new brand on website, collateral, digital marketing, direct marketing, and social media
Goal: Mitigate revenue loss due to construction.		
Objective: Implement revenue enhancement strategies		
Strategy	**Action Steps**	**Performance Measurements**
Maximize ticket sales opportunities in-person, over the phone, and on the internet	• Maintain additional ticketing locations with five points-of-sale at the Old Courthouse and three points-of-sale in a ticket booth near the Arch entrance • Maintain advanced ticket sales for individuals and groups by expanding existing partnerships and establishing new relationships • Launch and optimize new e-ticketing website in conjunction with implementation of new ticketing system	• Minimize visitor complaints related to limited capacity and new ticketing locations. • Continue partnerships with the St. Louis Convention and Visitors Commission and area hotels to sell packages, which increase exposure and pre-visit sales opportunities • Increase percentage of sales from e-ticketing website

Gateway Arch: Performance Indicators				
	FY 2017 Target	**FY 2016 Projection**	**FY 2016 Target**	**FY 2015 Actual**
Net income (deficit) before depreciation ($ in thousands)	$2,130	$2,730	$1,143	($6,018)
Tram ridership	771,385	761,117	757,685	814,737

Tourism Innovation

Gateway Arch
FY 2017 - 2019 Capital Projects Summary

(in thousands)

Sources of Funds:	**FY 2017**	**FY 2018**	**FY 2019**	**Total**
Jefferson National Expansion Memorial Beneficial Fund	$1,200	$7,000	$2,000	$10,200
2014 Series Arch Tram Revenue Bonds - PNC	5,000	-	-	5,000
Total Sources of Funds	**$6,200**	**$7,000**	**$2,000**	**$15,200**

Uses of Funds:				
JNEM Park Identifying Signage				
Directional signage fabrication and signage throughout the Memorial	$200	-	-	$200
Old Courthouse Fire Suppression				
As a part of the renovation of the existing Old Courthouse structure and the development and installation of new exhibits, the fire suppression system needs to be upgraded and modernized	-	-	2,000	2,000
Tucker Theatre Experience Project				
Design and audio visual programming	1,000	-	-	1,000
Construction of the Tucker Theatre space into an alternative type of experience that matches or surpasses tram ridership in interest, excitement, and revenue generation	-	7,000	-	7,000
Arch Transportation System (ATS) Motor Generator (MG) Set Replacement				
All parts, labor, and construction services for the replacement of the MG sets for the ATS with Variable Frequency Drives. Budgeted amount includes all options for related safety and structural improvements in the Gateway Arch legs and mechanical areas.	5,000	-	-	5,000
Total Uses of Funds	**$6,200**	**$7,000**	**$2,000**	**$15,200**

Riverfront Attractions

Tourism Innovation

Riverfront Attractions

Overview:

The Gateway Arch Riverboats is the oldest excursion boat company to continuously operate on the Mississippi River. In July 2001, Bi-State Development purchased the Becky Thatcher and Tom Sawyer riverboat operation to preserve the riverboats as a part of the overall St. Louis Riverfront experience. Through on board narrations by National Park Service rangers, the Gateway Arch Riverboats are a natural extension of the educational programs currently offered at the Jefferson National Expansion Memorial.

The Gateway Arch Riverboats offer two primary public cruises. The one-hour sightseeing cruise departs five times a day seasonally, with additional times added as needed to accommodate demand. The evening dinner cruise features dinner, live riverboat style-jazz music, and magnificent views of the St. Louis skyline. In addition, they offer popular Blues cruises, Brunch cruises, Kimmswick cruises, Lock & Dam cruises and Ocktoberfest cruises. The Gateway Arch Riverboats are also utilized for corporate/convention functions, weddings, reunions, fundraisers, and special events.

The Gateway Arch Riverboats also operate the Arch View Café, gift shop, and a public use heliport barge offering helicopter tours.

Strategic focus:

The goal of the Gateway Arch Riverboats is to complement the unique entertainment and educational opportunities at the Gateway Arch while generating additional revenue. This requires the combined efforts of Bi-State Development and the National Park Service through creative and aggressive marketing strategies. The Riverboats and the National Park Service will continue their National Award winning Riverboat Educational Programs. In FY 2017, our goal is to retain passenger revenue during major riverfront construction.

Number of passengers yearly (FY 2015 Actual):

Sightseeing	59,421
Dinner cruise	6,350
Charter cruise	7,320

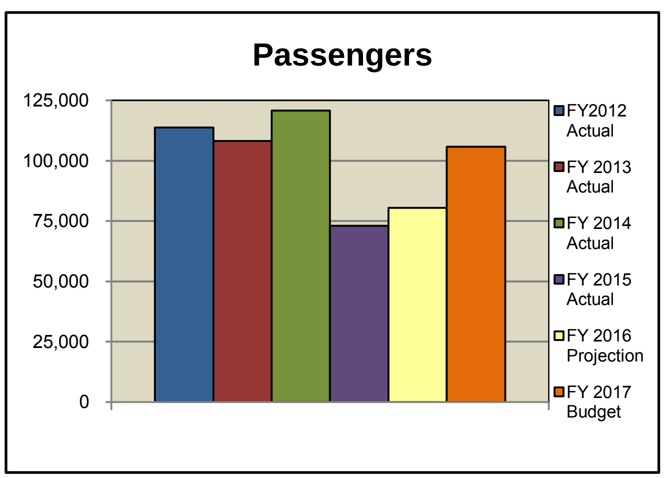
Tom Sawyer Riverboat:

Passenger capacity	350
Year built	1966

Becky Thatcher Riverboat:

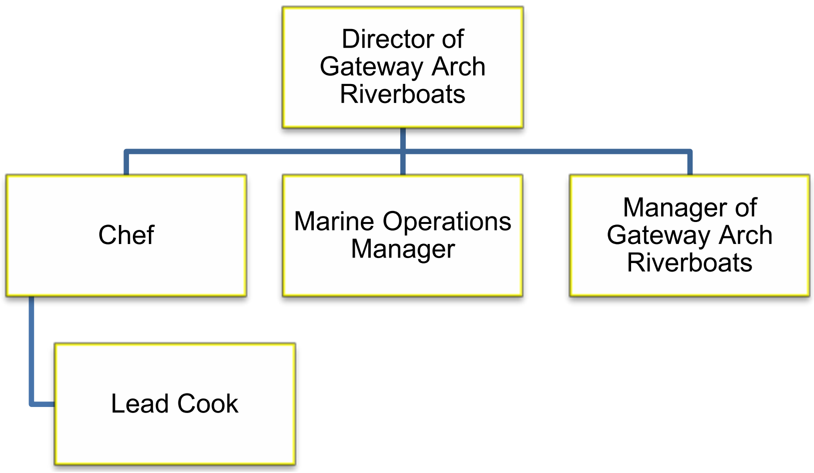
Passenger capacity	300
Year built	1963

Website: www.gatewayarchriverboats.com



Riverfront Attractions

Organization:



Total Personnel:

Full-Time -	12
Part-Time -	Seasonal employee count varies throughout the year

Riverfront Attractions
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015	FY 2016	FY 2016	FY 2017	FY17 Bgt vs. 16 Proj		FY 2018	FY 2019
	Actual	Budget	Projection	Budget	$ Change	% Change	Budget	Budget
Operating Revenue:								
Cruise	$ 974,579	$ 1,557,615	$ 1,103,701	$ 1,675,695	$ 571,994	51.8%	$ 1,757,580	$ 1,829,910
Food	409,297	544,662	367,502	565,955	198,453	54.0%	599,020	611,320
Beverage	139,915	215,166	112,806	246,197	133,391	118.2%	253,750	271,613
Retail	58,231	76,930	52,587	87,850	35,263	67.1%	87,850	87,850
Other	87,926	83,360	79,400	76,209	(3,191)	-4.0%	78,022	79,527
Total Operating Revenue	**1,669,947**	**2,477,733**	**1,715,996**	**2,651,906**	**935,910**	**54.5%**	**2,776,222**	**2,880,220**
Operating Expense:								
Compensation	693,460	798,423	750,945	905,778	154,834	20.6%	927,997	947,291
Benefits excluding OPEB	329,343	401,897	388,869	433,197	44,328	11.4%	448,470	472,027
OPEB	44,303	44,000	25,489	22,000	(3,489)	-13.7%	22,000	22,000
Services	250,537	222,080	220,936	245,320	24,384	11.0%	248,224	251,656
Parts & supplies	300,834	520,461	360,646	486,454	125,808	34.9%	501,272	516,131
Fuel and lubrications	48,011	83,000	60,067	60,000	(67)	-0.1%	61,800	63,600
Casualty & liability	149,226	173,715	160,717	175,542	14,825	9.2%	182,509	187,072
Utilities	77,363	92,845	79,335	84,661	5,327	6.7%	87,510	90,202
Other expense	163,306	130,800	115,620	143,348	27,728	24.0%	147,446	152,096
Total Operating Expense	**2,056,383**	**2,467,221**	**2,162,622**	**2,556,300**	**393,678**	**18.2%**	**2,627,230**	**2,702,075**
Net Income (Loss) Before Depreciation & Amortization	**(386,436)**	**10,512**	**(446,627)**	**95,606**	**542,233**	**121.4%**	**148,992**	**178,145**
Depreciation & amortization	290,050	315,412	326,165	315,412	(10,752)	-3.3%	315,412	315,412
Net Surplus (Deficit)	**$ (676,486)**	**$ (304,900)**	**$ (772,791)**	**$ (219,806)**	**$ 552,985**	**71.6%**	**$ (166,420)**	**$ (137,268)**

Tourism Innovation

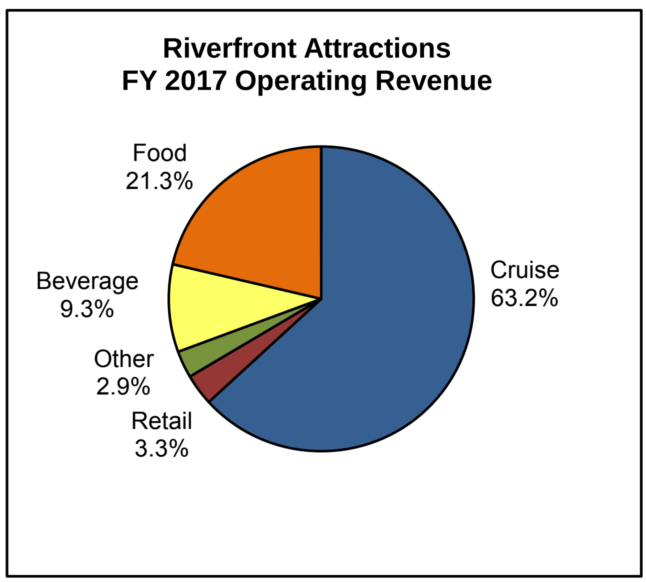
Riverfront Attractions – FY 2017 Budget

The Riverfront Attractions, which include the Gateway Arch Riverboats, Arch View Café, gift shop, and the heliport, create a complete family and tourist destination. The ability to provide these additional offerings to guests has created cross-promotional marketing opportunities, which leverage the success of the Gateway Arch Journey to the Top and increase per capita revenues. In FY 2017, the Gateway Arch Riverboats will be continuing the pricing strategy of "combo pricing" by reducing cruise fares in combination with the ticket purchases of other Arch attractions. This "combo pricing" will increase passenger volume and thus greater exposure to other revenue generators such as the Gift Shop, Arch View Café and photography. With these partnerships and promotions, it is the goal of the Riverfront Attractions to increase awareness and revenues of Bi-State Development operations on the riverfront.

In FY 2017, the Gateway Arch Riverboats, with the combined efforts and aggressive marketing strategies of Bi-State Development and the National Park Service, will continue their efforts to maximize revenues and passenger counts during this major construction period at the Arch and along the riverfront. We will also continue the award winning Riverboat Educational Program.

Revenue

The following summarizes revenue by category. Revenues are increasing as a result of a pricing restructure and more operating days, due to weather, than previous year.



Cruise revenue is based on the FY 2017 budget of 105,795 passengers. Cruise revenue for FY 2017 is budgeted at $1,675,695, which is 7.6% higher than the FY 2016 budget. The FY 2017 Riverboats passenger counts and revenues are budgeted with 18 cruising days lost to high water on the Mississippi River. In FY 2016, the CityArchRiver construction of the Arch grounds and surrounding streets impacted the convenience of our customers. In FY 2017, an adult sightseeing ticket will increase from $18 to $20; a child ticket increases from $8 to $10. A base dinner cruise ticket will increase from $46 to $48.

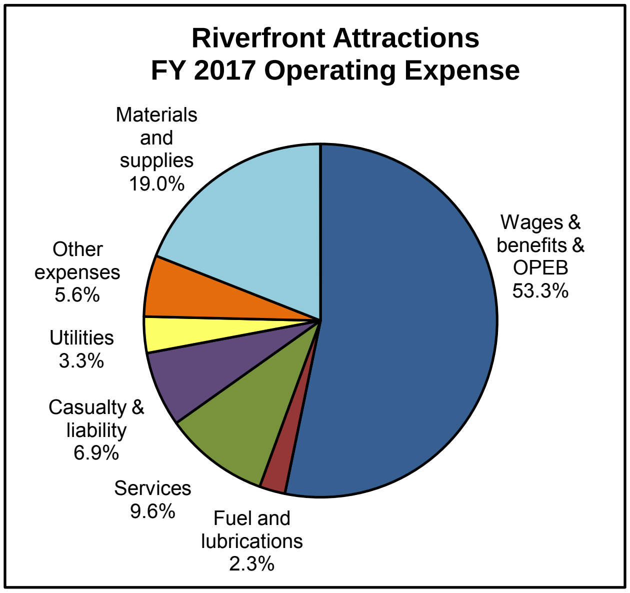
Food revenue includes food sold on dinner dance cruises and at the concession stands on the dock and boats. Food revenue is budgeted in FY 2017 to increase by 3.9% from the FY 2016 budget and is 54.0% higher than the FY 2016 projection.

Beverage revenue for FY 2017 is generated from beverage sales on the various types of cruises and from the Arch View Café. Beverage revenue is budgeted at 14.4% higher than the FY 2016 budget.

Retail revenue is generated from gift shop sales. These revenues are budgeted 14.2% higher than the FY 2016 budget and 67.1% higher than the FY 2016 projection.

Other miscellaneous revenue in FY 2017 includes revenues from helicopter tours and concessions and a contracted passenger cruise photography service.

Expense



Wages and benefits including OPEB are budgeted in FY 2017 at 16.8% higher than the FY 2016 projection as a result of higher seasonal and part-time wages due to more passengers and more cruising days.

Services in FY 2017 are budgeted to increase 11.0% from the FY 2016 projection and 10.5% from the FY 2016 budget primarily due to higher maintenance and outside services.

Parts and supplies are budgeted 34.9% higher than the FY 2016 projection and 6.5% lower than the FY 2016 budget. The FY 2017 budget materials and supplies include the following (in thousands):

Cost of food	$ 271
Cost of beverages	76
Cost of retail shop items	43
Other marine operations supplies	36
Food and beverage service supplies	33
Office supplies, other	27
	$ 486

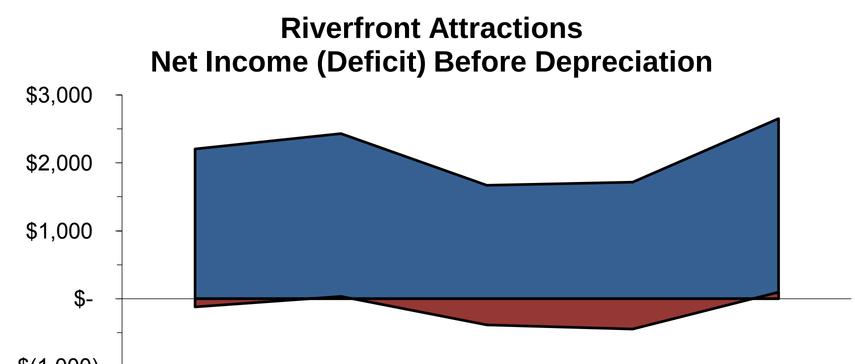
Fuel and lubrications expense is budgeted to be at the same level in FY 2017 as the FY 2015 projection and 27.7% lower than the FY 2016 budget due to lower fuel prices.

Utilities are comprised of $53,711 for electricity, $7,600 for telephone, $8,500 for natural gas, $5,500 for waste removal, and $9,350 for water and sewer.

Casualty and liability costs are budgeted at 1.1% higher than the FY 2016 budget, but 9.2% greater than the FY 2016 projection that has lower casualty expense.

Other expense is 24.0% higher than the FY 2016 projection and 9.6% higher than the FY 2016 budget and includes $110,000 in advertising fees. Following the practice since FY 2008, a 5% management fee to Bi-State Development is being waived in the FY 2017 budget.

Net income (loss) before depreciation is budgeted with an income of $95,606 due to increased revenue from cruise ticket price increases. An increase in passengers and cruises are budgeted in FY 2017 over expectations in FY 2016. FY 2017 will benefit from the completion of Leonor K. Sullivan Blvd allowing easier access to the Riverboats. If the river, weather, and economic conditions are more favorable, then any income generated in FY 2017 will assist in funding future Riverfront Attractions capital improvements.



(In thousands)	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Proj	FY 2017 Budget
Operating revenue	2,205	2,431	1670	1,716	2,652
Net income (deficit) before depreciation ($ in thousands)	(121)	33	(386)	(447)	96

Riverfront Attractions Goals and Objectives Action Plan

The following goals and objectives are consistent with the four primary organization level goals used to achieve Bi-State Development Agency's Strategic Plan. Progress in attaining these goals and objectives are measured through performance indicators. A list of performance indicators follows the Goals and Objectives Action Plan.

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement revenue enhancement strategies		
Strategy	**Action Steps**	**Performance Measurements**
Seek increasing revenue from all available sources	• Increase revenue opportunities by offering variety of cruise, food, beverage, retail options to meet entertainment need of Riverfront visitors • Continue availability of vessels for revenue service through on-going compliance with United States Coast Guard (USCG) regulations • Increase community awareness of operation through continued involvement in regional Homeland Security drills • Develop and implement programmable-based and seasonal event offerings • Develop a working relationship with the various partners involved with the reconstruction of the St. Louis Riverfront to insure that our guests are provided a pleasant and safe experience	• Increased attendance on cruises offered • Increased sales of food items • Increased sales of beverage items • Increased sales of retail items • Increased cross sales of other riverfront partners (i.e. increased carriage rides) • USCG Certification: Vessels meet all requirements; crew is properly trained; vessels comply with USCG regulations related to Americans with Disabilities Act • Press release to local media about Homeland Security preparedness • Participation in U.S. Coast Guard harbor safety drills • Participate in Transportation Safety Administration drills • Lower cost of supplies • Lower equipment replacement costs • Improved maintenance support • Improved rental equipment quality • Better product mix to meet guest demands • Work with heliport concessionaire to develop and implement seasonal trip offerings • Provide easy access for our guests to riverboat venues during riverfront reconstruction

Goal: Deliver a high quality experience that is recognized by its customers, industry peers, and regional stakeholders for its excellence		
Objective: Improve service quality and make the guest experience as pleasant as possible during construction of surrounding area		
Strategy	**Action Steps**	**Performance Measurements**
Understand and take steps to meet or exceed our customers' expectations despite the challenges presented by the reconstruction of the St. Louis Riverfront	• Continue to insure safety and quality of food and service by exceeding Federal, State and local safety and health guidelines • Given changes due to riverfront reconstruction, assess the degree to which product offerings match client needs	• High scores from Food and Drug Administration with regard to training of employees and safety/health inspections • High scores from City of St. Louis Health Department with regard to training of employees and safety/health inspections • Reduced number of guest food and service complaints • Conduct email-based product assessment with previous and current clients • Maintain the ability to make scheduling and operational changes to adapt to the challenges presented during reconstruction to meet quality and financial goals

Gateway Arch Riverfront Attractions: Performance Indicators				
	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Actual
Passengers	105,795	80,464	103,910	73,091
Cruises	914	708	917	667
Days of operation	252	222	252	202
Passengers per Cruise	116	114	113	110
Revenue per Passenger	$25.07	$21.33	$23.84	$22.85
City health inspection score				
Becky Thatcher boat	100	100	100	100
Tom Sawyer boat	100	100	100	100
Main Galley	100	100	100	99

Business Enterprises

Gateway Arch Riverfront Attractions
FY 2017 - 19 Capital Project Summary

(in thousands)

		FY 2017
Sources of Funds:		
Riverboat Renewal and Replacement Fund	$	80
Total Sources of Funds	**$**	**80**
Uses of Funds:		
Becky Thatcher Engines Overhaul		
FY 2017 - due to years of operation, the two engines on the Becky Thatcher require that they be rebuilt.	$	80
Total Uses of Funds	**$**	**80**

St. Louis Downtown Airport

St. Louis Downtown Airport

Overview:

Purchased in 1964 for $3.4 million, today the St. Louis Downtown Airport is a full-service aviation center offering an extensive line of general aviation services just eight minutes from downtown St. Louis in Cahokia/Sauget, Illinois. As the primary general aviation reliever airport for Lambert International Airport, St. Louis Downtown Airport is the busiest Illinois airport outside the Chicago area and provides a $584 million economic impact to the St. Louis region.

Strategic focus:

St. Louis Downtown Airport supports the National Aviation System Plan and the St. Louis region through its mission, which is to provide world-class airport facilities and services to the public. St. Louis Downtown Airport does this by providing the best possible infrastructure with the highest-quality benchmark services provided through our employee team and airport tenant businesses.

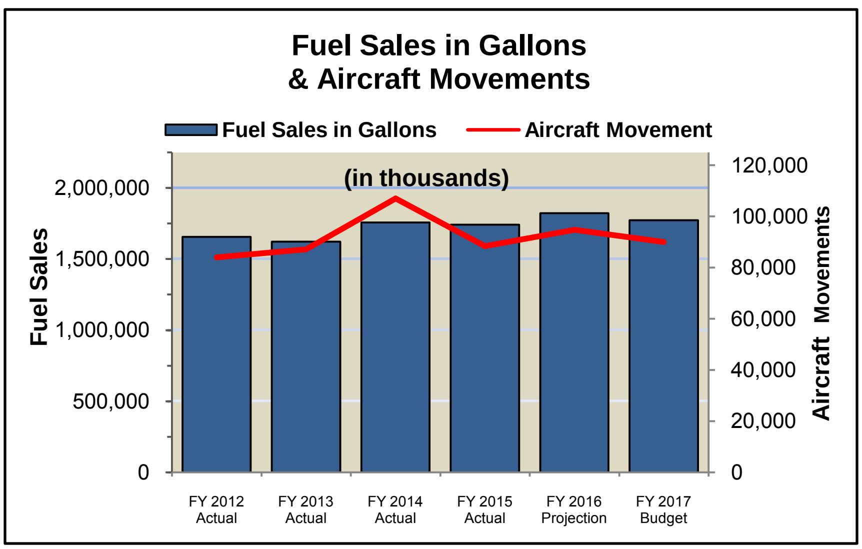
Our vision is to set the standard for reliever airports and continue to be the general aviation "airport of choice" for people traveling to and from downtown St. Louis and the Bi-State region. This vision is reflected in our motto, "A World Class Reliever Airport Serving Downtown St. Louis and the People of the Bi-State Region."

Our primary goals are safety and security, infrastructure preservation and enhancement, and organizational excellence. Our goals support the "National Plan of Integrated Airport Systems" by providing the general aviation flying public with a safe, secure, convenient, and well-equipped facility and by providing the local community with over 3,731 high-paying jobs and acting as a catalyst for economic growth and development in the region. Our short-term goals include improving economic performance by increasing land lease revenue, fuel flowage revenue, transient aircraft operations and enhancing airport services and capabilities.

Operations (FY 2015):
1.7 million gallons of fuel sold
88,345 aircraft movements
325 based aircraft
Location of Flight Training Dept.,St. Louis University

Facilities:
95 small, 42 mid and 21 large hangers
1,013 acres

Airport recognition:
Busiest general aviation airport in St. Louis region
Busiest airport in Illinois outside Chicago
Two hangars named to National Register of Historic Places
Illinois 2009 Reliever Airport of Year



Website:
www.stlouisdowntownairport.com

St. Louis Downtown Airport

Organization:

Total Personnel:

Full-Time - 12
Part-Time - 2

St. Louis Downtown Airport
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. 16 Proj $ Change	FY17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:								
Aircraft parking	$ 142,092	$ 139,410	$ 139,180	$ 139,410	$ 230	0.2%	$ 138,276	$ 139,704
Leased acreage	390,922	172,677	265,960	172,677	(93,283)	-35.1%	206,931	212,539
Hangar rentals	559,856	810,212	728,060	810,212	82,152	11.3%	871,453	970,607
Aviation fuel sale-flowage fee	170,355	177,365	175,901	177,365	1,464	0.8%	177,365	177,365
Concession fees	97,814	115,159	119,014	115,159	(3,855)	-3.2%	115,159	115,159
Other revenues	105,148	90,254	94,311	90,254	(4,056)	-4.3%	90,254	90,254
Total Operating Revenue	**1,466,186**	**1,505,078**	**1,522,427**	**1,505,078**	**(17,348)**	**-1.1%**	**1,599,439**	**1,705,629**
Non-Operating Revenue:								
Investment income	181	334	2,273	334	(1,939)	-85.3%	334	334
Total Non-Operating Revenue	**181**	**334**	**2,273**	**334**	**(1,939)**	**-85.3%**	**334**	**334**
Total All Revenue	**1,466,368**	**1,505,413**	**1,524,700**	**1,505,413**	**(19,287)**	**-1.3%**	**1,599,773**	**1,705,963**
Operating Expenses:								
Compensation	471,585	490,317	511,163	580,186	69,023	13.5%	591,736	608,668
Benefits excluding OPEB	193,665	362,943	347,532	399,951	52,419	15.1%	414,305	438,465
OPEB	43,966	48,000	27,323	24,000	(3,323)	-12.2%	24,000	24,000
Services	98,600	115,301	137,626	115,779	(21,847)	-15.9%	115,572	115,699
Parts & supplies	129,919	156,500	136,917	154,402	17,485	12.8%	160,315	166,458
Casualty & liability	56,687	65,026	64,791	71,602	6,811	10.5%	68,318	70,026
Utilities	214,007	190,660	175,456	183,160	7,704	4.4%	178,285	185,741
Other expenses	113,415	111,119	105,749	98,547	(7,203)	-6.8%	106,913	112,261
Total Operating Expense	**1,321,844**	**1,539,866**	**1,506,556**	**1,627,627**	**121,070**	**8.0%**	**1,659,444**	**1,721,318**
Non-Operating Expense:								
Other expense	-	-	2,565	-	(2,565)	-100.0%	-	-
Total Non-Operating Expense	**-**	**-**	**2,565**	**-**	**(2,565)**	**-100.0%**	**-**	**-**
Total All Expense	**1,321,844**	**1,539,866**	**1,509,122**	**1,627,627**	**118,505**	**7.9%**	**1,659,444**	**1,721,318**
Net Income (Deficit) Before Depreciation & Amortization	**144,524**	**(34,453)**	**15,578**	**(122,214)**	**(137,792)**	**-884.5%**	**(59,670)**	**(15,355)**
Depreciation & amortization	1,564,856	1,562,377	1,561,853	1,562,377	524	0.0%	1,562,377	1,562,377
Net Surplus (Deficit)	**$ (1,420,333)**	**$ (1,596,830)**	**$ (1,546,274)**	**$ (1,684,591)**	**$ (138,316)**	**-8.9%**	**$ (1,622,047)**	**$ (1,577,731)**

St. Louis Downtown Airport – FY 2017 Budget

In FY 2017, the Airport is proposing continued airport master planning efforts in preparation for future expansion and pavement rehabilitation projects.

Aircraft movements, or takeoffs and landings, are projected to be 94,722 in FY 2016 and 90,000 in FY 2017. Aircraft movements have been adversely impacted nationwide because of contraction in industry activity due to economic conditions.

Revenue

Aircraft parking revenue for FY 2017 is budgeted the same as the FY 2016 budget and 0.2% above the FY 2016 projection.

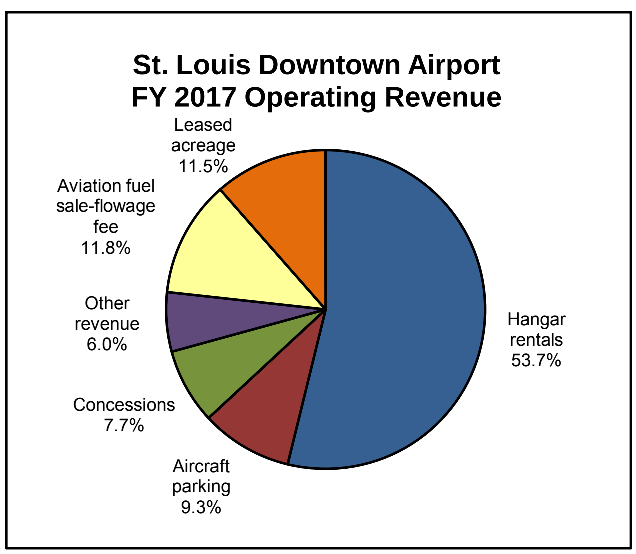
Leased acreage revenue is airport land leased for private investment or farm income and is budgeted in FY 2017 to be at the same level as the FY 2016 budget. There is a reclassifying of revenue from the acreage for hangar rentals from leased acreage to hangar rental revenue.

Hangar rentals in FY 2017 are budgeted at the same level as the FY 2016 budget.

Aviation fuel sale-flowage fee revenues are budgeted to increase by 0.8% from the FY 2016 projection and the same levels as the FY 2016 budget.

Concession fees include crop income, rentals for the concourse from Jet Aviation and the restaurant, and rental space in the administrative building. The FY 2017 budget is 3.2% lower than the FY 2016 projection but at the same level as the FY 2016 budget. The FY 2017 budget is lower because of less administrative building rental income and farm income.

Other revenues include reimbursements from tenants for contract security, utilities and trash removal services. The FY 2017 budget is at the same level as the FY 2016 budget and 3.2% lower than the FY 2016 projection as a result of lower revenue from After Hours ARFF Services billing.



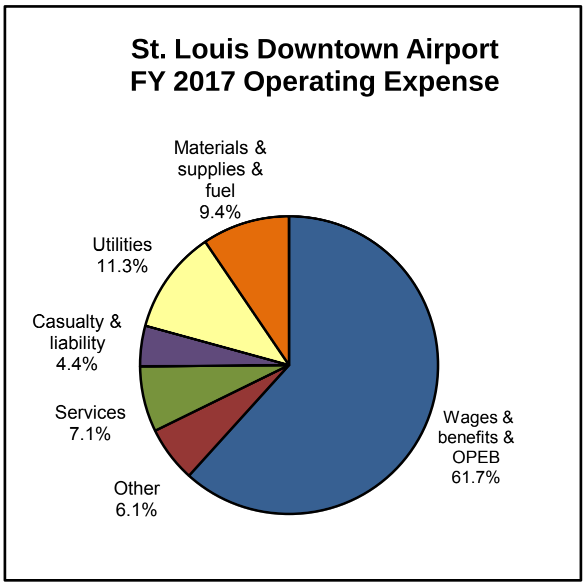
Expense

Wages and benefits including OPEB are budgeted 13.3% higher than the FY 2016 projection and 11.4% higher than the FY 2016 budget due to an additional position.

Services include the following (in thousands):

Legal and consultants fees	$ 77
Contract maintenance	27
Other	12
	$ 116

Services are budgeted in FY 2017 to be 15.9% lower than the FY 2016 projection. The FY 2016 projection includes higher consulting fees for hangar rates surveys. Services also include legal fees for lease review and consultation, consultant fees for general services, firehouse elevator and extinguisher maintenance, fire alarm maintenance, emergency phone system, and firefighting truck inspection and maintenance and HVAC controls system support.



Parts and supplies are budgeted in FY 2017 to be higher than the FY 2016 projection by 12.8% due to Aircraft Rescue and Firefighting (ARFF) supplies and vehicle and grounds repair parts.

Utilities include electricity, gas, telephone, waste removal and water and are budgeted in FY 2017 to be 4.4% higher than the FY 2016 projection and 3.9% lower than the FY 2016 budget as electricity cost increases have not materialized.

Casualty and liability costs are budgeted at 10.5% above the FY 2016 projection due to the increase in property and casualty insurance costs.

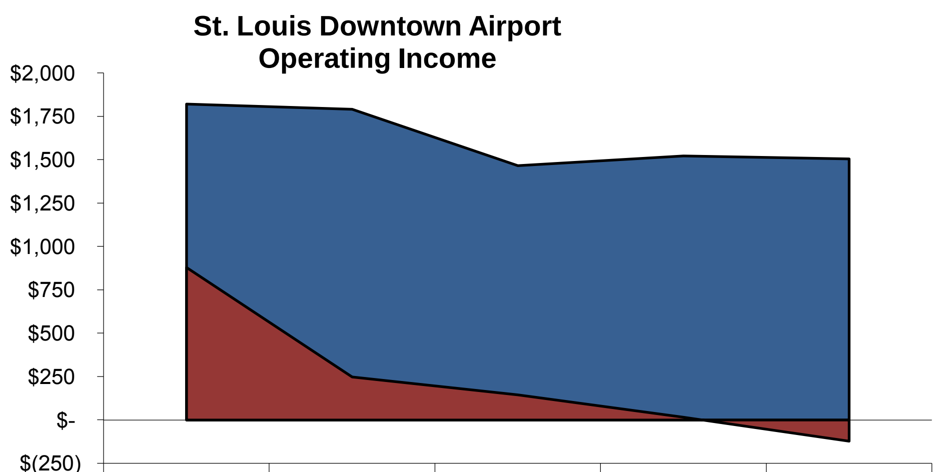
Other expense includes the following (in thousands):

Management fees to the Agency	$ 75
Travel, training, meetings, dues	21
Other	3
	$ 99

The FY 2017 budget is 6.8% lower than the FY 2016 projection. The FY 2017 budget reflects lower training and dues and subscription expenses.

Income

Net income (deficit) before depreciation normally provides cash flow to assist in funding capital improvements. The net deficit before depreciation of $122,214 budgeted in FY 2017 is $137,792 lower than the FY 2016 projection.



(in thousands)	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projection	FY 2017 Budget
Operating revenue	1,821	1,791	1,466	1,522	1,505
Net income (deficit) before depreciation	879	248	145	16	(122)

St. Louis Downtown Airport Goals and Objectives Action Plan

The following goals and objectives are consistent with the four primary organization level goals used to achieve Bi-State Development's Strategic Plan. Progress in attaining these goals and objectives are measured through performance indicators. A list of performance indicators follows the Goals and Objectives Action Plan.

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement revenue enhancement strategies		
Strategy	**Action Steps**	**Performance Measurements**
Ensure cost-effective and efficient use of resources for revenue enhancement	• Promote the Airport's Commercial Airport Operating Certificate and Aircraft Rescue and Firefighting (ARFF) capabilities to attract new customers and increase revenues • Continue to increase revenue through airport tenant business growth and expansion • Increase transient aircraft operations by promoting aviation group activities and local events	• Increased operations by large aircraft charter operators such as those carrying professional sports teams resulting in increased fuel sales • Personnel training, customer education, and safety inspections which result in a positive safety-awareness environment • Continued construction of new facilities on existing leased parcels that are not fully developed • Conversion of existing option-to-lease agreements to lease agreements • Local aviation organizations conduct more flying events at the airport (e.g., Experimental Aircraft Association conducts more Young Eagle rallies, Parks College hosts flying competitions, the Greater St. Louis Air & Space Museum conducts additional special events) • Transient aviation organizations select the airport and the St. Louis region for their annual conventions

Objective: Deliver quality capital projects on time and within budget		
Strategy	**Action Steps**	**Performance Measurements**
Aggressively pursue funding, and deliver quality capital projects	• Maintain and enhance Airport infrastructure and services through continued capital investments in infrastructure and equipment	• Improve runway safety areas and reduce wildlife strike hazards through improved storm water drainage • Conduct environmental assessments and other planning efforts necessary to rehabilitate aging pavements and improve the airport's ability to efficiently handle large charter aircraft • Enhance airport security through improved perimeter fencing • Maintain and improve the airport vehicle and equipment inventory through timely replacement and additions • Continued construction of public infrastructure (parking lots, ramps, taxi lanes, and roadways) on public airport property • Expand airport property available for expansion and growth of new tenant facilities

St. Louis Downtown Airport: Performance Indicators				
	FY 2017	**FY 2016**		**FY 2015**
	Target	**Projection**	**Target**	**Actual**
Operating income ($ in thousands)	$(122)	$16	$(34)	$145
Fuel sales in gallons (thousands)	1,774	1,822	1,774	1,742
Aircraft movement	90,000	94,722	90,000	88,345
Based aircraft	320	324	320	325

St. Louis Downtown Airport
FY 2017 - 2019 Capital Projects Summary
(in thousands)

Sources of Funds:	FY 2017	FY 2018	FY 2019	Total
Federal Grants	$4,534	$4,050	$5,275	$13,859
Airport Fund	339	310	607	1,256
Illinois State and Local Grants	252	250	356	858
Total Sources of Funds	**$5,125**	**$4,610**	**$6,238**	**$15,973**

Uses of Funds:	FY 2017	FY 2018	FY 2019	Total
Construction:				
Runup taxiway, pad, enclosure	$5,037	$ -	$ -	$5,037
Reconstruct taxiway Bravo, phase 1	-	4,500	-	4,500
Reconstruct taxiway Bravo, phase 2	-	-	4,770	4,770
Airport signage and location panels	36	-	-	36
Equipment and Facilities Replacements:				
A/C units on terminal	52	-	-	52
Zero turn mower	-	18	-	18
Front wheel assist tractor 100 hp	-	42	-	42
Zero turn mower	-	-	19	19
Operations vehicle / ARFF	-	-	38	38
Tandem dump truck with 12' snow blade	-	-	196	196
Land and Land Improvements:				
Wildlife hazard assessment	-	50	-	50
Twy B Northside environmental assessment	-	-	125	125
Twy B Northside drainage improvements	-	-	1,090	1,090
Total Uses of Funds	**$5,125**	**$4,610**	**$6,238**	**$15,973**

Arts in Transit

Arts In Transit, Inc

Overview

In 1986, the Arts In Transit initiative took shape as an innovative effort to develop the look and feel of the light rail system in the region. In April 1999, Bi-State Development's Board of Commissioners adopted a policy that emphasized the importance of design excellence and established a one-percent-for-art funding mechanism.

The original initiative is now Arts In Transit, Inc., a non-profit 501(c)(3). Although the non-profit has a Board, it is a component of Bi-State Development.

Strategic focus

AIT's primary role is to establish and coordinate a collaboration of artists, engineers and architects on the design of the transit system. The result is a system where the art is integrated into the structure of the system. AIT sponsors an annual Poetry in Motion contest. The winners have their poetry displayed throughout the transit system for a year and also have a public reading of their work.

MetroScapes Posters

Keepings
by Alex Cunningham

Walking City
by Alicia LaChance

Arts In Transit, Inc
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Projection	FY 2017 Budget	FY 17 Bgt vs. FY 16 Proj $ Change	FY 17 Bgt vs. FY 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:							
Art Council Awards	$ -	$ 46,500	$ 47,500	$ 1,000	2.2%	$ 50,000	$ 50,000
Contributions - Not for Profit	12,925	300	-	(300)	-100.0%	-	-
Total Operating Revenue	**12,925**	**46,800**	**47,500**	**700**	**1.5%**	**50,000**	**50,000**
Total Revenue	**12,925**	**46,800**	**47,500**	**700**	**1.5%**	**50,000**	**50,000**
Operating Expense:							
Services	10,646	44,062	45,000	938	2.1%	47,000	47,000
Parts & supplies	18	1,250	1,400	150	12.0%	1,550	1,500
Utilities	-	-	-	-	-	-	-
Other expense	-	150	250	100	66.7%	350	500
Total Operating Expense	**10,664**	**45,462**	**46,650**	**1,188**	**2.6%**	**48,900**	**49,000**
Net Income (Loss) Before Depreciation & Amortization	**2,261**	**1,338**	**850**	**(488)**	**-36.5%**	**1,100**	**1,000**
Depreciation & amortization	-	-	-	-	-	-	-
Net Surplus (Deficit)	**$ 2,261**	**$ 1,338**	**$ 850**	**$ (488)**	**-36.5%**	**$ 1,100**	**$ 1,000**

Revenue

Revenue for Arts in Transit is received from the Missouri Arts Council and the Regional Arts Council. Revenue is also generated from the sale of MetroScapes posters and other artwork.

Expense

Arts in Transit incurs expense from art material and supplies and the use of outside services to assist in the various art projects.

"Adinkra Tower"
Riverview Transit Center
8976 Riverview Drive at Hall Street
St. Louis, Missouri

Arts in Transit Goals and Objectives Action Plan

The following goals and objectives are consistent with the four primary organization level goals used to achieve Bi-State Development's Strategic Plan. Progress in attaining these goals and objectives are measured through performance indicators. A list of performance indicators follows the Goals and Objectives Action Plan.

<table>
<tr><th colspan="3">Goal: Deliver a high quality transit experience that is recognized by its customers, industry peers and regional stakeholders for its excellence</th></tr>
<tr><th colspan="3">Objective: Improve the value of regional transit infrastructure and the quality of the transit experience through aesthetic enhancement</th></tr>
<tr><th>Strategy</th><th>Action Steps</th><th>Performance Measurements</th></tr>
<tr><td>Support the regional transit system and the community aesthetic through an effective Arts In Transit program</td><td>• Secure and maintain grants and sponsorships, and other earned income that support Arts In Transit programs
• Review organizational structure and bylaws of Arts In Transit, Inc. to become more competitive for securing grant funds
• Host annual Art Bus, MetroLines poetry competition, and MetroScapes bus shelter poster competition, and other relevant community-based arts programs
• Operate Gallery North at the North County Transit Center (Opens March 2016)
• Explore Arts In Transit potential contribution in future projects like Civic Center and Boyle Street MetroLink Stations</td><td>• Increased number and amount of grants
• Increased revenue from Art Bus sponsorships
• Increased sales of MetroScapes posters
• Increased participation in Art Bus, MetroLines, and MetroScapes events and competitions; and enhanced reputation within the general community due to Arts in Transit programs
• Increased public awareness of Metro Arts In Transit program
• Plan in place for improved way finding throughout the Metro transit system</td></tr>
</table>

Research Institute

BSD Research Institute

Overview

The Bi-State Development Research Institute is a 501(c)(3) non-profit corporation under the organizational umbrella of Bi-State Development. The Board of Commissioners granted approval to establish the Institute on March 28, 2014. The Board subsequently approved the organization's Bylaws on May 23, 2014.

The Research Institute is a non-profit organization dedicated to the study, planning and evaluation of regional public policy, land use, economic development and infrastructure investment - all within the Compact powers of Bi-State Development.

The Research Institute seeks grants to support research that develops data about the return on investment for local infrastructure improvements. The Institute is also charged with taking a real estate position on projects that improve the community and economic development of the region.

Strategic Focus

The primary goals of the 501(c)(3) Institute are to:

- Focus on real estate acquisition and conveyance in support of Transit-Oriented Development ("TOD") and regional economic development; and
- Plan, study and evaluate regional land use, public policy, economic and community development and infrastructure investment, including, but not limited to transit activities; and
- Insure that the Institute is self-sustaining and able to fiscally support itself; that is serve as a conduit for charitable donations supporting Institute goals and specific community support, such as providing transit tickets for deserving youth and as a fund raising conduit for events.

BI-STATE DEVELOPMENT
RESEARCH
INSTITUTE

Bi-State Development Research Institute
Statement of Revenue and Expense
FY 2015 - FY 2019

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. FY16 Proj $ Change	FY17 Bgt vs. FY16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:								
Not-for-profit (NFP) revenue	$ 900	$ 5,000	$ 42,305	$ 62,500	$ 20,195	47.7%	$ 64,000	$ 84,000
Total Operating Revenue	**900**	**5,000**	**42,305**	**62,500**	20,195	47.7%	**64,000**	**84,000**
Total Revenue	**900**	**5,000**	**42,305**	**62,500**	**20,195**	47.7%	**64,000**	**84,000**
Operating Expense:								
Services	260	5,000	53,148	110,829	57,681	108.5%	113,656	121,570
Parts & supplies	72	-	-	1,000	1,000	-	1,000	1,000
Other operating expenses	850	-	1,250	4,000	2,750	220.0%	4,000	4,000
Total Operating Expense	**1,182**	**5,000**	**54,398**	**115,829**	**61,431**	**112.9%**	**118,656**	**126,570**
Total Expense	**1,182**	**5,000**	**54,398**	**115,829**	**61,431**	**112.9%**	**118,656**	**126,570**
Net Surplus (Deficit)	**$ (282)**	**$ -**	**$ (12,093)**	**$ (53,329)**	**$ (41,236)**	**-341.0%**	**$ (54,656)**	**$ (42,570)**

Revenue

In FY 2017, contributions and consulting fees are expected to generate $62,500 in operating revenue.

Expense

Total operating expense is budgeted at $115,829, resulting in net deficit of $53,329. The operating expense includes legal fees, outside consulting services, office supplies and travel and meeting expenses.

St. Louis Regional Freightway

Overview

The St. Louis Regional Freightway was created as a public-private partnership to optimize the region's freight transportation network. It is the newest business enterprise of Bi-State Development, and established in response to recommendations made in the 2013 Saint Louis Regional Freight Study commissioned by East-West Gateway. The study identified existing capabilities, gaps and growth potential in the freight segment of the region's economy.

That plan called for the establishment of a Freight District to capitalize on an anticipated 60 percent increase in national freight volume by the year 2040. Because Bi-State Development is uniquely positioned as both an economic development leader and an implementation arm for regional projects, it was selected by the East-West Gateway Board in September 2014 to lead this freight initiative.

The St. Louis Regional Freightway has established a working group consisting of partners from East-West Gateway Council of Governments, Mid-America Airport, Leadership Council of Southwestern Illinois, St. Charles County, St. Louis County, Monroe County Illinois, the City of St. Louis and the Terminal Railroad Association. The public-private partnership is working to identify funding sources for capital investments in freight-related infrastructure and to promote the St. Louis region.

Strategic Focus

In FY 2016, the St. Louis Regional Freightway selected an Executive Director that will evaluate the freight needs and identify opportunities to create a freight district environment in the bi-state region. The strategy is to develop public-private partnerships and create the foundation for planning, marketing and advocacy of the bi-state region as a national freight hub. The goal is to produce results that strengthen the St. Louis region by increasing job growth and improving the local economy. The cooperative effort will determine how the region manages the movement of freight, how to coordinate the work of a variety of jurisdictions and how to market the Greater St. Louis region's freight capacity to the nation.

ST LOUIS REGIONAL
FREIGHTWAY

St. Louis Regional Freightway
Statement of Revenue and Expense
FY 2016 - FY 2019 Fiscal Years

	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. FY16 Proj $ Change	FY17 Bgt vs. FY16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:							
Regional Freight Fees	$ 450,000	$ 267,469	$ 175,000	$ (92,469)	-34.6%	$ 175,000	$ 175,000
Other Operating Revenue	-	40,000	40,000	-	0.0%	40,000	40,000
Total Operating Revenue	**450,000**	**307,469**	**215,000**	**(92,469)**	-30.1%	**215,000**	**215,000**
Operating Expenses:							
Compensation	167,878	169,209	162,572	(6,636)	-3.9%	288,677	297,810
Benefits	81,648	69,496	69,668	171	0.2%	152,645	161,246
Other post-employment benefits	-	1,068	-	(1,068)	-100.0%	-	-
Services	40,000	92,503	545,000	452,497	489.2%	545,000	545,000
Parts & Supplies	1,500	763	1,500	737	96.6%	1,500	1,500
Utilities	1,200	600	600	-	0.0%	1,200	1,200
Other Operating Expenses	3,500	23,243	72,500	49,257	211.9%	72,500	68,000
Agency Fees	-	-	-	-	-	-	-
Total Operating Expenses	**295,727**	**356,882**	**851,840**	**494,958**	**138.7%**	**1,061,522**	**1,074,756**
Net Income (Deficit)	**$ 154,273**	**$ (49,413)**	**$ (636,840)**	**$ (587,427)**	**-1188.8%**	**$ (846,522)**	**$ (859,756)**

Revenue

In FY 2017, contributions and fees for service provided are expected to generate $175,000 in operating revenue. These funds are projected to come from East-West Gateway Council of Governments and the Leadership Council of Southwestern Illinois. Other Operating Revenue is budgeted at $40,000. Other sources of revenue, including member fees, are being discussed for additional possible resources.

Expense

Total operating expense is expected of $851,840, resulting in net deficit before depreciation of $638,840. The majority of operating expense is for personnel costs and outside consulting services. The Bi-State management fee is being waived for the St. Louis Regional Freightway.

Goals and Objectives Action Plan

The following strategies and action steps help BSD achieve its goals and objectives as outlined in the strategic plan section of this document.

<table>
<tr><th colspan="3">Goal: Build an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds.</th></tr>
<tr><th colspan="3">Objective: Establish and manage a marketing and business development plan that creates a cohesive brand identity for St. Louis Region Freightway.</th></tr>
<tr><th>Strategy</th><th>Action Steps</th><th>Performance Measurements</th></tr>
<tr><td>Execute strategic external public relation strategies and build partnerships with the freight industry and regional stakeholders to be recognized as a premier freight hub Recognized for excellence in state and national level freight planning. Continue to build awareness for freight related economic growth</td><td>• Promote awareness for freight related economic growth through media stories about the region's logistic and multi-modal assets and the value they bring to the region
• Create a St. Louis Regional Freightway Annual Event to promote collaboration regarding economic development
• Develop a website that promotes the regions freight network, real estate opportunities and economic development
• Develop relationships and collaborate with the freight industry and regional stakeholders to accelerate regional economic growth through the region's freight network and supply chain
• Create and execute a series of opportunities designed to engage industry leaders and help drive economic development as it relates to the freight industry</td><td>• Roll-out brand strategy for St. Louis Regional Freightway
• Increase positive media reports and awareness about the following:
o St. Louis Regional Freightway
o The Region's logistic and freight capabilities to grow and attract manufacturing and distribution facilities
o The Region's freight bulk commodity capabilities
• Publish in the St. Louis and Illinois Business Journal and use electronic and hard copies to push to greater number of constituents
• Represent the St. Louis Regional Freightway at business to business events.
• Increase external website users and social media presence</td></tr>
</table>

Internal Service Funds

Internal Service Funds

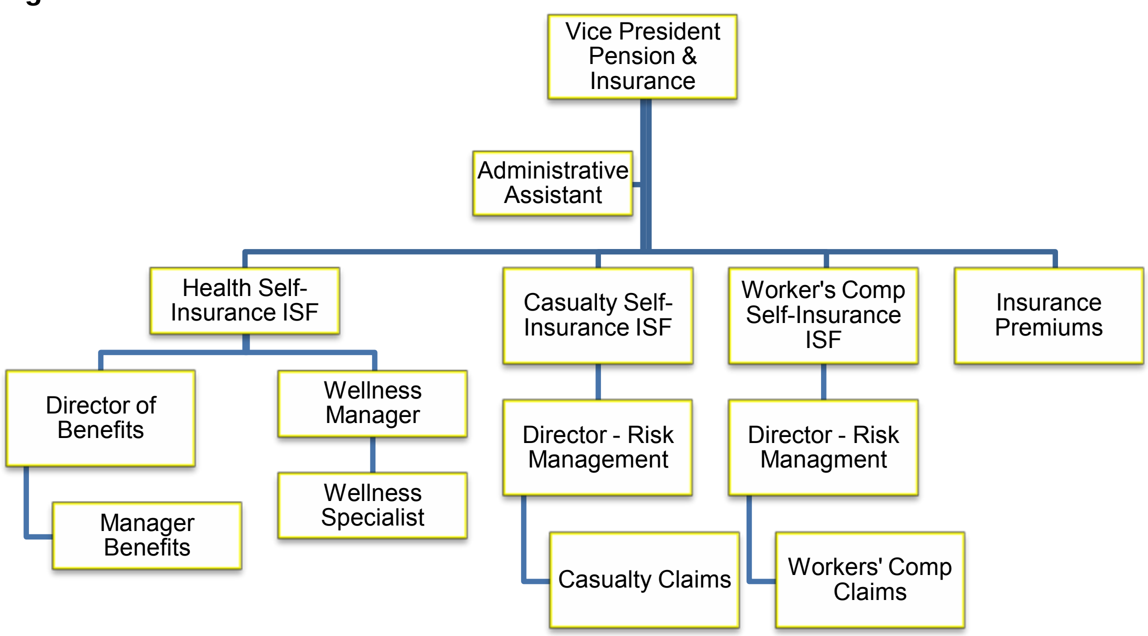
Overview

Bi-State Development operates self-insurance programs for its medical and dental benefits, casualty insurance and workers' compensation insurance. The combined expense of these the programs exceeds $35 million. Due to the importance and materiality of these combined activities, the Board of Commissioners directed that internal service funds be established to track each program's cost. Each internal service fund will generate revenue by charging out for services provided to the operating units and incur costs for its own operations.

The Health Self-Insurance Internal Service Fund was established in FY 2016. The implementation of the Health Self-Insurance Internal Service Fund enhances the governance and oversight of BSD and employee annual contributions and provides a means to clearly see the true cost of the health insurance benefit for active employees and retirees. The workers' compensation and casualty self-insurance internal service funds will begin operations July 1, 2016.

The names of Bi-State Development's internal service funds are:
- Health Self-Insurance Internal Services Fund
- Workers' Compensation Self-Insurance Internal Service Fund
- Casualty Self-Insurance Internal Service Fund

Organization



Internal Service Fund
Statement of Revenue and Expense
FY 2016 - FY 2019

	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. 16 Proj $ Change	FY17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating revenue:							
Health Self Insurance IS-BSD	$ 31,326,187	$ 25,308,626	$ 27,534,103	$ 2,225,477	8.8%	$ 28,335,257	$ 29,186,688
Health Self Insurance IS-Participants	-	6,512,994	7,324,706	811,712	12.5%	7,544,448	7,770,782
Workers Comp Self Insurance ISF	-	-	4,845,832	4,845,832	-	4,971,034	5,114,869
Casualty Self Insurance ISF	-	-	4,306,799	4,306,799	-	4,422,045	4,551,913
Total operating revenue	**31,326,187**	**31,821,620**	**44,011,440**	12,189,820	38.3%	**45,272,784**	**46,624,252**
Operating expense:							
Compensation & Benefits	682,346	996,568	2,012,059	1,015,490	101.9%	2,070,220	2,150,193
Other post-employment benefits	27,420	16,831	5,701	(11,131)	-66.1%	6,111	6,582
Services	719,000	444,357	544,925	100,568	22.6%	545,509	563,903
Parts & supplies	39,545	28,445	52,400	23,955	84.2%	52,500	54,500
Caualty & liability costs	-	-	633,502	633,502	-	633,502	633,502
Utilities	2,380	2,257	2,980	723	32.0%	2,980	3,580
Other expense	34,677	32,591	533,377	500,786	1536.6%	533,377	533,377
ISF Casualty Fee Expense	-	-	3,000,000	3,000,000	-	3,090,000	3,182,700
ISF Workers Comp Fee Expense	-	-	3,874,730	3,874,730	-	3,986,239	4,113,109
ISF Health & Welfare Claim & Admin Fee Exp	30,068,637	30,271,754	33,351,767	3,080,013	10.2%	34,352,346	35,382,806
Total operating expense	**31,574,005**	**31,792,803**	**44,011,440**	**12,218,637**	38.4%	**45,272,784**	**46,624,252**
Operating income (loss)	**$ (247,818)**	**$ 28,817**	**$ -**	**$ (28,817)**	-100.0%	**$ -**	**$ -**

Revenue

Revenue for the ISF is generated by charges for services provided to other business units within BSD and also to related parties. The revenue for the Health Self-Insurance ISF is derived from amounts funded through the company paid portion of the benefit and the participant (active/retiree) contributions.

The worker's compensation self-insurance ISF and casualty self-insurance ISF revenue are generated through allocation and actuarial determined costs to be incurred. The charges for potential claims are expensed to the appropriate operating units and generate offsetting revenue in the respective ISF.

Expense

Total operating expense for the internal service funds consist of compensation for staff to operate the programs, consultant fees, premiums for excess insurance coverage, office supplies and claims paid. Claims paid are the largest single expense for the internal service plans and represent claims paid on a cash basis.

Bi-State Development

Executive Services

Descriptions of organization

Executive Services is a service company that supports the other Bi-State Development companies including Transit System, Gateway Arch, Riverfront Attractions, St. Louis Downtown Airport, St. Louis Regional Freightway, Arts In Transit, Inc. and the Bi-State Development Research Institute and is supported by management fee revenue collected from each of the other companies. Functional areas of Executive Services include:

Executive Office is responsible for the management of all Bi-State Development operating units in support of the goals and objectives of the Board of Commissioners.

Internal Audit performs internal audits and assists with independent outside audits. Internal Audit plans and conducts audits of BSD programs and operations, identifying problem areas and developing recommendations for improved control mechanisms or organizational performance.

Government Affairs establishes and maintains working relationships with government officials that support BSD’s funding, legislative program, policies, and services.

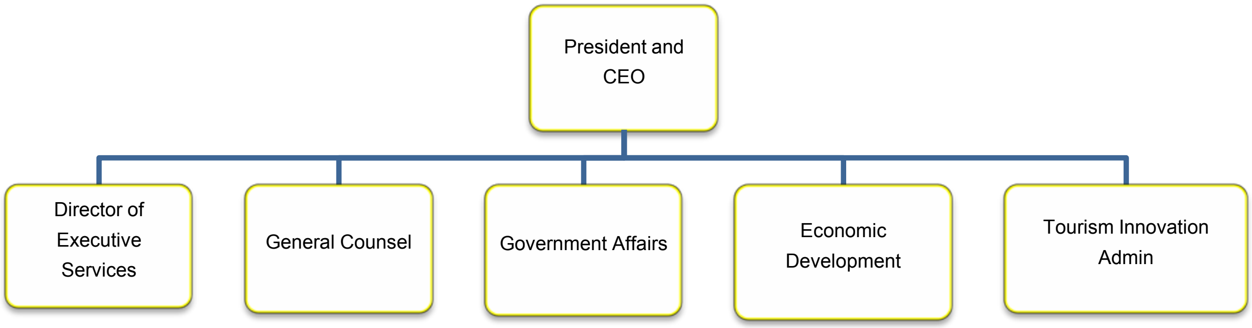
General Counsel is responsible for managing and coordinating the Bi-State Development’s legal activities; ensuring corporate compliance with all laws and regulations; maintaining agency record retention and information security; and providing employee compliance and ethics training.

Economic Development is responsible for identifying alternative sources of funding and partners for regional initiatives, including real estate development around transit stations and Bus Rapid Transit initiatives promoting regional infrastructure via the Bi-State Development charter in support of job creation and new private investment; and, managing BSD’s Real Estate group.

Tourism Innovation Administration provides management overview for the Gateway Arch Tram Systems and the Riverfront Attractions.

Executive Services

Organization



Financial Summary

Executive Services
Statement of Revenue and Expense
FY 2015 - FY 2019

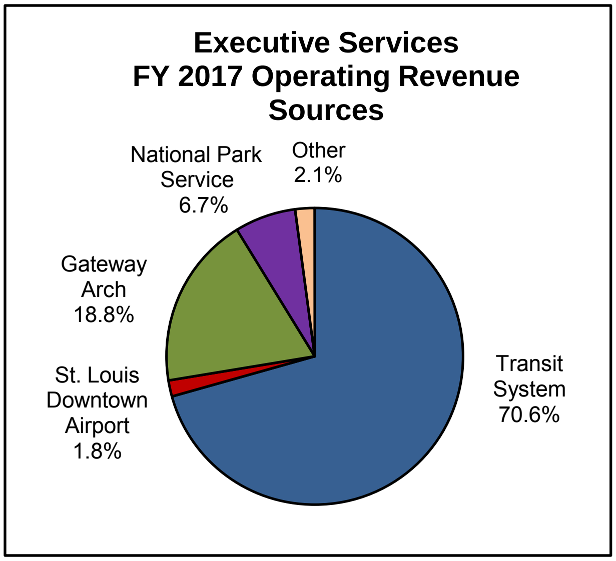
	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	FY17 Bgt vs. 16 Proj $ Change	FY17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Operating Revenue:								
Management fees:								
Transit System	$ 2,800,000	$ 3,097,907	$ 2,675,916	$ 3,014,162	$ 338,246	12.6%	$ 3,103,463	$ 3,221,761
Gateway Arch	558,263	578,382	645,367	803,307	157,940	24.5%	1,004,626	1,017,991
Gateway Arch Parking	48,811	-	-	-	-	-	-	-
National Park Service	383,005	393,561	361,547	283,784	(77,763)	-21.5%	339,176	339,176
Airport	73,318	75,271	76,234	75,271	(963)	-1.3%	79,989	85,298
Other Operating Revenue	-	-	172,800	90,579	(82,221)	-47.6%	93,296	96,095
Total Operating Revenue	**3,863,396**	**4,145,121**	**3,931,865**	**4,267,103**	**335,238**	**8.5%**	**4,620,550**	**4,760,321**
Non-Operating Revenue								
Investment income	2,156	2,550	2,727	2,700	(27)	-1.0%	2,750	2,800
Total Non-Operating Revenue	**2,156**	**2,550**	**2,727**	**2,700**	**(27)**	**-1.0%**	**2,750**	**2,800**
Total All Revenue	**3,865,552**	**4,147,671**	**3,934,591**	**4,269,803**	**335,212**	**8.5%**	**4,623,300**	**4,763,121**
Operating Expense:								
Compensation	1,340,246	1,732,325	1,523,952	1,740,006	216,055	14.2%	1,778,000	1,826,025
Benefits excluding OPEB	558,524	723,310	667,119	691,637	24,518	3.7%	715,107	749,800
OPEB	126,989	129,599	71,063	61,688	(9,375)	-13.2%	61,688	61,688
Services	558,007	1,151,267	966,702	1,132,305	165,603	17.1%	1,179,049	1,246,379
Parts & supplies	12,051	27,644	20,822	27,870	7,048	33.8%	27,592	28,824
Utilities	5,206	8,499	6,631	8,649	2,018	30.4%	8,748	8,847
Other expense	188,885	357,899	311,970	356,727	44,756	14.3%	367,765	374,119
Total Operating Expense	**2,789,908**	**4,130,543**	**3,568,260**	**4,018,882**	**450,623**	**12.6%**	**4,137,951**	**4,295,682**
Net Income (Loss) Before Depreciation & Amortization	**1,075,644**	**17,128**	**366,332**	**250,921**	**(115,411)**	**-31.5%**	**485,349**	**467,439**
Depreciation & amortization	2,433	1,937	1,937	1,941	4	0.2%	1,941	1,941
Net Surplus (Deficit)	**$ 1,073,212**	**$ 15,191**	**$ 364,395**	**$ 248,980**	**$ (115,415)**	**-31.7%**	**$ 483,409**	**$ 465,498**

Executive Services – FY 2017 Budget

Executive Services is a service company that represents Bi-State Development's headquarters and provides support to BSD operative companies.

Revenue

Metro Transit management fee is calculated at 75% of Executive Services operating expenses. This assessment represents services provided by Executive Services to Metro Transit.



Gateway Arch management fee is calculated based on a formula negotiated with the National Park Service including seven percent of total Arch revenues and ten percent of revenue net of expenses.

St. Louis Downtown Airport management fee is calculated at five percent of the Downtown Airport operating revenue and interest income.

National Park Service management fee is calculated at twenty percent of Arch entrance fees. The National Park Service charges a $3 entrance fee per adult ticket. Children 15 years old and younger are exempt from the fee. Revenue from the Arch movies is not applicable in FY 2017 as the movies have been temporarily discontinued.

St. Louis Regional Freightway is not being assessed a management fee in FY 2017.

Bi-State Development Research Institute is not being assessed a management fee in FY 2017.

Riverfront Attractions is not being assessed a management fee in FY 2017.

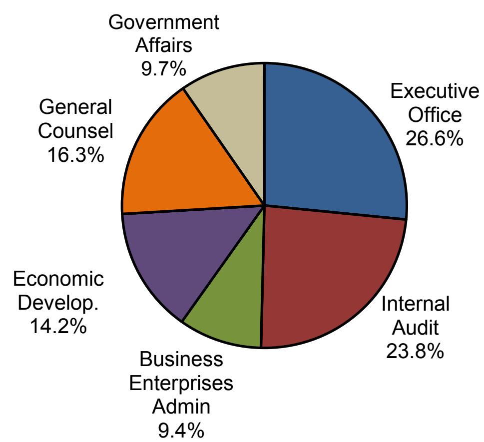
Arts In Transit, Inc. is not being assessed a management fee in FY 2017.

Expense

Compensation and benefits for the FY 2017 budget remains flat when compared to the FY 2016 budget.

Other post-employment benefits (OPEB) are primarily retiree medical expenses related to the implementation of GASB Statement No. 45.

Executive Services
FY 2017 Operating Expense By Dept



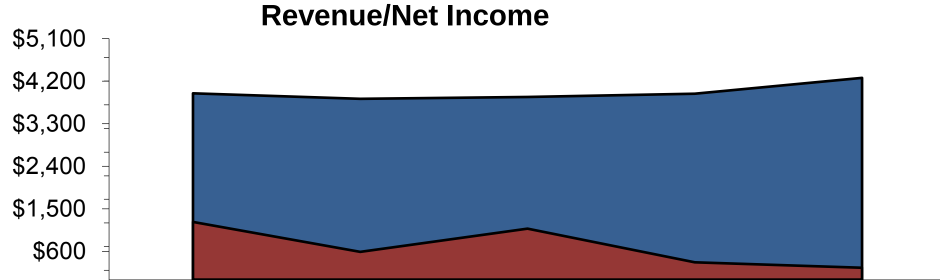
Services primarily consist of fees for outside consultants, auditors, lawyers, lobbyists and temporary help. Service expense for General Counsel has increased due to outside legal fees and an automated training management system.

Parts and supplies include office supplies and equipment, training materials, and data processing supplies.

Utilities consist of mobile device usage.

Other expense includes employee and commissioner travel, employee training and dues for regional, state, and national transportation and economic organizations.

Executive Services
Revenue/Net Income



(In thousands)	Actual 2013	Actual 2014	Actual 2015	Projected 2016	Budget 2017
Operating revenue	3,940	3,824	3,863	3,932	4,267
Net icome before depreciation	1,220	587	1,078	366	251

Executive Services

Executive Services Goals and Objectives Action Plan

The following goals and objectives are consistent with the four primary organization level goals used to achieve the Bi-State Development strategic plan. Progress in attaining these goals and objectives are measured through performance indicators. A list of performance indicators follows the goals and objectives action plan.

Goal: To be an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds.		
Objective: Establish and manage communications plan that improves public perception of Bi-State Development programs and credibility of management		
Strategy	**Action Steps**	**Performance Measurements**
Economic Development		
Continual improvement of BSD's economic development services, confirming program goals and continually updating and refining BSD's economic development direction	• BSD Board and CEO provide oversight for economic development efforts • Economic Development staff interacting with BSD engineering, planning, transit, grants, business enterprise, airport, legal, procurement, finance, marketing and communication on BSD projects • Economic Development staff interacting with local and national economic development groups for information and best practices • Grow the project reach and revenue potential of the BSD Research Institute • Continue to support the operating requirements of the St. Louis Regional Freightway • Interface with the public and regional partners on region-wide economic development needs	• Purposed, short and long-term economic development projects/programs for the regional community (on-going) • Increased perception in the region as BSD being a key part of the community fabric (on-going) • Improved community and private partnerships for BSD and BSD projects (on-going) • Wise stewardship of public resources leveraging private investment

Goal: To be an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds.		
Objective: Establish and manage communications plan that improves public perception of Bi-State Development programs and credibility of management		
Strategy	**Action Steps**	**Performance Measurements**
Economic Development		
Support regional development via BSDA's transit system and compact powers by leading the economic development component of TOD and economic development support for regional infrastructure.	• Interface with community partners on TOD planning, financing and development • Interface with property owners and planning staff on BRT • Focus regional efforts to secure large scale public infrastructure, such as those through the regional Freight District and SITE • Undertake econometric analysis for light rail expansion	• Increased square feet of private development and increased private investment dollars around MetroLink stations • Planning work on all 38 MetroLink stations for potential TOD investments • Initiate economic development related to BRT • On-going work for high speed rail and bridge improvements for the greater St. Louis region • Assigning economic value to areas of the region undergoing light rail expansion
Continual improvement of BSD's real estate services for BSD's real estate requirements in a professional and fiduciary manner	• Interface with engineering, transit, planning, grants operations, finance, business enterprises, economic development, legal and communications on projects • Interface with property owners and community partners on BSD projects and initiatives • Interface with FTA on property conveyance	• Managing ongoing offers and negotiations on properties and assets that support BSD's efforts • Maintaining individual real estate certifications • Managing real estate data and documents in a timely fashion for the acquisition or deposition of property • Successful annual excess property report to the BSD Board and Triennial Review with FTA • Timely processing of BSD real estate payments and collections Improved BSD revenues from BSD real estate assets

Goal: To be an effective and efficient publically-supported organization that is viewed as a transparent and accountable steward of public funds.		
Objective: Establish and manage communications plan that improves public perception of Bi-State Development programs and credibility of management		
General Counsel		
Ensure BSD compliance with all applicable legal and regulatory compliance requirements	• Maintain agency-wide corporate compliance requirements list; • Conduct semi-annual department requirements audits; revise when laws/ regulations change • Research and update all applicable federal, state, and local laws and regulations • Ensure reporting and auditing open action items are closed	• Complete semi-annual requirements audits (October 2016 and April 2017) • Include results in annual State of the Agency report present to Board of Commissioners by March 2017
Maintain an agency-wide employee compliance and ethics training program	• Conduct training for new employees • Conduct training for existing transit operators during refresher training • Conduct annual employee Code of Conduct review and attestation	• Complete training for all bus operators by June 2017 • Complete Code of Conduct attestation by February 2017
Maintain an agency-wide employee compliance fraud helpline incident reporting system	• Assign investigations for all incident reports • Track incident reports to closure • Ensure incident reports are thoroughly documented	• Close all incident reports within 30 days for at least 90% of all new incident reports • Include results in annual State of the Agency report and present to Board of Commissioners by March 2017

Goal: Ensure cost-effective and efficient use of resources and aggressively pursue funding partnerships to supplement existing resources		
Objective: Implement internal process improvements		
Strategy	**Action Steps**	**Performance Measurements**
Internal Audit		
Perform an agency wide risk assessment	• Perform a detailed review of the current "process control memos	• Use the results of the Risk Assessment to develop the FY 2017 Annual Audit Program
Assist in the implementation of the development of the Internal Service Funds for the BSD's self-funded insurance programs	• Develop the implementation guidelines for the financial statement presentation for the Health, Casualty, and Workers Compensation self-insurance programs	• Review Internal Service Fund financial statements monthly, quarterly and annually

Performance Indicators – Executive Services

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators.

	FY 2017	FY 2016		FY 2015
	Target	Projection	Target	Target
Executive Office and General Counsel:				
Timely preparation of Board Resolutions	Yes	Yes	Yes	Yes
Timely preparation of Board Minutes	Yes	Yes	Yes	Yes
Respond to all Sunshine Law requests within 3 days	100%	100%	100%	100%
Ensure Agency-wide legal and regulatory compliance	100%	100%	100%	100%
Close 90% of new Compliance and Fraud incident reports within 30 days	100%	100%	100%	100%
Government Affairs:				
Actively participate in regional and national transit organizations	Yes	Yes	Yes	Yes
Actively participate in regional economic development and transportation planning	Yes	Yes	Yes	Yes
Internal Audit:				
Audits planned	35	10	21	19
Audits completed	35	10	20	13
Audit recommendations accepted by mgmt	25	10	60	17
Audit recommendations implemented	25	10	44	17
Economic Development:				
Transit Oriented Development (TOD) project efforts at 38 stations	100%	100%	100%	100%
Bus Rapid Transit pre-development support	Yes	Yes	Yes	Yes
Grow regional project/funding partnership	Yes	Yes	Yes	Yes
Create opportunities for use of Bi-State compact	Yes	Yes	Yes	Yes
Expand BSD Research Institute projects	Yes	Yes	Yes	No
Real Estate:				
BSD strategic property analysis	Yes	Yes	Yes	Yes
BSD Engineering, etc. departmental support	Yes	Yes	Yes	Yes
BSD real estate accounts receivable current	98%	98%	98%	95%
BSD real estate accounts payable current	100%	100%	100%	100%
Manage BSD real estate assets to maximize value	Yes	Yes	Yes	Yes

Executive Services - Operating Expenses - Summary

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	17 Bgt vs. 16 Proj $ Change	17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
By type of expense:								
Wages & benefits without OPEB	$ 1,896,892	$ 2,455,635	$ 2,191,071	**$ 2,431,644**	$ 240,572	11.0%	$ 2,493,108	$ 2,575,825
Other post-employment benefits	126,693	129,600	71,063	**61,688**	(9,375)	-13.2%	61,688	61,688
Services	557,641	1,151,267	966,702	**1,132,305**	165,603	17.1%	1,179,049	1,246,379
Fuel & lubrications	809	1,584	1,259	**1,464**	204	16.2%	1,500	1,538
Parts & supplies	11,188	26,059	19,563	**26,406**	6,843	35.0%	26,092	27,286
Utilities	5,148	8,499	6,631	**8,649**	2,018	30.4%	8,748	8,847
Casualty & liability	-	-	-	**-**	-		-	-
Leases and other expense	189,419	357,899	311,970	**356,727**	44,756	14.3%	367,765	374,119
					-			
Operating expense	$ 2,787,790	$ 4,130,543	$ 3,568,260	**$ 4,018,882**	$ 450,623	12.6%	$ 4,137,951	$ 4,295,682

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	17 Bgt vs. 16 Proj $ Change	17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
By function:								
Executive Office	$ 612,339	$ 1,036,781	$ 875,613	**$ 1,020,273**	$ 144,660	16.5%	$ 1,041,334	$ 1,067,289
Internal Audit	674,384	1,121,648	914,317	**1,094,260**	179,943	19.7%	1,147,171	1,215,070
Government Affairs	185,446	376,542	419,375	**370,597**	(48,779)	-11.6%	374,719	380,191
General Counsel	504,053	577,269	557,388	**625,283**	67,895	12.2%	642,555	669,576
Economic Development	438,514	447,272	405,341	**545,612**	140,271	34.6%	560,433	579,238
Tourism Innovation Administration	288,004	332,357	335,203	**362,858**	27,655	8.3%	371,738	384,319
Workforce Diversity and EEO	85,049	238,675	61,022	**-**	(61,022)	-100.0%	-	-
Operating expense	$ 2,787,790	$ 4,130,543	$ 3,568,260	**$ 4,018,882**	$ 450,623	12.6%	$ 4,137,951	$ 4,295,682

Totals may not sum due to rounding.

Executive Services - Operating Expense by Functional Area

		FY 2015 Actual	FY 2016 Budget	FY 2016 Projection	FY 2017 Budget	17 Bgt vs. 16 Proj $ Change	17 Bgt vs. 16 Proj % Change	FY 2018 Budget	FY 2019 Budget
Executive Office	Wages & benefits without OPEB	428,745	563,328	532,950	**563,752**	30,802	5.8%	579,588	600,317
	Other post-employment benefits	32,732	28,690	16,565	**14,389**	(2,176)	-13.1%	14,389	14,389
	Services	21,421	204,500	109,128	**202,000**	92,872	85.1%	207,000	212,000
	Fuel & lubrications	-	156	78	**-**	(78)	-100.0%	-	-
	Parts & supplies	2,647	5,500	3,169	**5,500**	2,331	73.6%	5,500	5,500
	Utilities	161	1,200	600	**1,200**	600	100.0%	1,200	1,200
	Leases and other expense	126,634	233,407	213,123	**233,432**	20,309	9.5%	233,657	233,882
	Operating expense	612,339	1,036,781	875,613	**1,020,273**	144,660	69.9%	1,041,334	1,067,289
Internal Audit	Wages & benefits without OPEB	444,506	523,012	496,103	**550,763**	54,660	11.0%	559,490	571,159
	Other post-employment benefits	28,447	21,513	13,025	**10,790**	(2,235)	-17.2%	10,790	10,790
	Services	175,479	524,193	359,475	**471,310**	111,835	31.1%	506,043	555,894
	Parts & supplies	3,093	9,258	5,141	**10,147**	5,006	97.4%	10,239	11,332
	Leases and other expense	22,859	43,672	40,573	**51,250**	10,677	26.3%	60,610	65,895
	Operating expense	674,384	1,121,648	914,317	**1,094,260**	179,943	73.8%	1,147,171	1,215,070
Government Affairs	Wages & benefits without OPEB	-	135,043	67,289	**135,795**	68,505	101.8%	139,713	145,024
	Other post-employment benefits	-	9,460	4,676	**4,745**	69	1.5%	4,745	4,745
	Services	177,946	215,330	338,556	**215,345**	(123,211)	-36.4%	215,445	215,445
	Parts & supplies	-	1,171	585	**1,175**	590	100.7%	1,180	1,190
	Utilities	-	600	300	**600**	300	100.0%	600	600
	Leases and other expense	7,500	14,937	7,969	**12,937**	4,969	62.4%	13,037	13,187
	Operating expense	185,446	376,542	419,375	**370,597**	(48,779)	44.2%	374,719	380,191
General Counsel	Wages & benefits without OPEB	434,927	441,881	444,055	**483,461**	39,406	8.9%	497,495	516,341
	Other post-employment benefits	28,280	26,688	14,975	**13,385**	(1,590)	-10.6%	13,385	13,385
	Services	23,676	80,400	60,449	**92,650**	32,201	53.3%	95,031	102,845
	Parts & supplies	3,770	2,000	5,895	**5,300**	(595)	-10.1%	4,850	4,900
	Utilities	79	1,800	900	**1,800**	900	100.0%	1,800	1,800
	Leases and other expense	13,321	24,500	31,114	**28,687**	(2,427)	-7.8%	29,993	30,305
	Operating expense	504,053	577,269	557,388	**625,283**	67,895	90.4%	642,555	669,576
Economic Development	Wages & benefits without OPEB	262,824	290,384	282,006	**361,216**	79,210	28.1%	370,997	384,615
	Other post-employment benefits	18,519	18,443	10,412	**9,250**	(1,162)	-11.2%	9,250	9,250
	Services	149,132	122,100	99,017	**151,000**	51,983	52.5%	155,530	160,195
	Parts & supplies	1,056	3,345	1,890	**3,384**	1,494	79.0%	3,423	3,464
	Utilities	3,231	2,499	2,587	**3,249**	662	25.6%	3,348	3,447
	Leases and other expense	3,752	10,500	9,429	**17,513**	8,083	85.7%	17,885	18,267
	Operating expense	438,514	447,272	405,341	**545,612**	140,271	108.2%	560,433	579,238
Tourism Innovation Administration	Wages & benefits without OPEB	266,432	298,743	311,209	**336,657**	25,447	8.2%	345,825	358,368
	Other post-employment benefits	15,211	18,203	10,555	**9,130**	(1,426)	-13.5%	9,130	9,130
	Services	2,735	-	78	**-**	(78)	-100.0%	-	-
	Fuel & lubrications	809	1,428	1,181	**1,464**	283	23.9%	1,500	1,538
	Parts & supplies	358	800	2,399	**900**	(1,499)	-62.5%	900	900
	Utilities	1,677	1,800	1,734	**1,800**	66	3.8%	1,800	1,800
	Leases and other expense	782	11,383	8,046	**12,908**	4,862	60.4%	12,583	12,583
	Operating expense	288,004	332,357	335,203	**362,858**	27,655	85.9%	371,738	384,319
Workforce Diversity and EEO	Wages & benefits without OPEB	59,458	203,244	57,458	**-**	(57,458)	-100.0%	-	-
	Other post-employment benefits	3,504	6,604	855	**-**	(855)	-100.0%	-	-
	Services	7,254	4,743	-	**-**	-		-	-
	Parts & supplies	264	3,985	483	**-**	(483)	-100.0%	-	-
	Utilities	-	600	510	**-**	(510)	-100.0%	-	-
	Leases and other expense	14,570	19,500	1,716	**-**	(1,716)	-100.0%	-	-
	Agency fees								
	Operating expense	85,049	238,675	61,022	**-**	(61,022)	139.4%	-	-

Totals may not sum due to rounding.

Glossary

Glossary

501(c)3 - is an American tax-exempt nonprofit organization.

Accounting system - The total set of records and procedures which are used to record, classify and report information on the financial statements and operations of an entity.

Accrual basis accounting - The method of accounting under which revenues are recognized when earned and expenses are recognized at the time the liability is incurred (whether or not cash is received at that time or disbursements are made at that time).

AAP - Annual Audit Program - Internal Audit annual review of current company processes.

ADA - The Americans with Disabilities Act of 1990 – A federal act which prohibits discrimination against people with disabilities thereby promoting access to jobs, public accommodations, telecommunications, and public services, including public transit. Both operating and capital programs have been initiated by Bi-State Development in response to ADA legislation.

ADA paratransit service - Call-A-Ride van service provided to ADA-eligible passengers.

Administration - Bi-State Development's human resources, marketing and communications, procurement and material management, information technology, finance and labor relations cost centers.

Aircraft movement - Takeoff or landing recorded by the St. Louis Downtown Airport tower. Movements when the tower is closed are not included.

Airport fuel sales - Number of gallons of aviation fuel delivered to the fixed base operators.

Amortization - the allocation of a lump sum amount to different time periods, particularly for loans and other forms of finance, including related interest or other finance charges.

Appropriation - A law enabling and limiting availability of funds from a funding jurisdiction. Bi-State Development disbursements may not exceed appropriations. Generally, Bi-State Development budgets precede appropriation.

Arch tram ridership - Number of adult and child tickets sold.

ATS - Alternative Transportation Service, paratransit service provider in St. Clair County, IL. Bi-State Development is contracted by SCCTD for maintenance of the ATS vehicles.

Average weekday ridership - Average passenger boardings for weekday service. Excludes Saturdays, Sundays, and scheduled holidays.

Balanced budget - The Approved Organizational Compact between the states of Missouri and Illinois requires Bi-State Development to prepare and adopt an annual operating budget. A balanced operating budget shall be defined as revenues to equal expenditures except for depreciation and OPEB expenses. (see also Operating Budget)

Based aircraft - Number of aircraft stored in owned or leased hangars or outside ramps at St. Louis Downtown Airport at end of each month.

Benefits - Fringe benefit expenses including health, life, and disability insurance; social security; vacations; holidays; sick leave; Paid Time Off (PTO); unemployment; workers' compensation, and employer's 401(k) contribution.

Board of Commissioners - Ten-member board that sets policy and direction for the Agency. The governor of Missouri appoints five commissioners and the County Boards of St. Clair and Madison Counties in Illinois appoint five.

Bond - A debt investment in which an investor loans money to an entity (corporate or governmental) that borrows the funds for a defined period of time at a fixed interest rate.

Call-A-Ride - Bi-State Development service name for demand-response van service.

Capital assets - Assets of a material value and having a useful life of more than one year. Also called fixed assets.

Capital budget - A component of the annual budget that serves as a guide for efficiently and effectively undertaking capital projects. The capital budget includes the Capital Improvement Program (CIP).

Capital Improvement Program (CIP) - A plan of major capital projects. It includes the

funds required for the completion of the projects and the sources for funding these projects.

Capital project - Projects with an estimated useful life of 1-year or more and a total cost of at least $5,000.

Cash equivalent - Per Bi-State Development, all investments readily convertible into cash with original maturity of 3 months or less.

CMAQ grant - A federal Congestion Mitigation/Air Quality grant program designed to support transportation projects that contribute to air quality improvements and provide congestion relief.

Compensation - The cost of wages and salaries including overtime for the performance of work.

Complaint - Passenger or general public dissatisfaction expressed to Customer Service by phone call, letter or email for which there is no immediate, satisfactory explanation; includes operator behavior, service, equipment maintenance or suitability, or other concerns.

Continuing resolution - Legislation that allows a government organization to operate while its budget is still yet to be approved.

Cross County - MetroLink corridor extending through Clayton, Missouri and ending at Shrewsbury, Missouri, adding eight miles and nine stations to the system.

Cost center - An operating unit within Bi-State Development for which an annual budget is approved by the Board of Commissioners.

Customer complaint - See complaint.

Deadhead - The time and distance in which a transit vehicle is traveling toward a yard, shop, or the start of a run but is not in revenue service.

Debt Service Fund - A fund used to account for resources set apart for the payment of principal, interest, and any service charges on long-term debt.

Depreciation - The decrease in value of assets and/or the allocation of the cost of assets to periods in which the assets are used.

DMH - Missouri Department of Mental Health, which subsidizes Call-A-Ride paratransit passenger trips.

EADS - Employee Accountability and Development System, Bi-State Development's employee evaluation and development program.

EEO - Equal Employment Opportunity

Economic Stimulus Funds - Funds created when the government changes its fiscal policy of spending and taxation in order to bolster and revive an economy that is in a recession. By spending money on state and federal infrastructure, the government hopes to provide jobs, and jump-start the failing economy.

EWGCOG - The East-West Gateway Council of Governments is designated by federal, state, and local officials as the Metropolitan Planning Organization (MPO) for the greater St. Louis region. The MPO is responsible for carrying out the urban transportation planning process in this region.

Executive Services - A Bi-State Development service supporting the other Bi-State Development companies.

Expense (operating) - Excludes depreciation, amortization, debt expense and sheltered workshop expense. Allocations by mode are based on a management-developed model.

Failure - Call A Ride and MetroBus: Revenue service interruption whereby a vehicle is unable to complete the assigned run and must be removed from service because of a mechanical, wheelchair lift, or other equipment failure. Road hazard tire failures, vandalism, accidents, and other failures not related to maintenance of vehicles are not reported. MetroLink revenue service interruption whereby a train is delayed by five minutes or more or removed from service because of a mechanical reason.

Fair value - Unbiased estimate of the potential market price.

Farebox recovery - Passenger revenue as a percent of operating expense.

Fares - The amount charged to passengers for use of various services provided by Bi-State Development.

Federal Discretionary Funds - Programs funds allocated for specific projects. Each program has its own eligibility and selection criteria that are established by law, by regulation, or administratively.

Federal Formula Fund - Is a grant program created by the Congress to distribute funding to states using a specific formula for the distribution of the funds. The formula tells the recipient of the funding how much aid the agency qualifies for.

Finance - Bi-State Development's accounting, budget, grants, passenger revenue, safety, and treasury cost centers.

Fiscal policies - guidelines providing a framework for the financial responsibilities associated to the operation of Bi-State Development.

Fiscal year (FY) - The fiscal year for Bi-State Development ends on June 30 of each year. FY 2017 ends on June 30, 2017. FY 2017 of the federal government extends from October 1, 2016, through September 30, 2017.

Fixed asset - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery and furniture.

Fixed guideway funds - Provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors.

Fixed guideway system – Any transit service that uses and occupies a separate right–of-way or rails for the exclusive use of public transportation and other high occupancy vehicles or uses a fixed catenary system.

Fixed route service - MetroBus and MetroLink vehicles that operate according to fixed schedules and routes.

Fleet size – Number of revenue vehicles at the end of the reporting period.

FTA - (Federal Transit Administration) – The federal agency that helps cities and communities provide mobility to their citizens. Through its grant programs, FTA provides financial & planning assistance to help plan and build public transit systems. Since 1988, the only FTA funding available to Bi-State Development has been for capital projects.

Fund - A fiscal and accounting entity which is comprised of a self-balancing set of accounts which reflect all assets, liabilities, equity, revenue and expenditures (or expenses) necessary to disclose financial position and the results of operations. Funds are established as individual entities in order to segregate financial records for the purpose of legal compliance, different natures of the activities performed, measurement of different objectives, and to facilitate management control.

Fund accounting - An accounting system emphasizing accountability rather than profitability, used by non-profit organizations and governments.

Fund balance - Refers to the excess of current assets over current liabilities.

Gateway Arch - Jefferson National Expansion Memorial and park grounds operated by the National Park Service in downtown St. Louis. In reference to Bi-State Development, the tram system and ticketing operation managed by Bi-State Development under contract with the National Park Service.

Gateway Arch Riverboats - Becky Thatcher and Tom Sawyer riverboats owned and operated by Bi-State Development adjacent to the Gateway Arch park grounds.

General Fund - It is the principal operating fund for Bi-State Development.

Hedging - An investment position intended reduce any substantial losses/gains suffered by an individual or an organization

Half cent sales tax - One-half of a cent sales tax collected in St. Louis City and St. Louis County, enacted in 1973, to be used for transportation purposes

IDOT - Illinois Department of Transportation.

Infrastructure - Basic installations and facilities (e.g., roads, bridges) upon which the continuance and growth of a community depend.

Internal Service Funds - Self insurance programs operated by Bi-State Development that includes medical and dental, casualty insurance and workers' compensation insurance.

IT - Information technology including hardware and software management and office services.

JARC - Job Access and Reverse Commute Program - FTA grant program to provide funding for local programs that offer job access and reverse commute services to provide transportation for low income individuals who may live in the city core and work in suburban locations.

Liability - Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

Management fee - Assessment by Executive Services to other Bi-State Development companies to finance Executive Services company expenses.

MAP-21 (Moving Ahead for Progress in the 21st Century Act) - The surface transportation law that authorizes funding for various transportation programs. The law was signed by President Obama on July 6, 2012 and became effective October 1, 2012 and is effective for two years, through September 30, 2014. It replaces SAFETEA-LU.

Media Exposures - Potential audience reached based on print media circulation, unique social media viewers, and broadcast audience size.

MetroBus - Bi-State Development service name for bus service.

MetroLink - Bi-State Development service name for light rail service.

MetroScapes - An Arts in Transit program that publishes local artists' images for use in Metro bus shelters and a limited edition of posters. Posters are offered for sale at the MetroStore.

New Freedom - FTA formula grant program that aims to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society.

New Start - FTA grant program that is the primary funding option for local "guideway" transit projects, such as rapid rail, light rail, commuter rail, people movers, and exclusive facilities for buses and other high-occupancy vehicles (such as bus rapid transit).

OATS, Inc. - A not-for-profit 501(c)3 corporation providing specialized public transportation for senior citizens, people with disabilities and the rural general public in 87 Missouri counties.

On-time performance - MetroBus and MetroLink: Automated passenger counters record early and late departures for selected MetroBus routes and MetroLink runs compared to published schedules. A trip is considered "on-time" if the vehicle departs within the time frame of 59 seconds before schedule or arrives within 4:59 minutes after schedule. Deleted from the results are no-shows or extreme weather days. Call-A-Ride: Appointments are made giving the passenger an estimated arrival time. A trip is considered on time if arrival for the appointment is within 20 minutes before or after the appointment time.

Operating budget - The portion of the budget pertaining to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, travel, fuel, and capital outlay.

Operating expense - See Expense (operating)

Operating revenue - See Revenue (operating)

Operations - Bi-State Development's vehicle operator and maintenance, security, custodial, service planning, and customer service cost centers.

Organizational unit - A major administrative unit of Bi-State Development with overall management responsibility for an operation or a group of related operations within a functional area.

Paraquad - A St. Louis center for independent living for people with disabilities.

Parking facility vehicle transactions - Number of vehicles exiting the facility excluding monthly parkers.

Passenger boardings - Includes original revenue vehicle boardings and all transfers based on MetroBus farebox counts, MetroLink ridership modeling using Automatic Passenger Counter (APC) technology, and actual Call-A-Ride passengers.

Passenger injury - Physical harm or alleged physical harm to a passenger or bystander involved in an Bi-State Development accident. One vehicle accident may result in multiple injuries.

Peer - City which management considers to be comparable to St. Louis. Certain cities report more than one agency in which case the agency results have been combined.

Per capita income - income computed for every man and woman in a geographic area age 16 and over.

Performance indicators - Specific quantitative and qualitative measures of work performed as an objective of the department or cost center.

Performance measurements - See Performance Indicators

Peripheral equipment - Computer input/output devices

Prop A - One-half of a cent sales tax collected in St. Louis County, enacted in 2010, primarily used to fund transit operating activity with the remainder applied to capital.

Prop M - One-quarter of a cent sales tax collected in St. Louis City and County used for mass transit development and operations.

Prop M2 - One-quarter of a cent sales tax collected in St. Louis City, approved in 1997 and began collecting in 2010 with the passage of the St. Louis County Prop A tax, used for operations and capital development.

Restricted funds - Grants or donations that require that the funds be used in a specific way or for a specific purpose.

Revenue (operating) - The term designates an increase to a fund's assets which does not increase a liability, represent a repayment of an expenditure already made, represent a cancellation of certain liabilities or represent an increase in contributed capital.

Revenue bond - a special type of bond distinguished by its guarantee of repayment solely from revenues generated by a specified revenue-generating entity associated with the purpose of the bonds.

Revenue hours - Time that MetroBus/Call-A-Ride vehicles or MetroLink trains operate in passenger service including special service and layover/recovery time.

Revenue miles - Distance that MetroBus/Call-A-Ride vehicles or MetroLink trains operate in passenger service including special service.

Revenue recovery - Passenger revenue, Transit Management Association revenue, and paratransit contractual revenue as a percent of expense.

Reverse commute - City-to-suburb commute. This phrase refers to the fact that most riders commute from the suburbs to the city.

Ridership - Transit System: Total passenger boardings. Gateway Arch tram: Number of adult and child tickets sold. Riverboats: Number of cruise tickets sold to adults and children.

Riverfront attractions - Includes the Gateway Arch Riverboats and bike rentals, operated by Bi-State Development, and a heliport owned by Bi-State Development but operated under a lease agreement with a helicopter tour company.

Roadcall - MetroBus or Call-A-Ride revenue service interruption whereby the vehicle is delayed because of mechanical, tire, farebox, wheelchair or other equipment failure. A delay is not counted as a roadcall unless the delay is five minutes or more for MetroBus or fifteen minutes or more for Call-A-Ride.

SAFETEA-LU - Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users was signed into law August 10, 2005 for federal transit programs for FY 2005 through FY 2009. The law was extended under a series of continuing resolutions until its' final expiration on September 30, 2012.

SCORE - (Systems Connectivity Opportunity Responsiveness Efficiency) – Bi-State Development's state of the art business information system that brings a new level of integration of automation between business functions.

Security incident - Primarily disorderly conduct, fare evasion, trespassing, drunkenness and other arrests at Bi-State Development locations. Also includes reported violent crime and property crime even if there was no arrest.

Service hours - see total hours

Service miles - see total miles

Sheltered workshop - Vocational programs designed to provide work for persons with mental retardation/developmental disabilities. Two percent of the Missouri ½ cent sales tax (City of St. Louis and St. Louis County) when received by Bi-State Development is forwarded to support these programs.

Single Audit Act - provides audit requirements for ensuring all non-Federal entities that expend $500,000 or more of Federal awards in a year are expended properly

Smart card - Pocket-sized card with embedded integrated circuits which can process data to be used for transit fare collection.

STIP - State Transportation Improvement Program - A statewide prioritized listing/program of transportation projects covering a period of four years that is consistent with the long-range statewide transportation plan metropolitan transportation plans and transportation improvement plans (TIPs), and is required for projects to be eligible for funding.

STP - Surface Transportation Program; provides funds for projects that include road maintenance and construction, public transit projects, bridge improvements, traffic flow improvement projects, and bicycle and pedestrian projects.

Straight-line method - the purchase or acquisition price of an asset subtracted by the salvage value divided by the total productive years the asset can be reasonably expected to benefit the company

Strategic plan - Comprehensive summary of Bi-State Development's plan and vision to improve quality of life through public transportation.

Subsidy per passenger - Operating subsidies related to transit operations divided by passenger boardings.

TIF - Tax increment financing which creates tax incentives for business redevelopment. TIF programs may reduce sales tax receipts for Bi-State Development.

TIP - Transit Improvement Program, a planning document prepared by Bi-State Development for review and approval by state Departments of Transportation and the Federal Transit Administration to enable grant applications and receipt of federal funds.

TMA - Transit Management Association, which coordinates paratransit operations in the region using Bi-State Development's reservation and dispatching system.

TOD - Transit Oriented Development, is the growing trend in creating vibrant, livable communities. Also known as Transit Oriented Design, it is the creation of compact, walkable communities centered around high quality train systems. This makes it possible to live a higher quality life without complete dependence on a car for mobility and survival.

Total hours - Revenue hours plus deadhead hours (e.g., from the facility to the start of a revenue trip).

Total miles - Revenue miles plus deadhead miles (e.g., from the facility to the start of a revenue trip).

Tourism Innovation - The division responsible for the sales, marketing and operation of the Gateway Arch and Gateway Arch Riverfront Attractions.

Tranche - one of a number of related securities offered as part of the same transaction.

Transit System - The Bi-State Development company that provides transit services under service names MetroBus, MetroLink, and Call-A-Ride.

Trapeze - Trapeze Software, a major software provider specializing in transportation systems.

TRIP - Transit in the Park - (Paul S. Sarbannes) - Program goals are to conserve natural, historical, and cultural resources; reduce congestion and pollution; improve visitor mobility and accessibility; enhance visitor experience; and ensure access to all, including persons with disabilities through alternative transportation projects.

TVM - Ticket Vending Machines located at each MetroLink station

Unscheduled absenteeism - Operator, mechanic and facility support sick time and unauthorized leave as a percent of current staffing, excluding overtime.

Vehicle accident - Incident in which Bi-State Development vehicle makes physical contact with another vehicle, a fixed object or a person. It also includes derailments or leaving the road.

Vehicle miles - For MetroBus and Call-A-Ride, total miles and vehicle miles are the same. For MetroLink, total mileage for each car of a two-car train is included.

Vehicle transactions - Number of vehicles exiting the Gateway Arch Parking Facility.

UZA - A Census-designated urban area with 50,000 residents or more (Urbanized Area).

Glossary of Acronyms

ADA	Americans with Disabilities Act
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
AIG	American International Group
AIT	Arts in Transit
AMBAC	American Municipal Bond Assurance Corporation
APC	Automatic Passenger Counter
APTA	American Public Transportation Association
ARC	Actuarially Recommended Contribution
ArcGIS	Collection of software products that runs on standard desktop computers to create, import, edit, query, map, analyze and publish geographic information.
ArcGIS Server	ArcGIS Server delivers dynamic maps and GIS data and services via the Web.
ARFF	Aircraft Rescue and Firefighting
ARRA	American Recovery and Reinvestment Act of 2009
ATS	Alternative Transportation Service, paratransit service provider in St. Clair County, IL. Metro is contracted by SCCTD for maintenance of the ATS vehicles
ATU	Amalgamated Transit Union
AVL	Automated Vehicle Locator
BJC	Barnes Jewish Childrens Healthcare Centers
BRT	Bus Rapid Transit
CAD/AVL	Computer Aided Dispatch / Automated Vehicle Location
CAFR	Comprehensive Annual Financial Report
CCC	Cross County Collaborative
CCTV	Closed Circuit Television (Cameras)
CIP	Capital Improvement Program
CMAQ	Congestion Mitigation&Air Quality
CMS	Constant Maturity Swap
DBE	Disadvantaged Business Enterprise

DHS	Department of Homeland Security
DMH	Department of Mental Health
DOT	United States Department of Transportation
EADS	Employee Accountability and Development System
ERS	Evaluated Receipt Settlement
ESGR	Employer Support of the Guard and Reserve
EWGCOG	East-West Gateway Council of Governments
FAA	Federal Aviation Administration
FASB	Financial Accounting Standards Board
FAST Act	Fixing America's Surface Transportation Act
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
FSA	Financial Security Assurance Company (now Assured Guaranty)
FTA	Federal Transit Administration
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIC	Guaranteed Investment Contract
GIS	Geographic Information System
HCMS	Human Capital Management System
HPS	High Pressure Sodium
IBEW	International Brotherhood of Electrical Workers
IDOT	Illinois Department of Transportation
IDS	Intrusion Detection System
IT	(Metro's) Information Technology Division
JARC	Job Access and Reverse Commute Program
LIBOR	London Interbank Offering Rate
LOC	Letter of Credit
LRV	Light Rail Vehicle

MAC	Missouri Arts Council
MAP-21	Moving Ahead for Progress in the 21st Century Act
MoDOT	Missouri Department of Transportation
MOW	Maintenance of Way
MPO	Metropolitan Planning Organization
MTIA	Major Transportation Investment Analysis
NOFA	Notice of Funding Availability
NPS	National Park Service
NTD	National Transit Database
O&M	Operations and Maintenance
OATS	Older Adults Transportation Service
OPEB	Other Post Employment Benefits
PAPIs	Precision Approach Indicators
RAC	Regional Arts Commission
RCGA	Regional Chamber and Growth Association
RFP	Request for Proposal
ROMIS	Rail Operations Management Information System
RTC	Resolution Trust Corporation
SAFETEA-LU	Safe, Accountable, Flexible and Efficient Transportation Equity Act - A Legacy for Users
SCADA	Supervisory Control and Data Acquisition
SCCTD	St. Clair County Transit District (Illinois)
SCORE	Systems Connectivity Opportunity Responsiveness Efficiency (Business System)
SLU	St. Louis University
SMSA	Standard Metropolitan Statistical Area
SOP	Standard Operating Procedures
SSM	Sisters of St. Mary Healthcare
STP	Surface Transportation Program
STIP	State Transportation Improvement Program
STRIP	Separate Trading of Registered Interest and Principal Securities

TAM	Transit Asset Management
TAMP	Transit Asset Management Plan
TEA-21	Transportation Equity Act for the 21st Century
TFLEX	Transit Finance Learning Exchange
TIF	Tax Increment Financing
TIGER	Transportation Investment Generating Economic Recovery - supplemental discretionary grant program managed by the DOT.
TIP	Transportation Improvement Program
TMA	Transportation Management Association
TSA	Transportation Security Administration
TSGP	(Department of Homeland Security) Transit Security Grant Program
TVM	Ticket Vending Machines
UMSL	University of Missouri - St. Louis
USCG	United States Coast Guard
USO	United Services Organization
Wash-U	Washington University
YTD	Year to Date

Open Session Item
11

Bi-State Development
Board of Commissioners
Agenda Item
April 22, 2016

From:	John M. Nations, President & CEO
Subject:	**Contract Modification (Time Extension and Contract Value Increase) With Arcturis, Inc. for Civic Center Transit Center**
Disposition:	Approval
Presentation:	Raymond A. Friem, Executive Director Metro Transit; Frederick J. Bakarich, Director Engineering Systems; Larry B. Jackson, Executive Vice President Administration

Objective:
To present to the Board of Commissioners a request to authorize the President & CEO to execute a modification to the current contract (12-RFP-5919-MM/DGR) with Arcturis, Inc. to extend the time of performance and to increase the value of the contract for the purpose of providing additional design and construction phase services for the Civic Center Transit Center.

Committee Disposition:
This item was not presented to a Committee. However, due to the critical nature of keeping the Civic Center Transit Center Project on schedule, together with my judgment that it is not detrimental to our interests, I have granted permission for this matter to be placed on the agenda for approval by the Board of Commissioners at the meeting on April 22, 2016.

Board Policy:
Board Policy Chapter 50.010 Paragraphs E & G - Purchasing requires Board approval of all negotiated procurements when the contract dollar amount exceeds $500,000. This contract has a current value of $635,522. The proposed change will not exceed $292,000 but will increase the total value of the contract to $927,522. Additionally, Board of Commissioners' approval is required for time extensions in excess of 180 days.

Funding Source:
This project is funded through FTA Grants MO-03-0103, MO-04-0113, MO-90-X296 and Local Funding.

Background:
Proposals were solicited from qualified consultants to design the Civic Center Transit Center. The evaluation committee determined Arcturis, Inc. to be the highest ranking firm, and a contract was awarded in October 2013 in the amount of $558,657.00. Subsequently, Contract Modification No. 1 increased the total value of the contract to $635,522.34. Additionally, Contract Modifications No. 2, 3 and 4 extended the Contract time to December 31, 2016.

Arcturis, Inc. is requesting additional compensation for design services that were required to complete the design phase of the project. The request is due to the following scope modifications and additions:

1. Prepare site layout options to accommodate the Transit Building relocation.
2. Design and detailing required for a two-story transit building in lieu of planned single story structure.
3. Utility design and existing site utilities research required for the relocation of an existing 30" combined sewer with accommodation for an existing steam line.
4. Site design required for bus drive and bus berth adjustments and extension into the existing plaza area to facilitate bus operations.
5. Design and detailing required for new bus shelters in lieu of replicating existing shelters.
6. Preparation of multiple ADA ramp layout options and the design and detailing required for the relocation of the accessible ADA ramp between the bus berth area and the existing MetroLink Station platform to accommodate the requirements of the Commissioner on Disabled for the City of St. Louis.
7. Due to the delays incurred by the preceding scope modifications and additions, particularly the resolution of the accessible ADA ramp location, it will be necessary to extend Arcturis's contract time by 304 days.

Analysis:
Staff agrees that the changes are necessary and can be accommodated within the existing project budget. The cost for the additional design services identified above will not exceed $292,000. In addition, due to the delays incurred by the preceding scope modifications and additions, particularly the resolution of the accessible ADA ramp relocation, it will be necessary to extend Arcturis' contract time by 304 days to October 31, 2017.

Management Recommendation:
Management recommends that the Board of Commissioners authorize the President & CEO to approve a contract modification to Contract 12-RFP-5919-MM/DGR with Arcturis, Inc. in an amount not to exceed $292,000.00 and to extend the contract time by 304 days through October 31, 2017. Total contract amount will not exceed $927,522.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BI-STATE DEVELOPMENT AGENCY OF THE MISSOURI-ILLINOIS METROPOLITAN DISTRICT APPROVING THE EXTENSION OF TIME FOR PERFORMANCE AND INCREASE OF THE CONTRACT AWARD TO ARCTURIS, INC. FOR ADDITIONAL DESIGN SERVICES FOR THE CIVIC CENTER TRANSIT CENTER

PREAMBLES:

Whereas, The Bi-State Development Agency of the Missouri-Illinois Metropolitan District (the “Agency”/“BSD”) is a body corporate and politic, created by an interstate compact between the States of Missouri and Illinois, acting by and through its Board of Commissioners (the “Board of Commissioners”); and

Whereas, the Agency is authorized by Mo. Rev. Stat. §§ 70.370 et seq. and 45 Ill. Comp. Stat. 100/1 et seq. (jointly referred to herein as the “Compact”) to plan, construct, maintain, own and operate passenger transportation facilities, and to perform all other necessary and incidental functions, and to disburse funds for its lawful activities, to adopt rules and regulations for the proper operation of its passenger transportation facilities and conveyances, to contract and to be contracted with; and

Whereas,, Board Policy Chapter 50, §50.010(A)(2) and §50.010(E)(1)(a), requires Board approval of all Competitive Negotiated Procurements exceeding $500,000 and Board Policy Chapter 50.010, Section G.2, requires the Board of Commissioners to approve all extensions of contract performance that exceed 180 days; and

Whereas, the funding for this project is to be provided through FTA grants MO-03-0103, MO-04-0113, MO-90-X296 and Local Funds; and

Whereas, proposals were solicited from qualified consultants to design the Civic Center Transit Center. The evaluation committee determined that Arcturis, Inc. to be the highest ranking firm, and a contract was awarded in October, 2013 in the amount of $558,657. Subsequently Contract Modification No. 1 increased the total value of the contract to $635,522.34. Additionally, Contract Modifications Nos. 2, 3, and 4 extended the Contract time until December 31, 2016; and

Whereas, Arcturis, Inc. is requesting additional compensation for design services that were required to complete the design phase of the project. The requests are due to scope modifications and additions; and

Whereas, BSD management agrees that the changes are necessary and can be accommodated within the existing project budget. The cost for the additional design services will not exceed $292,000. In addition, due to delays incurred by the new scope modifications and additions, particularly the resolution of the accessible ADA ramp relocation, it will be necessary to extend the time for performance of the contract by 304 days until October 31, 2017; and

Whereas, it is feasible, necessary and in the public interest for the Agency to approve an extension of time for performance through October 31, 2017 for Contract 12-RFP-5919-MM/DGR with Arcturis, Inc. and increase the contract award in an amount not to exceed $292,000 for a total not to exceed contract amount of $927,522 for additional design services for the Civic Center Transit Center project, in accordance with the terms and conditions described herein.

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 of Commissioners 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. Approval of the Contract Modifications. The Board of Commissioners hereby approves an extension of time for performance through October 31, 2017 for Contract 12-RFP-5919-MM/DGR with Arcturis, Inc. and increase the contract award in an amount not to exceed $292,000 for a total not to exceed contract amount of $927,522 for additional design services for the Civic Center Transit Center project, under and pursuant to this Resolution and the Compact for the authorized Agency purposes set forth in the preamble hereof and subject to conditions hereinafter provided.

Section 3. Actions of Officers Authorized. The officers of the Agency, including, without limitation, the President and CEO, and the Vice President of Procurement are hereby authorized and directed to execute 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 and the Contract and the execution of such documents or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Severability. It is hereby declared to be the intention of the Board of Commissioners that each and every part, section and subsection of this Resolution shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Commissioners intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Resolution shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the intent of this Resolution.

Section 5. Rights Under Resolution Limited. No rights shall be conferred by this Resolution upon any person or entity other than the Agency and Arcturis, Inc.

Section 6. Governing Law. The laws of the State of Missouri shall govern this Resolution.

Section 7. No Personal Liability. No member of the Board of Commissioners, officer, employee or agent of the Agency shall have any personal liability for acts taken in accordance with this Resolution.

Section 8. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED by the Board of Commissioners of The Bi-State Development Agency of the Missouri-Illinois Metropolitan District this 22nd of April, 2016.

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

By____
Title____

[SEAL]

ATTEST:

By____
Deputy Secretary to the Board of Commissioners

Open Session Item
12

FISCAL YEAR **2016**

QUARTERLY FINANCIAL STATEMENTS

Second Quarter

Ending December 31, 2015

BI·STATE DEVELOPMENT

65 YEARS

Bi-State Development of the Missouri-Illinois Metropolitan District

BI·STATE DEVELOPMENT

To: John M. Nations
President and Chief Executive Officer

From: Kathy S. Klevorn,
Sr. Vice President Finance and CFO

Date: February 2, 2016

Subject: Bi-State Development Financial Statements – December 31, 2015

Enclosed is the financial statement package for December 31, 2015. Results, including the analysis and financial position, are provided by operating unit. These results are *unaudited* and subject to change. The financial statements presented are not prepared in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP). A U.S. GAAP presentation would include, among other things, revenue and expenses identified as operating or non-operating and segregated accordingly, depreciation shown as an operating expense; full disclosure of all material financial and non-financial events with accompanying footnote disclosures; and a Management Discussion and Analysis (MD&A) section.

Changes to the Quarterly Financial Package

There are additions to quarterly financial package beginning with the quarter ending December 31, 2015.

Bi-State Development (BSD) established an Internal Service Fund (ISF) to report on health and welfare expenses for the entire organization. The Health and Welfare Internal Service Fund is used to report on medical and health related services and their related costs which are provided to other business units within Bi-State Development. The ISF is being reported separately with its own income statement, balance sheet, cash flow statement and statement of cash receipts and disbursements.

There continues to be a Combining Statement of Net Income or Loss for the Enterprise Funds with eliminations for the operational business units. Beginning this quarter, a Combining Statement of Net Position (Balance Sheet) has been added for the operational business units.

A Government Wide Combining Statement of Net Income or Loss and a Government Wide Statement of Net Position (Balance Sheet) has been included. The Government Wide financials statements combine the operating business unit and internal service fund information into organizational totals with proper eliminations. The Government Wide financials provide accurate financial for BSD in its entirety.

Executive Services

Revenue has remained constant from the prior year for the Gateway Arch Tram and the St. Louis Downtown Airport. Metro transit's management fee is lower than budget. It is based on a percent of Executive Services expenses. Prudent management has controlled expense thereby lowering the management fee. There is operating revenue of $172.8 thousand related to regional support and sponsorship of the annual meeting. Executive Services is generating a net income before depreciation of $304.0 thousand. *Please see page 13 for the Statement of Revenue and Expense.*

Gateway Arch

Arch ticket sales revenue are 2.5% lower than last year primarily due to construction. Savings in the cost of a project has allowed the National Park Service (NPS) to temporarily return $1.2 million in funds. These funds will be set aside to help fund future capital projects at the Arch. The Gateway Arch Tram System is generating a net income before depreciation of $2.1 million. *Please see page 22 for the Statement of Revenue and Expense.*

Metro Transit

Revenue

Total Metro Transit revenue and passenger revenue are down 7.0% and 5.9% respectively compared to prior year. Passenger ridership for MetroLink was down 6.4%, MetroBus was down 5.7% and Metro Call-A-Ride ridership remained flat. Contract, appropriation and grant revenue are slightly higher than prior year.

Expense

Year over year operating expenses are up 2.3% year to date. The two categories showing notable increases are wages and benefits and casualty insurance. This is the result of the wage increases and severity of claims. Combined wages and benefit expense of $86.5 million is 60.7% of total expenses. The net income before depreciation is $9.7 million. *Please see page 32 for the Statement of Revenue and Expense.*

St. Louis Downtown Airport

Total revenue and hangar rental are greater than prior year. Expenses have increased slightly year over year. The increased revenue has resulted in net income before depreciation of $44.3 thousand compared to a net income last year of $29.1 thousand. *Please see page 46 for the Statement of Revenue and Expense.*

Riverfront Attractions

Operating revenues are down 43.6% compare to budget due to flooding and construction. There were 30 lost cruising days. Riverfront Attractions has net loss before depreciation of $77.7 thousand. *Please see page 56 for the Statement of Revenue and Expense.*

Freight District

The Regional Freight District has $192.5 thousand in operating revenue. Revenues are provided by outside agencies. Operating expenses consist primarily of staff wages and benefits and consulting services. Regional Freight District has net loss before depreciation of $7.8 thousand. *Please see page 64 for the Statement of Revenue and Expense.*

Research Institute

The Bi-State Development Research Institute is a 501(c)(3) non-profit corporation. The Institute has $39.8 thousand in operating revenue and minimal operating expense. The Institute has net income before depreciation of $39.7 thousand. *Please see page 70 for the Statement of Revenue and Expense.*

Arts in Transit

Arts In Transit, Inc. is a non-profit 501(c)(3). Its primary role is to establish and coordinate a collaboration of artists to design and build standalone artwork which is intergraded into the transit system. AIT has grant revenue from the Regional Arts Commission of $26.5 thousand. *Please see page 76 for the Statement of Revenue and Expense.*

Health and Welfare Internal Service Fund

The Health and Welfare Internal Service Fund is used to report on medical and health related services and their related costs which are provided to other business units within Bi-State Development. Revenue of $15.9 million includes $12.6 million in employer contributions and $3.3 million in employee/participant contributions. Expenses of $15.4 million include $10.7 million in medical claims and $3.1 million in prescription claims paid. Income before depreciation for the Internal Service Fund for the six months ended December 31, 2015 was $493.4 thousand. *Please see page 82 for the Statement of Revenue and Expense.*

BI·STATE DEVELOPMENT

BU150096

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Government Wide
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Enterprise Funds Total	Internal Service Fund Total	Total	Eliminations	Government-Wide Financial Total
Assets					
Current assets					
Cash and investments	$ 247,195,352	$ 3,290,462	$ 250,485,814	$ -	$ 250,485,814
Accounts and notes receivable	6,076,352	18,406	6,094,758	-	6,094,758
Interfund accounts receivable	-	504,250	504,250	(504,250)	-
Restricted accounts receivable	111,361	-	111,361	-	111,361
assistance receivable	40,824,026	-	40,824,026	-	40,824,026
Materials and supplies inventory	9,036,691	-	9,036,691	-	9,036,691
Other current assets	3,107,019	-	3,107,019	-	3,107,019
Total current assets	306,350,801	3,813,118	310,163,919	(504,250)	309,659,669
Capital assets					
Capital assets - motorbus	365,505,813	-	365,505,813	-	365,505,813
Capital assets - paratransit	18,230,491	-	18,230,491	-	18,230,491
Capital assets - lightrail	1,549,191,314	-	1,549,191,314	-	1,549,191,314
Capital assets, net depr	67,549,696	-	67,549,696	-	67,549,696
Total capital assets	2,000,477,314	-	2,000,477,314	-	2,000,477,314
Accumulated depreciation	(1,125,594,209)	-	(1,125,594,209)	-	(1,125,594,209)
Total capital assets, net	874,883,105	-	874,883,105	-	874,883,105
Land	100,749,855	-	100,749,855	-	100,749,855
Construction-in-process	76,545,387	-	76,545,387	-	76,545,387
Total capital assets	1,052,178,347	-	1,052,178,347	-	1,052,178,347
Non-current assets					
Restricted investments	94,568,092	-	94,568,092	-	94,568,092
Deferred charges	16,653	-	16,653	-	16,653
Other non-current assets, net amort	158,400	-	158,400	-	158,400
Total non-current assets	94,743,145	-	94,743,145	-	94,743,145
Total assets	1,453,272,293	3,813,118	1,457,085,411	(504,250)	1,456,581,161
Deferred outflow of resources					
Deferred pension loss	2,128,588	-	2,128,588	-	2,128,588
Deferred pension expense	2,113,257	-	2,113,257	-	2,113,257
Deferred loss on hedging instruments	4,647,842	-	4,647,842	-	4,647,842
Deferred loss on debt refunding	3,422,726	-	3,422,726	-	3,422,726
Total deferred outflow of resources	12,312,413	-	12,312,413	-	12,312,413
Total	$ 1,465,584,706	$ 3,813,118	$ 1,469,397,824	$ (504,250)	$ 1,468,893,574

Bi-State Development Agency of the Missouri-Illinois Metropolitan District
Government Wide
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Enterprise Funds Total	Internal Service Fund Total	Total	Eliminations	Government-Wide Financial Total
Liabilities					
Current liabilities					
Accounts payable	$ 6,134,657	$ -	$ 6,134,657	$ -	$ 6,134,657
Interfund accounts payable	(506,118)	1,010,368	504,250	(504,250)	-
Accrued expenses	18,476,280	50,800	18,527,080	-	18,527,080
Other current liabilities	32,838,001	-	32,838,001	-	32,838,001
Total current liabilities	56,942,820	1,061,168	58,003,988	(504,250)	57,499,738
Current liab payable from restricted assets					
Accounts payable and retention	3,215,017	-	3,215,017	-	3,215,017
Accrued interest payable	5,344,728	-	5,344,728	-	5,344,728
General self-insurance liability	9,405,964	-	9,405,964	-	9,405,964
Medical self-insurance liability	-	2,255,254	2,255,254	-	2,255,254
Current portion of long-term debt	7,953,010	-	7,953,010	-	7,953,010
Total current liabilities payable from restricted assets	25,918,719	2,255,254	28,173,973	-	28,173,973
Total current liabilities	82,861,539	3,316,422	86,177,961	(504,250)	85,673,711
Non-current liabilities					
Other post-employment benefits	53,918,371	3,264	53,921,635	-	53,921,635
Long-term self-insurance	6,444,923	-	6,444,923	-	6,444,923
Long-term debt	554,433,511	-	554,433,511	-	554,433,511
Capital lease obligations	94,553,120	-	94,553,120	-	94,553,120
Unfunded pension liabilities	89,160,637	-	89,160,637	-	89,160,637
Other non-current liabilities	6,625,923	-	6,625,923	-	6,625,923
Total non-current liabilities	805,136,485	3,264	805,139,749	-	805,139,749
Total liabilities	887,998,024	3,319,686	891,317,710	(504,250)	890,813,460
Net Position					
Net position - capital investments	1,117,745,324	-	1,117,745,324	-	1,117,745,324
Net position - unrestricted	(515,827,488)	-	(515,827,488)	-	(515,827,488)
Net income (loss)	(24,331,154)	493,432	(23,837,722)	-	(23,837,722)
Total net position	577,586,682	493,432	578,080,114	-	578,080,114
Total	$ 1,465,584,706	$ 3,813,118	$ 1,469,397,824	$ (504,250)	$ 1,468,893,574

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Government Wide
Bi-State Development Wide Statement of Revenues, Expenses and Changes in Net Position
For the Six Months Ended December 31, 2015
(unaudited)

	Enterprise Funds Total	Internal Service Fund Total	Total	Eliminations	Government-Wide Financial Total
Revenue					
Passenger and service revenues	$ 29,963,081	$ -	$ 29,963,081	$ -	$ 29,963,081
Partnership fees	192,469	-	192,469	-	192,469
City of St. Louis	17,785,724	-	17,785,724	-	17,785,724
St. Louis County	63,892,292	-	63,892,292	-	63,892,292
St. Clair County Transit District	28,000,579	-	28,000,579	-	28,000,579
State of Missouri and Illinois	720,367	-	720,367	-	720,367
Federal funding	10,987,010	-	10,987,010	-	10,987,010
Other local/regional funding	734,432	-	734,432	-	734,432
Contributions	39,805	-	39,805	-	39,805
Advertising, maint services, rental income	3,910,496	-	3,910,496	-	3,910,496
Interest income	677,008	-	677,008	-	677,008
Other Operating Revenue	515,701	-	515,701	-	515,701
Charges for services	-	15,910,812	15,910,812	(12,654,314)	3,256,498
Total revenue	157,418,964	15,910,812	173,329,776	(12,654,314)	160,675,462
Expense					
Wages and benefits	89,573,958	442,341	90,016,299	-	90,016,299
Services	17,208,811	109,856	17,318,667	-	17,318,667
Fuel and lube consumed	8,217,434	-	8,217,434	-	8,217,434
Materials and supplies	11,140,904	3,864	11,144,768	-	11,144,768
Utilities	3,897,455	1,062	3,898,517	-	3,898,517
Casualty and liability costs	3,421,180	-	3,421,180	-	3,421,180
Other expenses	2,582,162	12,563	2,594,725	-	2,594,725
Interest expense	9,840,015	-	9,840,015	-	9,840,015
Contribution to outside entities	(604,772)	-	(604,772)	-	(604,772)
Other non-operating expense	2,565	-	2,565	-	2,565
Claims paid and insurance administrative costs	-	14,847,694	14,847,694	(12,654,314)	2,193,380
Total expense	145,279,712	15,417,380	160,697,092	(12,654,314)	148,042,778
Income (loss) before depreciation	12,139,252	493,432	12,632,684	-	12,632,684
Depreciation and amortization expense	36,470,406	-	36,470,406	-	36,470,406
Net income (loss)	$ (24,331,154)	$ 493,432	$ (23,837,722)	$ -	$ (23,837,722)

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Enterprise Funds
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit System	Regional Freight District	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
Assets											
Current assets											
Cash and investments	$ 3,988,357	$ 19,540,816	$ 60,545	$ 683,497	$ 222,851,063	$ -	$ 44,375	$ 26,699	$ 247,195,352	$ -	$ 247,195,352
Accounts and notes receivable	19,142	120,738	11,000	71,879	5,686,124	167,469	-	-	6,076,352	-	6,076,352
Interfund accounts receivable	2,099,432	473,833	-	43,888	1,092,979	-	-	-	3,710,132	(3,710,132)	-
Restricted accounts receivable	-	-	-	-	111,361	-	-	-	111,361	-	111,361
assistance receivable	-	199,599	-	-	40,624,427	-	-	-	40,824,026	-	40,824,026
Materials and supplies inventory	-	-	44,287	61,609	8,930,795	-	-	-	9,036,691	-	9,036,691
Other current assets	-	33,767	76,514	67,721	2,929,017	-	-	-	3,107,019	-	3,107,019
Total current assets	6,106,931	20,368,753	192,346	928,594	282,225,766	167,469	44,375	26,699	310,060,933	(3,710,132)	306,350,801
Capital assets											
Capital assets - motorbus	-	-	-	-	365,505,813	-	-	-	365,505,813	-	365,505,813
Capital assets - paratransit	-	-	-	-	18,230,491	-	-	-	18,230,491	-	18,230,491
Capital assets - lightrail	-	-	-	-	1,549,191,314	-	-	-	1,549,191,314	-	1,549,191,314
Capital assets, net depr	56,240	9,599,793	5,165,449	52,728,214	-	-	-	-	67,549,696	-	67,549,696
Total capital assets	56,240	9,599,793	5,165,449	52,728,214	1,932,927,618	-	-	-	2,000,477,314	-	2,000,477,314
Accumulated depreciation	(52,863)	(9,539,639)	(3,485,817)	(33,670,654)	(1,078,845,236)	-	-	-	(1,125,594,209)	-	(1,125,594,209)
Total capital assets, net	3,377	60,154	1,679,632	19,057,560	854,082,382	-	-	-	874,883,105	-	874,883,105
Land	-	-	-	4,542,564	96,207,291	-	-	-	100,749,855	-	100,749,855
Construction-in-process	-	1,714,644	-	144,887	74,685,856	-	-	-	76,545,387	-	76,545,387
Total capital assets	3,377	1,774,798	1,679,632	23,745,011	1,024,975,529	-	-	-	1,052,178,347	-	1,052,178,347
Non-current assets											
Restricted investments	-	-	-	-	94,568,092	-	-	-	94,568,092	-	94,568,092
Deferred charges	-	-	-	16,653	-	-	-	-	16,653	-	16,653
Other non-current assets, net amort	-	-	-	-	158,400	-	-	-	158,400	-	158,400
Total non-current assets	-	-	-	16,653	94,726,492	-	-	-	94,743,145	-	94,743,145
Total assets	6,110,308	22,143,551	1,871,978	24,690,258	1,401,927,787	167,469	44,375	26,699	1,456,982,425	(3,710,132)	1,453,272,293
Deferred outflow of resources											
Deferred pension loss	-	-	-	-	2,128,588	-	-	-	2,128,588	-	2,128,588
Deferred pension expense	-	-	-	-	2,113,257	-	-	-	2,113,257	-	2,113,257
Deferred loss on hedging instruments	-	-	-	-	4,647,842	-	-	-	4,647,842	-	4,647,842
Deferred loss on debt refunding	-	-	-	-	3,422,726	-	-	-	3,422,726	-	3,422,726
Total deferred outflow of resources	-	-	-	-	12,312,413	-	-	-	12,312,413	-	12,312,413
Total	$ 6,110,308	$ 22,143,551	$ 1,871,978	$ 24,690,258	$ 1,414,240,200	$ 167,469	$ 44,375	$ 26,699	$ 1,469,294,838	$ (3,710,132)	$ 1,465,584,706

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Enterprise Funds
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit System	Regional Freight District	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Interfund Eliminations	Totals After Eliminations
Liabilities											
Current liabilities											
Accounts payable	$ 82,091	$ 578,136	$ 40,699	$ 16,428	$ 5,412,303	$ -	$ 5,000	$ -	$ 6,134,657	$ -	$ 6,134,657
Interfund accounts payable	248,789	150,452	1,311,315	92,872	1,231,700	168,886	-	-	3,204,014	(3,710,132)	(506,118)
Accrued expenses	253,800	62,900	109,900	54,800	17,989,580	5,300	-	-	18,476,280	-	18,476,280
Other current liabilities	-	66,677	164,732	2,257	32,604,335	-	-	-	32,838,001	-	32,838,001
Total current liabilities	584,680	858,165	1,626,646	166,357	57,237,918	174,186	5,000	-	60,652,952	(3,710,132)	56,942,820
Current liab payable from restricted assets											
Accounts payable and retention	-	-	-	-	3,215,017	-	-	-	3,215,017	-	3,215,017
Accrued interest payable	-	25,622	-	-	5,319,106	-	-	-	5,344,728	-	5,344,728
General self-insurance liability	-	-	-	-	9,405,964	-	-	-	9,405,964	-	9,405,964
Current portion of long-term debt	-	73,010	-	-	7,880,000	-	-	-	7,953,010	-	7,953,010
from restricted assets	-	98,632	-	-	25,820,087	-	-	-	25,918,719	-	25,918,719
Total current liabilities	584,680	956,797	1,626,646	166,357	83,058,005	174,186	5,000	-	86,571,671	(3,710,132)	82,861,539
Non-current liabilities											
Other post-employment benefits	848,722	11,179	374,855	350,727	52,331,820	1,068	-	-	53,918,371	-	53,918,371
Long-term self-insurance	300	5,414	33,654	28,991	6,376,564	-	-	-	6,444,923	-	6,444,923
Long-term debt	-	7,582,990	-	-	546,850,521	-	-	-	554,433,511	-	554,433,511
Capital lease obligations	-	-	-	-	94,553,120	-	-	-	94,553,120	-	94,553,120
Unfunded pension liabilities	592,090	183,752	449,172	183,752	87,751,871	-	-	-	89,160,637	-	89,160,637
Other non-current liabilities	-	-	-	-	6,625,923	-	-	-	6,625,923	-	6,625,923
Total non-current liabilities	1,441,112	7,783,335	857,681	563,470	794,489,819	1,068	-	-	805,136,485	-	805,136,485
Total liabilities	2,025,792	8,740,132	2,484,327	729,827	877,547,824	175,254	5,000	-	891,708,156	(3,710,132)	887,998,024
Net Position											
Net position - capital investments	234,215	-	254,907	32,880,637	1,084,375,565	-	-	-	1,117,745,324	-	1,117,745,324
Net position - unrestricted	3,547,519	11,380,465	(621,083)	(8,179,768)	(521,956,600)	-	(282)	2,261	(515,827,488)	-	(515,827,488)
Net income (loss)	302,782	2,022,954	(246,173)	(740,438)	(25,726,589)	(7,785)	39,657	24,438	(24,331,154)	-	(24,331,154)
Total net position	4,084,516	13,403,419	(612,349)	23,960,431	536,692,376	(7,785)	39,375	26,699	577,586,682	-	577,586,682
Total	$ 6,110,308	$ 22,143,551	$ 1,871,978	$ 24,690,258	$ 1,414,240,200	$ 167,469	$ 44,375	$ 26,699	$ 1,469,294,838	$ (3,710,132)	$ 1,465,584,706

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Enterprise Funds
Combining Statement of Revenues, Expenses by Business Unit
For the Six Months Ended December 31, 2015
(unaudited)

	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	Metro Transit System	Regional Freight District	Bi-State Development Research Inst.	Arts In Transit, Inc.	Totals	Eliminations	Totals After Eliminations
Revenue											
Passenger and service revenues	$ -	$ 2,873,071	$ 923,696	$ 662,336	$ 25,512,372	$ -	$ -	$ 26,800	$ 29,998,275	$ (35,194)	$ 29,963,081
Interfund administrative fees	1,580,408	-	-	-	-	-	-	-	1,580,408	(1,580,408)	-
Partnership fees	-	-	-	-	-	192,469	-	-	192,469	-	192,469
City of St. Louis	-	-	-	-	17,785,724	-	-	-	17,785,724	-	17,785,724
St. Louis County	-	-	-	-	63,892,292	-	-	-	63,892,292	-	63,892,292
St. Clair County Transit District	-	-	-	-	28,000,579	-	-	-	28,000,579	-	28,000,579
State of Missouri and Illinois	-	-	-	-	720,367	-	-	-	720,367	-	720,367
Federal funding	-	-	-	-	10,987,010	-	-	-	10,987,010	-	10,987,010
Other local/regional funding	-	-	-	-	734,432	-	-	-	734,432	-	734,432
Contributions	-	-	-	-	-	-	39,805	-	39,805	-	39,805
Advertising, maint services, rental income	172,800	1,824	62,182	48,384	3,625,306	-	-	-	3,910,496	-	3,910,496
Interest income	1,452	2,449	-	2,106	671,001	-	-	-	677,008	-	677,008
Other operating revenue	188,250	(31,357)	-	62,235	296,573	-	-	-	515,701	-	515,701
Total revenue	1,942,910	2,845,987	985,878	775,061	152,225,656	192,469	39,805	26,800	159,034,566	(1,615,602)	157,418,964
Expense											
Wages and benefits	1,078,769	837,292	571,886	436,594	86,543,172	106,245	-	-	89,573,958	-	89,573,958
Services	405,196	382,179	150,047	79,975	16,116,401	72,503	148	2,362	17,208,811	-	17,208,811
Fuel and lube consumed	467	55	23,067	8,917	8,184,928	-	-	-	8,217,434	-	8,217,434
Materials and supplies	8,526	40,006	160,703	47,290	10,884,366	13	-	-	11,140,904	-	11,140,904
Utilities	2,681	62,736	32,924	78,216	3,720,898	-	-	-	3,897,455	-	3,897,455
Casualty and liability costs	-	29,393	74,970	32,271	3,284,546	-	-	-	3,421,180	-	3,421,180
Other expenses	143,273	510,113	49,995	44,944	3,427,946	21,493	-	-	4,197,764	(1,615,602)	2,582,162
Interest expense	-	153,732	-	-	9,686,283	-	-	-	9,840,015	-	9,840,015
Contribution to outside entities	-	(1,233,194)	-	-	628,422	-	-	-	(604,772)	-	(604,772)
Other non-operating expense	-	-	-	2,565	-	-	-	-	2,565	-	2,565
Total expense	1,638,912	782,312	1,063,592	730,772	142,476,962	200,254	148	2,362	146,895,314	(1,615,602)	145,279,712
Income (loss) before depreciation	303,998	2,063,675	(77,714)	44,289	9,748,694	(7,785)	39,657	24,438	12,139,252	-	12,139,252
Depreciation and amortization expense	1,216	40,094	168,459	784,727	35,475,910	-	-	-	36,470,406	-	36,470,406
Net income (loss) before transfers	302,782	2,023,581	(246,173)	(740,438)	(25,727,216)	(7,785)	39,657	24,438	(24,331,154)	-	(24,331,154)
Net transfers in (out)	-	(627)	-	-	627	-	-	-	-	-	-
Net income (loss)	$ 302,782	$ 2,022,954	$ (246,173)	$ (740,438)	$ (25,726,589)	$ (7,785)	$ 39,657	$ 24,438	$ (24,331,154)	$ -	$ (24,331,154)

BI-STATE DEVELOPMENT

EXECUTIVE SERVICES

BU150096

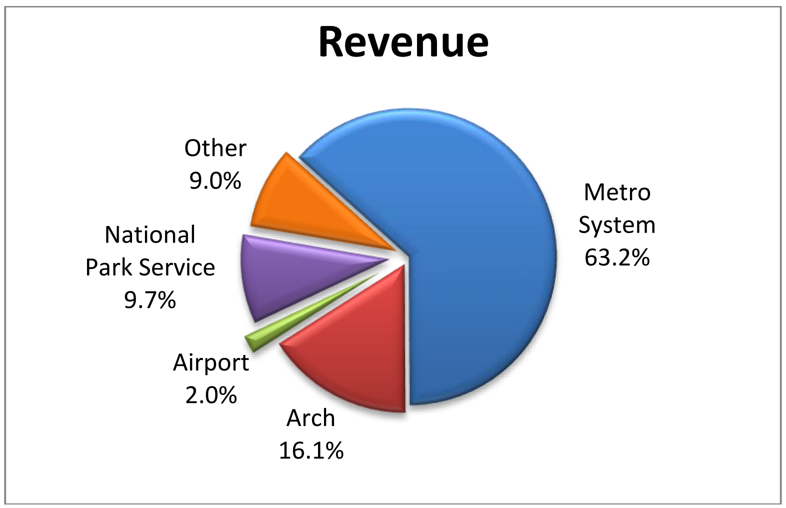
Executive Services

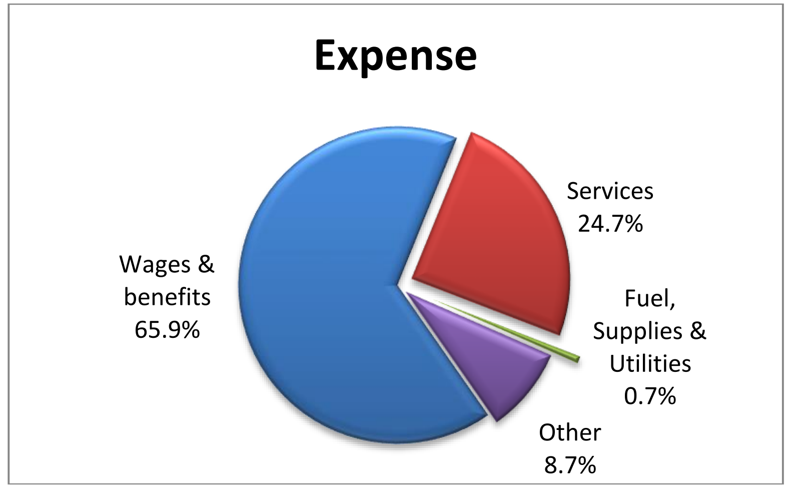
Six Months Ended December 31, 2015

Executive Services is a service company which supports all Bi-State Development operating companies.

Income before depreciation of $303,998 is favorable to the budget as a result of expense lower than budget.

Total revenue includes the management fee assessments to Bi-State operating companies and the National Park Service. There are management fee waivers for the Riverfront Attractions and the Freight District. Total revenue for the period was 5.4% lower than budget because actual management fees from Transit were assessed on Executive Services operating expenses which were below budget.





Wages and benefits are $218,424 or 16.8% favorable to budget due to position vacancies and positive changes to the post 65 retiree medical program.

Services are favorable to budget by $182,192. Fees for legal, audit and consulting are favorable. Outside services include the cost of the annual meeting.

Materials and supplies are $4,504 or 34.6% favorable to budget primarily due to lower spending for office supplies, computer supplies and training materials.

Other expenses are $36,178 favorable to budget due to lower travel, training and meetings expense.

Executive Services
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Assets							
Current assets							
Cash and investments	$ 3,988,357	$ 4,248,276	$ (259,919)	(6.1)	$ 4,422,294	$ (433,937)	(9.8)
Accounts and notes receivable	19,142	111,658	(92,516)	(82.9)	42,129	(22,987)	(54.6)
Interfund accounts receivable	2,099,432	1,653,078	446,354	27.0	613,270	1,486,162	242.3
Restricted accounts receivable	-	-	-	n/a	67	(67)	(100.0)
Total current assets	6,106,931	6,013,012	93,919	1.6	5,077,760	1,029,171	20.3
Capital assets							
Capital assets	56,240	56,240	-	-	56,240	-	-
Accumulated depreciation	(52,863)	(52,255)	(608)	(1.2)	(50,431)	(2,432)	(4.8)
Total capital assets, net	3,377	3,985	(608)	(15.3)	5,809	(2,432)	(41.9)
Total capital assets	3,377	3,985	(608)	(15.3)	5,809	(2,432)	(41.9)
Total	$ 6,110,308	$ 6,016,997	$ 93,311	1.6	$ 5,083,569	$ 1,026,739	20.2

Executive Services
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Liabilities							
Current liabilities							
Accounts payable	$ 82,091	$ 77,960	$ 4,131	5.3	$ 94,694	$ (12,603)	(13.3)
Interfund accounts payable	248,789	177,837	70,952	39.9	5,978	242,811	n/a
Accrued expenses	253,800	214,815	38,985	18.1	218,605	35,195	16.1
Total current liabilities	584,680	470,612	114,068	24.2	319,277	265,403	83.1
Total current liabilities	584,680	470,612	114,068	24.2	319,277	265,403	83.1
Non-current liabilities							
Other post-employment benefits	848,722	846,927	1,795	0.2	820,713	28,009	3.4
Long-term self-insurance	300	300	-	-	300	-	-
Unfunded pension liabilities	592,090	592,090	-	-	651,462	(59,372)	(9.1)
Total non-current liabilities	1,441,112	1,439,317	1,795	0.1	1,472,475	(31,363)	(2.1)
Total liabilities	2,025,792	1,909,929	115,863	6.1	1,791,752	234,040	13.1
Net Position							
Net position - capital investments	234,215	234,215	-	-	234,215	-	-
Net position - unrestricted	3,547,519	3,547,519	-	-	2,474,308	1,073,211	43.4
Net income (loss)	302,782	325,334	(22,552)	(6.9)	583,294	(280,512)	(48.1)
Total net position	4,084,516	4,107,068	(22,552)	(0.5)	3,291,817	792,699	24.1
Total	$ 6,110,308	$ 6,016,997	$ 93,311	1.6	$ 5,083,569	$ 1,026,739	20.2

Executive Services
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(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	$ 534,080	$ 774,477	$ (240,397)	(31.0)	$ 700,000	$ 1,229,184	$ 1,548,954	$ (319,770)	(20.6)	$ 1,400,000
Admin fees - Gateway Arch	70,344	53,534	16,810	31.4	67,907	312,471	245,486	66,985	27.3	312,146
Admin fees - Airport	20,581	18,665	1,916	10.3	20,861	38,753	37,790	963	2.5	36,766
Admin fees - Gateway Parking Facility	-	-	-	-	9,341	-	-	-	-	48,823
National Park Service management fee	56,218	50,820	5,398	10.6	67,019	188,250	220,264	(32,014)	(14.5)	233,705
Other operating revenue	8,150	-	8,150	-	-	172,800	-	172,800	-	-
Interest income	789	638	151	23.7	533	1,452	1,275	177	13.9	1,000
Total revenue	690,162	898,134	(207,972)	(23.2)	865,661	1,942,910	2,053,769	(110,859)	(5.4)	2,032,440
Expense										
Wages and benefits [1]	547,104	648,597	101,493	15.6	519,186	1,078,769	1,297,193	218,424	16.8	1,061,250
Services	120,723	281,939	161,216	57.2	135,500	405,196	587,388	182,192	31.0	238,231
Fuel and lube consumed	239	396	157	39.6	55	467	792	325	41.0	339
Materials and supplies	6,099	6,515	416	6.4	4,995	8,526	13,030	4,504	34.6	6,339
Utilities	1,342	2,125	783	36.8	1,410	2,681	4,250	1,569	36.9	2,855
Other expenses	36,599	90,424	53,825	59.5	35,857	143,273	179,451	36,178	20.2	138,916
Total expense	712,106	1,029,996	317,890	30.9	697,003	1,638,912	2,082,104	443,192	21.3	1,447,930
Income (loss) before depreciation	(21,944)	(131,862)	109,918	83.4	168,658	303,998	(28,335)	332,333	1,172.9	584,510
Depreciation and amortization expense	608	608	-	-	608	1,216	1,216	-	-	1,216
Net income (loss)	$ (22,552)	$ (132,470)	$ 109,918	83.0	$ 168,050	$ 302,782	$ (29,551)	$ 332,333	1,124.6	$ 583,294

[1] - Detailed schedule included.

Executive Services
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Personnel expense										
Wages	$ 455,991	$ 497,752	$ 41,761	8.4	$ 398,288	$ 875,599	$ 995,504	$ 119,905	12.0	$ 810,511
Company paid benefits										
Payroll related taxes and insurance										
FICA	20,191	38,078	17,887	47.0	21,251	49,367	76,156	26,789	35.2	47,655
Unemployment insurance	37	525	488	93.0	(11)	523	1,050	527	50.2	274
Worker's compensation insurance	-	1,502	1,502	100.0	-	-	3,004	3,004	100.0	-
Health and welfare										
Medical	34,946	35,756	810	2.3	20,382	70,217	71,511	1,294	1.8	41,600
Dental	899	953	54	5.7	961	2,006	1,907	(99)	(5.2)	1,925
Other post retiree medical	1,796	32,772	30,976	94.5	35,761	10,272	65,545	55,273	84.3	70,771
Life insurance / AD&D	406	233	(173)	(74.2)	454	896	467	(429)	(91.9)	914
Short and long term disability	2,673	374	(2,299)	(614.7)	3,083	5,517	747	(4,770)	(638.6)	5,971
FMLA administration expense	103	108	5	4.6	110	231	217	(14)	(6.5)	224
EAP expense	52	69	17	24.6	57	117	137	20	14.6	117
Retirement										
Pension expense	11,649	19,330	7,681	39.7	25,868	24,866	38,658	13,792	35.7	54,501
401 K contributions	17,280	21,145	3,865	18.3	12,982	38,927	42,290	3,363	8.0	26,787
Other										
Miscellaneous benefits	2,390	-	(2,390)	-	-	2,390	-	(2,390)	-	-
Benefit costs applied to capital projects.	(1,309)	-	1,309	-	-	(2,159)	-	2,159	-	-
Total company paid benefits	91,113	150,845	59,732	39.6	120,898	203,170	301,689	98,519	32.7	250,739
Total wages and benefits	$ 547,104	$ 648,597	$ 101,493	15.6	$ 519,186	$ 1,078,769	$ 1,297,193	$ 218,424	16.8	$ 1,061,250

Executive Services
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

Description	Total	Executive Services Operating Fund	Investments Operating Fund	Other Restricted Fund
Balance at September 30, 2015				
Cash & Investments	$ 4,248,276	$ 25,004	$ 3,376,345	$ 846,927
Add:				
Interest received	790	384	406	-
Transit	-	-	-	-
Gateway Arch	111,193	111,193	-	-
St Louis Downtown Airport	20,170	20,170	-	-
Riverboats	258,809	258,809	-	-
Arts in Transit	13,975	13,975	-	-
Total cash receipts	404,937	404,531	406	-
Interfund transfers	-	260,324	(262,119)	1,795
Less:				
Cash disbursements	(664,856)	(664,856)	-	-
	(664,856)	(664,856)	-	-
Balance at December 31, 2015				
Cash & Investments	$ 3,988,357	$ 25,003	$ 3,114,632	$ 848,722

Executive Services
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities	
Receipts from customers	$ 428,533
Payments to employees	(1,029,512)
Payments to vendors	(613,883)
Receipts (payments) from inter-fund activity	586,618
Net cash provided by (used in) operating activities	(628,244)
Cash flow from noncapital financing activities	
None noted.	
Cash flow from capital and related financing activities	
None noted.	
Cash flows from investing activities	
Interest received	1,452
Net cash provided by (used in) investing activities	1,452
Net increase (decrease) in cash and cash equivalents	(626,792)
Cash and cash equivalents, beginning of year	4,615,149
Cash and cash equivalents, year to date	$ 3,988,357

Reconciliation of operating income to net cash used for operating activities	
Operating income (loss)	$ 302,547
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Change in assets and liabilities	
Accounts and notes receivable	67,483
Interfund accounts receivable	(1,022,893)
Accounts payable	(53,740)
Interfund accounts payable	29,102
Other current liabilities	38,985
Other post employment benefits liability	10,272
Total adjustments	(930,791)
Net cash provided by (used for) operating activities	$ (628,244)

Supplemental disclosure of cash flow information

No disclosures.

Executive Services
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description	Budget	Current	Year-To-Date	Life-To-Date	Balance
	$ -	$ -	$ -	$ -	$ -
Total Executive Services	$ -	$ -	$ -	$ -	$ -

BI•STATE DEVELOPMENT

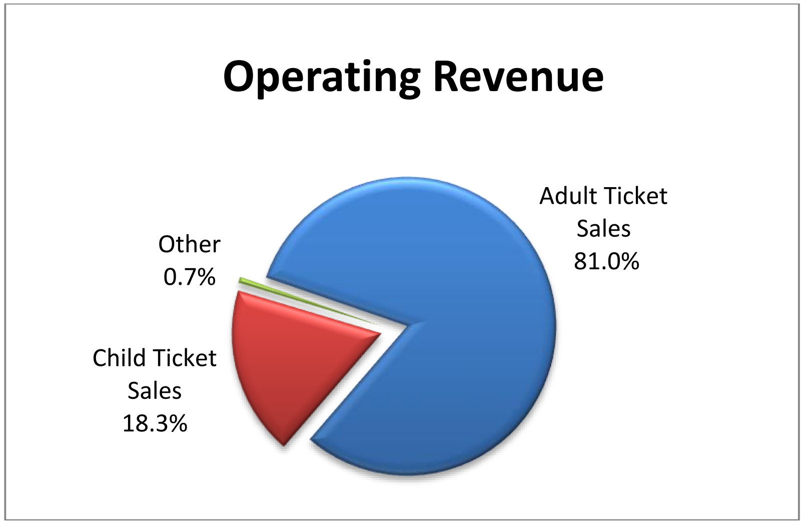
BU150096

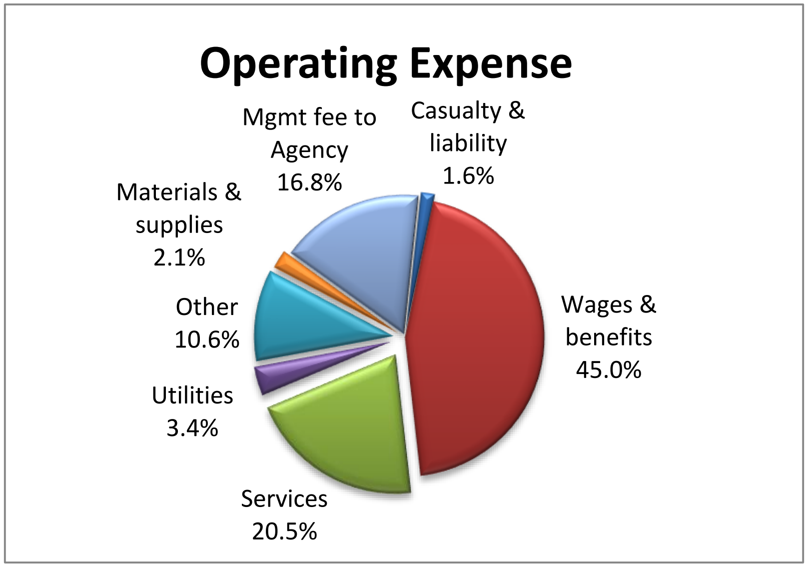
Gateway Arch Tram

Six Months Ended December 31, 2015

Income before depreciation for the Gateway Arch Tram for the six months ended December 31, 2015 was $2,063,675 which resulted in a $1,587,706 favorable variance to budget. This favorable variance was primarily due to a reduction in Contributions to Outside Entities for excess funds returned from the National Park Service.

Total revenue was 0.3% greater than budget and 2.9% unfavorable to prior year. Arch ticket sales make up the majority of the revenue and were 0.9% higher than budget and 2.5% less than prior year. Ticket sales, as expected, are down compared to prior year due to on-going Arch grounds construction.





Wages and benefits are 12.7% or $121,809 below budget as a result of vacant part time intern positions. Salaried medical, pension and 401k expense was also favorable.

Services are 27.2% favorable to budget as a result of the timing of legal fees, website maintenance, National Park Service mechanics and lower credit card bank fees.

Materials and supplies are $60,244 or 60.1% favorable to budget as a result of lower Arch tram repair parts, ticket stock, office furniture and computer equipment expenses.

Utilities are $101 or 0.2% unfavorable to budget due to higher electricity usage.

Other expenses are $23,557 or 4.4% favorable to budget due to lower advertising costs offset partially by higher than budgeted management fees paid to the Executive Services.

Contributions to outside entities includes a return of funds from the National Park Service of $1.2 million.

Interest expense is $153,732 and relates to the bonds issued for Arch improvements.

Tram Ridership Comparison

	Adult	Child	Total
FY16 Actual	336,199	105,539	441,738
FY16 Budget	328,647	109,659	438,306
FY15 Actual	338,394	113,595	451,989

Tram ridership for the six months ended December 31, 2015 was 0.8% greater than budget. Tram ridership decreased 2.3% compared to prior year due to the Arch grounds construction.

Gateway Arch Tram
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Assets							
Current assets							
Cash and investments	$ 19,540,816	$ 18,580,434	$ 960,382	5.2	$ 20,275,570	$ (734,754)	(3.6)
Accounts and notes receivable	120,738	138,359	(17,621)	(12.7)	128,074	(7,336)	(5.7)
Interfund accounts receivable	473,833	395,532	78,301	19.8	536,752	(62,919)	(11.7)
Restricted accounts receivable	-	-	-	n/a	421	(421)	(100.0)
Federal, state and local assistance receivable	199,599	(9,652)	209,251	n/a	-	199,599	n/a
Other current assets	33,767	55,076	(21,309)	(38.7)	34,230	(463)	(1.4)
Total current assets	20,368,753	19,159,749	1,209,004	6.3	20,975,047	(606,294)	(2.9)
Capital assets							
Capital assets	9,599,793	9,599,793	-	-	9,599,793	-	-
Accumulated depreciation	(9,539,639)	(9,519,984)	(19,655)	(0.2)	(9,349,856)	(189,783)	(2.0)
Total capital assets, net	60,154	79,809	(19,655)	(24.6)	249,937	(189,783)	(75.9)
Construction-in-process	1,714,644	1,214,835	499,809	41.1	883,667	830,977	94.0
Total capital assets	1,774,798	1,294,644	480,154	37.1	1,133,604	641,194	56.6
Total	$ 22,143,551	$ 20,454,393	$ 1,689,158	8.3	$ 22,108,651	$ 34,900	0.2

Gateway Arch Tram
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Liabilities							
Current liabilities							
Accounts payable	$ 578,136	$ 392,470	$ 185,666	47.3	$ 1,048,873	$ (470,737)	(44.9)
Interfund accounts payable	150,452	59,225	91,227	154.0	17,495	132,957	760.0
Accrued expenses	62,900	69,601	(6,701)	(9.6)	56,574	6,326	11.2
Other current liabilities	66,677	63,427	3,250	5.1	55,710	10,967	19.7
Total current liabilities	858,165	584,723	273,442	46.8	1,178,652	(320,487)	(27.2)
Current liab payable from restricted assets							
Accrued interest payable	25,622	102,487	(76,865)	(75.0)	-	25,622	n/a
Current portion of long-term debt	73,010	-	73,010	n/a	-	73,010	n/a
Total current liabilities payable from restricted assets	98,632	102,487	(3,855)	(3.8)	-	98,632	n/a
Total current liabilities	956,797	687,210	269,587	39.2	1,178,652	(221,855)	(18.8)
Non-current liabilities							
Other post-employment benefits	11,179	10,493	686	6.5	44,010	(32,831)	(74.6)
Long-term self-insurance	5,414	2,061	3,353	162.7	1,749	3,665	209.5
Long-term debt	7,582,990	7,656,000	(73,010)	(1.0)	7,656,000	(73,010)	(1.0)
Unfunded pension liabilities	183,752	183,752	-	-	335,602	(151,850)	(45.2)
Total non-current liabilities	7,783,335	7,852,306	(68,971)	(0.9)	8,037,361	(254,026)	(3.2)
Total liabilities	8,740,132	8,539,516	200,616	2.3	9,216,013	(475,881)	(5.2)
Net Position							
Net position - unrestricted	11,380,465	11,380,465	-	-	17,245,262	(5,864,797)	(34.0)
Net income (loss)	2,022,954	534,412	1,488,542	278.5	(4,352,624)	6,375,578	146.5
Total net position	13,403,419	11,914,877	1,488,542	12.5	12,892,638	510,781	4.0
Total	$ 22,143,551	$ 20,454,393	$ 1,689,158	8.3	$ 22,108,651	$ 34,900	0.2

Gateway Arch Tram
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Arch tickets	$ 840,066	$ 861,256	$ (21,190)	(2.5)	$ 822,617	$ 2,873,071	$ 2,848,824	$ 24,247	0.9	$ 2,946,182
Other operating revenue	409	-	409	-	(149)	1,824	-	1,824	-	2,331
Service fee revenue	2,850	3,460	(610)	(17.6)	3,008	14,157	15,791	(1,634)	(10.3)	17,213
Interest income	1,657	3,573	(1,916)	(53.6)	921	2,449	7,147	(4,698)	(65.7)	3,157
Sales discount	(24,322)	(10,231)	(14,091)	(137.7)	(7,270)	(45,514)	(34,453)	(11,061)	(32.1)	(38,648)
Total revenue	820,660	858,058	(37,398)	(4.4)	819,127	2,845,987	2,837,309	8,678	0.3	2,930,235
Expense										
Wages and benefits [1]	326,978	413,109	86,131	20.8	313,540	837,292	959,101	121,809	12.7	758,929
Services	186,899	233,495	46,596	20.0	205,503	382,179	525,169	142,990	27.2	469,703
Fuel and lube consumed	55	-	(55)	-	-	55	-	(55)	-	46
Materials and supplies	17,643	73,049	55,406	75.8	24,354	40,006	100,250	60,244	60.1	60,026
Utilities	23,490	25,481	1,991	7.8	24,133	62,736	62,635	(101)	(0.2)	60,492
Casualty and liability costs	17,231	13,391	(3,840)	(28.7)	12,071	29,393	26,783	(2,610)	(9.7)	24,143
Other expenses	168,628	203,376	34,748	17.1	197,567	510,113	533,670	23,557	4.4	643,143
Interest expense	76,866	153,732	76,866	50.0	153,592	153,732	153,732	-	-	153,592
Contribution to outside entities	(1,505,327)	-	1,505,327	-	4,996,324	(1,233,194)	-	1,233,194	-	5,051,801
Total expense	(687,537)	1,115,633	1,803,170	161.6	5,927,084	782,312	2,361,340	1,579,028	66.9	7,221,875
Income (loss) before depreciation	1,508,197	(257,575)	1,765,772	685.5	(5,107,957)	2,063,675	475,969	1,587,706	333.6	(4,291,640)
Depreciation and amortization expense	19,655	33,655	14,000	41.6	85,832	40,094	89,453	49,359	55.2	173,282
Net income (loss) before transfers	1,488,542	(291,230)	1,779,772	611.1	(5,193,789)	2,023,581	386,516	1,637,065	423.5	(4,464,922)
Net transfers in (out)	-	-	-	-	(6,012)	(627)	-	(627)	-	112,298
Net income (loss)	$ 1,488,542	$ (291,230)	$ 1,779,772	611.1	$ (5,199,801)	$ 2,022,954	$ 386,516	$ 1,636,438	423.4	$ (4,352,624)

[1] - Detailed schedule included.

Gateway Arch Tram
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Personnel expense										
Wages	$ 271,128	$ 303,347	$ 32,219	10.6	$ 243,785	$ 700,441	$ 730,135	$ 29,694	4.1	$ 602,129
Company paid benefits										
Payroll related taxes and insurance										
FICA	20,809	23,207	2,398	10.3	17,809	52,958	55,856	2,898	5.2	44,156
Unemployment insurance	1,100	5,364	4,264	79.5	1,359	4,883	10,728	5,845	54.5	5,429
Worker's compensation insurance	3,451	4,661	1,210	26.0	1,583	10,519	9,323	(1,196)	(12.8)	8,620
Health and welfare										
Medical	22,102	28,361	6,259	22.1	17,711	46,796	56,721	9,925	17.5	33,830
Dental	612	756	144	19.0	732	1,427	1,512	85	5.6	1,426
Other post retiree medical	686	13,149	12,463	94.8	10,778	3,906	26,299	22,393	85.1	23,512
Life insurance / AD&D	168	185	17	9.2	191	385	370	(15)	(4.1)	374
Short and long term disability	899	296	(603)	(203.7)	959	1,983	593	(1,390)	(234.4)	1,947
FMLA administration expense	564	86	(478)	(555.8)	673	1,331	172	(1,159)	(673.8)	1,469
EAP expense	42	54	12	22.2	45	94	109	15	13.8	87
Retirement										
Pension expense	3,213	15,332	12,119	79.0	6,781	6,817	30,664	23,847	77.8	15,615
401 K contributions	8,271	16,773	8,502	50.7	8,874	19,781	33,542	13,761	41.0	17,993
Other										
Uniform allowance	2,516	1,538	(978)	(63.6)	-	2,516	3,077	561	18.2	-
Miscellaneous benefits	2,437	-	(2,437)	-	2,260	2,437	-	(2,437)	-	2,342
Benefit costs applied to capital projects.	(11,020)	-	11,020	-	-	(18,982)	-	18,982	-	-
Total company paid benefits	55,850	109,762	53,912	49.1	69,755	136,851	228,966	92,115	40.2	156,800
Total wages and benefits	$ 326,978	$ 413,109	$ 86,131	20.8	$ 313,540	$ 837,292	$ 959,101	$ 121,809	12.7	$ 758,929

Gateway Arch Tram
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

Description	Total	Arch Collection Facility Fund	Arch Tram Fee Account	JNEM Arch Operating Fund	JNEM Beneficial Fund	Drainage Project Fund	Exhibit Rehabilitation Fund	Motor Generator Sets Design Fund	Corrosion Study Fund	Other Restricted Funds	2014 Arch Bonds Project Fund	2014 Arch Bonds Debt Service Reserve	2014 Arch Bonds Debt Service Fund	2014 Arch Bonds Debt Revenue Fund
Balance at September 30, 2015														
Cash & Investments	$18,580,434	$ 413,263	$ 461,078	$ 1,166,089	$ 5,993,914	$ 548,724	$ 3,569,675	$ 100,294	$ 27,518	$ 500,000	$ 5,243,876	$ 453,515	$ 102,488	$ -
Add:														
Receipts	2,959,620	1,253,349	102,350	-	-	-	-	-	-	-	1,603,921	-	-	-
Interest received	1,656	-	23	22	1,039	7	47	1	-	-	467	31	10	9
Total cash receipts	2,961,276	1,253,349	102,373	22	1,039	-	-	-	-	-	-	31	10	9
Interfund transfers	-	(918,291)	-	-	66,735	-	-	-	-	-	-	-	204,977	646,579
Less:														
Cash disbursements	(2,000,894)	(614,274)	(203,790)	-	(4,577)	(11,411)	(108,883)	-	(121)	-	(257,517)	-	(153,733)	(646,588)
Balance at December 31, 2015														
Cash & Investments	$19,540,816	$ 134,047	$ 359,661	$ 1,166,111	$ 6,057,111	$ 537,320	$ 3,460,839	$ 100,295	$ 27,397	$ 500,000	$ 6,590,747	$ 453,546	$ 153,742	$ -

Gateway Arch Tram
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities	
Receipts from customers	$ 2,863,100
Payments to employees	(840,087)
Payments to vendors	(433,940)
Payments for self-insurance	(29,483)
Receipts (payments) from inter-fund activity	(527,194)
Net cash provided by (used in) operating activities	1,032,396
Cash flows from noncapital financing activities	
Operating assistance	(197,252)
Contributions to outside entities	1,233,194
Net transfers	(627)
Net cash provided by (used in) financing activities	1,035,315
Cash flows from capital and related financing activities	
Acquisitions of capital assets	(603,152)
Interest paid	(153,732)
Net cash provided by (used in) capital and related financing activities	(756,884)
Cash flows from investing activities	
Interest received	2,449
Net cash provided by (used in) investing activities	2,449
Net increase (decrease) in cash	1,313,276
Cash and cash equivalents, beginning of year	18,227,540
Cash and cash equivalents, year to date	$ 19,540,816

Reconciliation of operating loss to net cash used for operating activities	
Operating income (loss)	$ 981,763
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Change in assets and liabilities	
Accounts and notes receivable	19,562
Interfund accounts receivable	(266,862)
Prepaid expenses, deferred charges and other current assets	(11,666)
Accounts payable	254,606
Other current liabilities	(962)
Interfund accounts payable	52,139
Other post employment benefits liability	3,906
Self-insurance liability	(90)
Total adjustments	50,633
Net cash provided by (used for) operating activities	$ 1,032,396

Supplemental disclosure of cash flow information

No disclosures.

Gateway Arch Tram
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description		Budget	Current	Year-To-Date	Life-To-Date	Balance
ATS Motor Generator Set Replacement - Construction	x	$ 7,490,083	$ 279,596	$ 302,637	$ 916,088	$ 6,573,995
Arch Transportation System (ATS) Load Zone Rehab	x	2,718,280	139,118	236,919	719,089	1,999,191
Exhibit Rehabilitation	x	1,446,720	-	-	-	1,446,720
JNEM Trench Drain Project	xy	2,288,001	9,959	17,405	1,528,006	759,995
JNEM Arch Lobby Rehabilitation	y	1,087,107	-	1,048	76,807	1,010,300
Arch Ticketing Upgrade	y	400,000	81,095	81,095	81,095	318,905
JNEM Rail Station Improvements	z	359,612	-	627	97,457	262,155
Distributed Antenna System	x	300,000	-	-	-	300,000
PGAV - Arch Welcoming Portal		44,000	13,238	13,238	13,238	30,762
Copier Machine	x	5,000	-	-	-	5,000
Total Gateway Arch		$ 16,108,803	$ 523,006	$ 652,969	$ 3,431,780	$ 12,707,023

x Projects are carryover from prior year.

y Upon completion of this project, assets to be contributed to National Park Service (NPS).

z Upon completion of this project, assets to be contributed to Metro Transit

BI-STATE DEVELOPMENT

Metro®

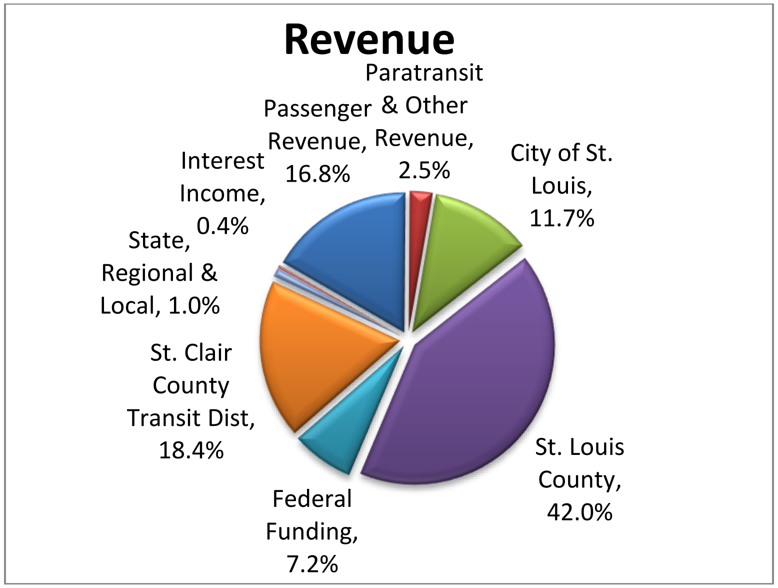
BU150096

Metro Transit

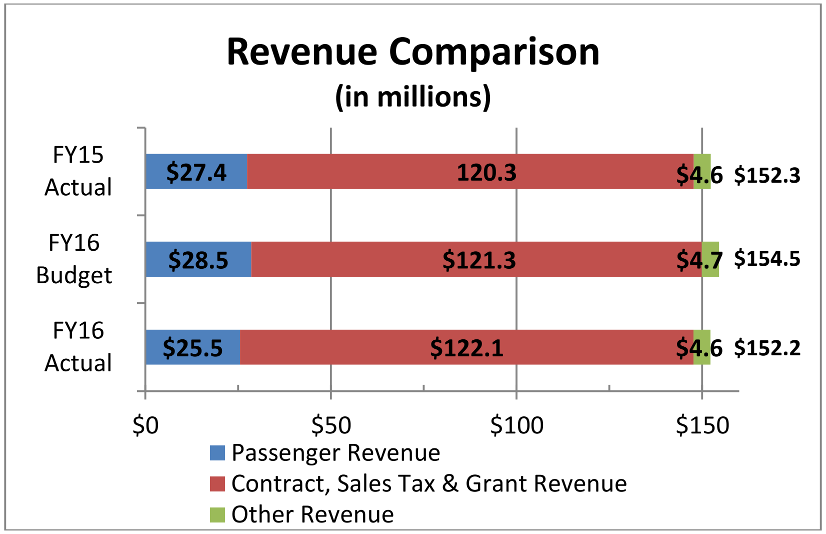
Six Months Ended December 31, 2015

Income before depreciation for the six months ended December 31, 2015 is $8.7 million favorable to the budget. Compared to budget, revenue is down 1.5% and total expenses are favorable 7.2%.

Revenue
The chart below illustrates the relative importance of each revenue source in fiscal year 2016. The chart to the right reports revenue trends in each major revenue category.



Passenger Revenue of $25.5 million is 10.6% less than budget and 7.0% less than prior year due to ridership.



Contract, Sales Tax & Grant Revenue
The City of St. Louis sales tax funding to operations is 0.4% unfavorable to budget. St. Louis County sales tax funding to operations is 0.1% unfavorable to budget. Combined St. Louis City and County sales tax appropriated to Bi-State Development was 1.7% less than FY 2015 actual.

St. Clair County Transit District payment of $28.0 million is 1.3% greater than budget and 10.2% greater than prior year. St. Clair County contracts for service and pays 100% of the cost of service.

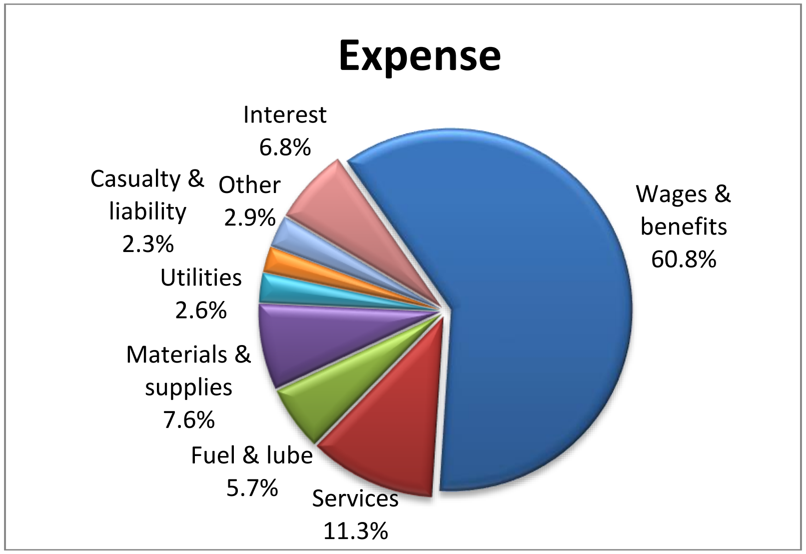
Federal funding of $11 million includes federal vehicle maintenance funds of $8.0 million.

Advertising, maintenance services and rental income is below budget due to lower than expected paratransit contract and advertising revenue.

Interest revenue is 95.2% favorable to budget due to longer term investment strategy.

Expense

The chart below illustrates the relative significance of each expense in FY 2016.



Wages and benefits of $86.5 million are 8.9% favorable to budget. The favorable variance in wages and benefits is due to vacant positions, changes in retiree medical benefit policy and lower than expected medical claims.

Services of $16.1 million are 0.4% unfavorable to budget. There were greater than planned outside services cost.

Fuel and lube consumed is $1.2 million or 12.5% favorable to budget mainly due to lower than budgeted diesel prices.

Materials and supplies expenditures are 6.6% favorable to budget due to lower than anticipated passes, tickets, transfers and timetable stock purchases.

Utilities are favorable to budget by 13.4% as a result of lower than budgeted natural gas prices and less electric propulsion expense.

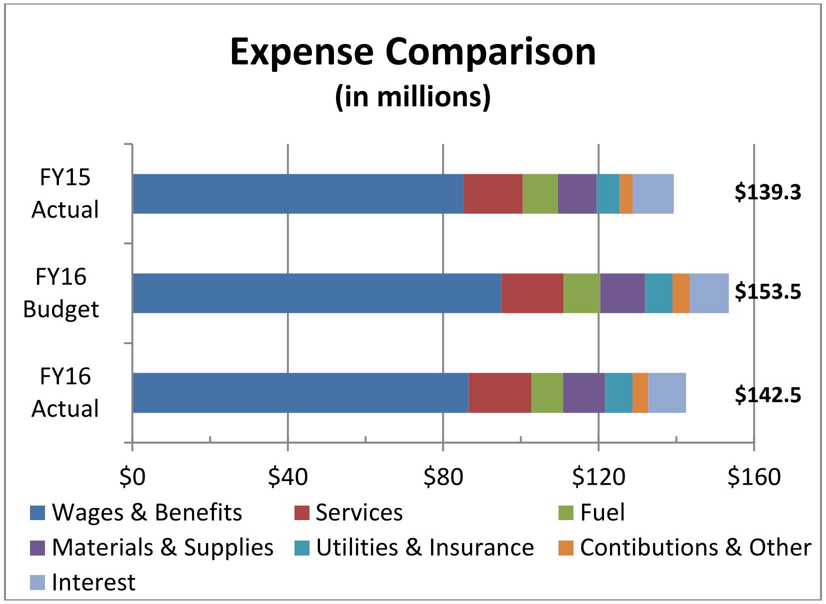
Casualty & liability expense is $0.6 million unfavorable to budget due to higher than expected self-insured claims that include MetroBus and MetroLink related accidents.

Other expense is favorable to budget by 2.6% due to favorable travel, training and advertising spending.

Interest expense of $9.7 million is 4.2% favorable to budget. The acceleration of debt lowers interest expense to BSD.

Other non-operating expense is favorable to budget due to gain on disposal of former headquarters building.

The chart below shows expense trends in each major expense category.



Passenger boardings year to date for FY 2016 are 5.9% below FY 2015 ridership. The decrease for MetroBus is 5.7% and MetroLink is 6.4%. Call-A-Ride remained near FY 2015 levels.

Ridership has trended downward since 2014 based on a number of factors. The effects of Ferguson has impacted many aspects of the region including transportation. Lower fuel prices continue with the oil glut making it more attractive to return to the automobile. Employment centers and city population has shifted changing work commute practices. These changes have been trending away from the core city which has historically Metro's highest service area.

Passenger Boardings
(in millions – YTD)

	FY 2016	FY 2015	FY 2014
MetroBus	14.64	15.52	15.47
MetroLink	8.18	8.74	9.02
Call-A-Ride	0.29	0.29	0.29
Total System	23.11	24.55	24.78

Metro Transit System
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash and investments	$ 222,851,063	$ 277,106,705	$ (54,255,642)	(19.6)	$ 220,261,296	$ 2,589,767	1.2
Accounts and notes receivable	5,686,124	6,261,293	(575,169)	(9.2)	5,174,838	511,286	9.9
Interfund accounts receivable	1,092,979	177,837	915,142	514.6	184,876	908,103	491.2
Restricted accounts receivable	111,361	94,693	16,668	17.6	183,448	(72,087)	(39.3)
Federal, state and local assistance receivable	40,624,427	25,048,538	15,575,889	62.2	32,770,023	7,854,404	24.0
Materials and supplies inventory	8,930,795	8,850,912	79,883	0.9	9,925,409	(994,614)	(10.0)
Other current assets	2,929,017	3,585,156	(656,139)	(18.3)	3,089,304	(160,287)	(5.2)
Total current assets	282,225,766	321,125,134	(38,899,368)	(12.1)	271,589,194	10,636,572	3.9
Capital assets							
Capital assets - motorbus	365,505,813	358,448,690	7,057,123	2.0	362,442,241	3,063,572	0.8
Capital assets - paratransit	18,230,491	18,700,775	(470,284)	(2.5)	13,091,718	5,138,773	39.3
Capital assets - lightrail	1,549,191,314	1,549,191,314	-	-	1,548,300,363	890,951	0.1
Total capital assets	1,932,927,618	1,926,340,779	6,586,839	0.3	1,923,834,322	9,093,296	0.5
Accumulated depreciation	(1,078,845,236)	(1,074,689,765)	(4,155,471)	(0.4)	(1,039,573,062)	(39,272,174)	(3.8)
Total capital assets, net	854,082,382	851,651,014	2,431,368	0.3	884,261,260	(30,178,878)	(3.4)
Land	96,207,291	96,207,291	-	-	97,432,663	(1,225,372)	(1.3)
Construction-in-process	74,685,856	65,782,532	8,903,324	13.5	59,729,524	14,956,332	25.0
Total capital assets	1,024,975,529	1,013,640,837	11,334,692	1.1	1,041,423,447	(16,447,918)	(1.6)
Non-current assets							
Restricted investments	94,568,092	93,110,494	1,457,598	1.6	88,767,777	5,800,315	6.5
Other non-current assets, net amort	158,400	141,631	16,769	11.8	60,083	98,317	163.6
Total non-current assets	94,726,492	93,252,125	1,474,367	1.6	88,827,860	5,898,632	6.6
Total assets	1,401,927,787	1,428,018,096	(26,090,309)	(1.8)	1,401,840,501	87,286	-
Deferred outflow of resources							
Deferred pension loss	2,128,588	2,432,688	(304,100)	(12.5)	3,040,894	(912,306)	(30.0)
Deferred pension expense	2,113,257	2,113,257	-	-	2,254,784	(141,527)	(6.3)
Deferred loss on hedging instruments	4,647,842	3,614,575	1,033,267	28.6	5,130,288	(482,446)	(9.4)
Deferred loss on debt refunding	3,422,726	3,528,656	(105,930)	(3.0)	3,852,444	(429,718)	(11.2)
Total deferred outflow of resources	12,312,413	11,689,176	623,237	5.3	14,278,410	(1,965,997)	(13.8)
Total	$ 1,414,240,200	$ 1,439,707,272	$ (25,467,072)	(1.8)	$ 1,416,118,911	$ (1,878,711)	(0.1)

Metro Transit System
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Accounts payable	$ 5,412,303	$ 6,734,115	$ (1,321,812)	(19.6)	$ 16,996,186	$ (11,583,883)	(68.2)
Interfund accounts payable	1,231,700	3,236,981	(2,005,281)	(61.9)	980,555	251,145	25.6
Accrued expenses	17,989,580	19,481,137	(1,491,557)	(7.7)	18,655,951	(666,371)	(3.6)
Other current liabilities	32,604,335	28,233,019	4,371,316	15.5	26,357,982	6,246,353	23.7
Total current liabilities	57,237,918	57,685,252	(447,334)	(0.8)	62,990,674	(5,752,756)	(9.1)
Current liab payable from restricted assets							
Accounts payable and retention	3,215,017	2,794,661	420,356	15.0	2,115,473	1,099,544	52.0
Accrued interest payable	5,319,106	11,342,144	(6,023,038)	(53.1)	6,027,322	(708,216)	(11.8)
General self-insurance liability	9,405,964	9,405,964	-	-	6,450,868	2,955,096	45.8
Medical self-insurance liability	-	-	-	n/a	2,682,305	(2,682,305)	(100.0)
Current portion of long-term debt	7,880,000	37,220,000	(29,340,000)	(78.8)	7,220,000	660,000	9.1
Total current liabilities payable from restricted assets	25,820,087	60,762,769	(34,942,682)	(57.5)	24,495,968	1,324,119	5.4
Total current liabilities	83,058,005	118,448,021	(35,390,016)	(29.9)	87,486,642	(4,428,637)	(5.1)
Non-current liabilities							
Other post-employment benefits	52,331,820	52,189,378	142,442	0.3	60,906,261	(8,574,441)	(14.1)
Long-term self-insurance	6,376,564	6,369,959	6,605	0.1	5,310,253	1,066,311	20.1
Long-term debt	546,850,521	555,371,295	(8,520,774)	(1.5)	557,411,611	(10,561,090)	(1.9)
Capital lease obligations	94,553,120	93,095,522	1,457,598	1.6	88,752,805	5,800,315	6.5
Unfunded pension liabilities	87,751,871	87,751,871	-	-	90,501,568	(2,749,697)	(3.0)
Other non-current liabilities	6,625,923	6,674,520	(48,597)	(0.7)	8,026,941	(1,401,018)	(17.5)
Total non-current liabilities	794,489,819	801,452,545	(6,962,726)	(0.9)	810,909,439	(16,419,620)	(2.0)
Total liabilities	877,547,824	919,900,566	(42,352,742)	(4.6)	898,396,081	(20,848,257)	(2.3)
Net Position							
Net position - capital investments	1,084,375,565	1,054,156,318	30,219,247	2.9	1,004,231,307	80,144,258	8.0
Net position - unrestricted	(521,956,600)	(521,956,600)	-	-	(465,110,976)	(56,845,624)	(12.2)
Net income (loss)	(25,726,589)	(12,393,012)	(13,333,577)	(107.6)	(21,397,501)	(4,329,088)	(20.2)
Total net position	536,692,376	519,806,706	16,885,670	3.2	517,722,830	18,969,546	3.7
Total	$ 1,414,240,200	$ 1,439,707,272	$ (25,467,072)	(1.8)	$ 1,416,118,911	$ (1,878,711)	(0.1)

Metro Transit System
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Passenger revenue	$ 12,081,022	$ 13,748,250	$ (1,667,228)	(12.1)	$ 12,786,662	$ 25,512,372	$ 28,524,139	$ (3,011,767)	(10.6)	$ 27,428,771
City of St. Louis [1]	8,541,635	8,509,951	31,684	0.4	8,417,336	17,785,724	17,850,750	(65,026)	(0.4)	18,018,018
St. Louis County [1]	30,553,141	30,182,006	371,135	1.2	29,713,865	63,892,292	63,980,572	(88,280)	(0.1)	65,084,323
St. Clair County Transit District [1]	14,599,415	13,848,284	751,131	5.4	12,113,900	28,000,579	27,641,963	358,616	1.3	25,409,349
State of Missouri and Illinois [1]	339,031	552,497	(213,466)	(38.6)	703,205	720,367	1,104,993	(384,626)	(34.8)	1,666,519
Federal funding [1]	5,510,337	5,185,719	324,618	6.3	5,071,763	10,987,010	10,371,437	615,573	5.9	9,456,767
Other local/regional funding [1]	369,039	190,000	179,039	94.2	336,684	734,432	380,000	354,432	93.3	643,617
Contributions	-	25,000	(25,000)	(100.0)	-	-	25,000	(25,000)	(100.0)	26,500
Advertising, maint services, rental income	1,729,353	2,107,586	(378,233)	(17.9)	1,970,255	3,625,306	4,312,024	(686,718)	(15.9)	4,018,974
Other revenue	603,587	-	603,587	-	103,525	296,573	-	296,573	-	27,534
Interest income	499,038	169,475	329,563	194.5	344,725	671,001	343,781	327,220	95.2	513,213
Total revenue	74,825,598	74,518,768	306,830	0.4	71,561,920	152,225,656	154,534,659	(2,309,003)	(1.5)	152,293,585
Expense										
Wages and benefits [1]	43,890,099	47,336,278	3,446,179	7.3	45,751,693	86,543,172	94,992,662	8,449,490	8.9	85,228,705
Services	7,319,275	7,876,928	557,653	7.1	6,705,928	16,116,401	16,046,892	(69,509)	(0.4)	15,265,510
Fuel and lube consumed	3,926,511	4,620,026	693,515	15.0	4,236,983	8,184,928	9,352,126	1,167,198	12.5	9,058,672
Materials and supplies	5,575,242	5,849,675	274,433	4.7	4,976,373	10,884,366	11,648,379	764,013	6.6	9,965,815
Utilities	1,748,892	2,084,946	336,054	16.1	1,712,091	3,720,898	4,296,839	575,941	13.4	3,706,472
Casualty and liability costs	1,222,881	1,358,427	135,546	10.0	1,526,333	3,284,546	2,718,125	(566,421)	(20.8)	2,206,059
Other expenses	1,783,923	1,772,035	(11,888)	(0.7)	1,280,487	3,427,946	3,521,213	93,267	2.6	2,552,488
Interest expense	4,689,588	5,054,092	364,504	7.2	5,340,141	9,686,283	10,108,312	422,029	4.2	10,621,796
Contribution to outside entities	300,250	276,675	(23,575)	(8.5)	503,001	628,422	601,474	(26,948)	(4.5)	732,409
Other non-operating expense	-	105,895	105,895	100.0	-	-	211,790	211,790	100.0	-
Total expense	70,456,661	76,334,977	5,878,316	7.7	72,033,030	142,476,962	153,497,812	11,020,850	7.2	139,337,926
Income (loss) before depreciation	4,368,937	(1,816,209)	6,185,146	340.6	(471,110)	9,748,694	1,036,847	8,711,847	840.2	12,955,659
Depreciation and amortization expense	17,702,514	18,603,006	900,492	4.8	17,099,635	35,475,910	36,791,526	1,315,616	3.6	34,365,862
Net income (loss) before transfers	(13,333,577)	(20,419,215)	7,085,638	34.7	(17,570,745)	(25,727,216)	(35,754,679)	10,027,463	28.0	(21,410,203)
Net transfers in (out)	-	-	-	-	6,012	627	-	627	-	12,702
Net income (loss)	$ (13,333,577)	$ (20,419,215)	$ 7,085,638	34.7	$ (17,564,733)	$ (25,726,589)	$ (35,754,679)	$ 10,028,090	28.0	$ (21,397,501)

[1] - Detailed schedule included.

Metro Transit System
Detailed Schedule of Contract, Sales Tax and Grant Revenue
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Contract, sales tax and grant revenue										
Missouri assistance										
City of St. Louis 1/2 cent	$ 4,613,315	$ 4,568,811	$ 44,504	1.0	$ 4,577,024	$ 9,641,654	$ 9,743,996	$ (102,342)	(1.1)	$ 9,798,886
City of St. Louis 1/4 cent	2,177,592	2,239,536	(61,944)	(2.8)	2,162,143	4,530,972	4,520,503	10,469	0.2	4,639,435
City of St. Louis Prop M2 (1/4 cent)	1,750,728	1,701,604	49,124	2.9	1,678,169	3,613,098	3,586,251	26,847	0.7	3,579,697
Total City of St. Louis	8,541,635	8,509,951	31,684	0.4	8,417,336	17,785,724	17,850,750	(65,026)	(0.4)	18,018,018
St. Louis County 1/2 cent	9,892,834	9,856,179	36,655	0.4	9,429,078	20,719,373	21,050,195	(330,822)	(1.6)	20,770,640
St. Louis County 1/4 cent	8,581,370	8,083,532	497,838	6.2	8,210,129	18,077,197	17,985,190	92,007	0.5	18,066,490
St. Louis County Prop A (1/2 cent)	12,078,937	12,242,295	(163,358)	(1.3)	12,074,658	25,095,722	24,945,187	150,535	0.6	26,247,193
Total St. Louis County	30,553,141	30,182,006	371,135	1.2	29,713,865	63,892,292	63,980,572	(88,280)	(0.1)	65,084,323
East-West Gateway Council of Govts.	40,000	40,000	-	-	40,000	80,000	80,000	-	-	80,000
Non-capital projects and other	329,039	150,000	179,039	119.4	296,684	654,432	300,000	354,432	118.1	563,617
Total other local	369,039	190,000	179,039	94.2	336,684	734,432	380,000	354,432	93.3	643,617
State of Missouri	275,512	67,538	207,974	307.9	52,594	275,512	135,075	140,437	104.0	150,962
Total State of Missouri	275,512	67,538	207,974	307.9	52,594	275,512	135,075	140,437	104.0	150,962
Total Missouri assistance	39,739,327	38,949,495	789,832	2.0	38,520,479	82,687,960	82,346,397	341,563	0.4	83,896,920
Illinois assistance										
St. Clair Transit District	14,599,415	13,848,284	751,131	5.4	12,113,900	28,000,579	27,641,963	358,616	1.3	25,409,349
State of Illinois	63,519	484,959	(421,440)	(86.9)	650,611	444,855	969,918	(525,063)	(54.1)	1,515,557
Total Illinois assistance	14,662,934	14,333,243	329,691	2.3	12,764,511	28,445,434	28,611,881	(166,447)	(0.6)	26,924,906
Total local and state assistance	54,402,261	53,282,738	1,119,523	2.1	51,284,990	111,133,394	110,958,278	175,116	0.2	110,821,826
Federal assistance										
Vehicle maintenance	4,000,000	4,000,000	-	-	3,250,000	8,000,000	8,000,000	-	-	6,500,000
Non-capital grants (i.e. JARC)	1,510,337	1,185,719	324,618	27.4	1,821,763	2,987,010	2,371,437	615,573	26.0	2,956,767
Total federal assistance	5,510,337	5,185,719	324,618	6.3	5,071,763	10,987,010	10,371,437	615,573	5.9	9,456,767
Total contract, sales tax and grant revenue	$ 59,912,598	$ 58,468,457	$ 1,444,141	2.5	$ 56,356,753	$ 122,120,404	$ 121,329,715	$ 790,689	0.7	$ 120,278,593

Metro Transit System
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	**Budget**	**$ Favorable (Unfavorable)**	**% Fav (Unfav)**	**Prior Year**	**Actual**	**Budget**	**$ Favorable (Unfavorable)**	**% Fav (Unfav)**	**Prior Year**
Personnel expense										
Wages	$ 30,669,079	$ 30,648,272	$ (20,807)	(0.1)	$ 31,265,221	$ 59,813,438	$ 61,561,205	$ 1,747,767	2.8	$ 58,819,476
Company paid benefits										
Payroll related taxes and insurance										
FICA	2,080,676	2,275,556	194,880	8.6	2,184,122	4,135,491	4,575,346	439,855	9.6	4,104,831
Unemployment insurance	13,837	15,918	2,081	13.1	20,641	34,198	38,658	4,460	11.5	40,347
Worker's compensation insurance	1,067,610	993,949	(73,661)	(7.4)	633,834	1,923,369	1,992,403	69,034	3.5	1,700,509
Health and welfare										
Medical	5,995,405	7,561,150	1,565,745	20.7	5,612,715	12,220,557	15,120,374	2,899,817	19.2	11,392,650
Dental	124,647	123,113	(1,534)	(1.2)	137,827	267,664	246,188	(21,476)	(8.7)	273,645
Other post retiree medical	144,815	1,916,920	1,772,105	92.4	2,354,539	724,082	3,847,319	3,123,237	81.2	4,727,266
Life insurance / AD&D	124,319	123,958	(361)	(0.3)	109,135	234,902	247,900	12,998	5.2	233,667
Short and long term disability	63,394	11,199	(52,195)	(466.1)	55,425	128,203	22,398	(105,805)	(472.4)	111,043
FMLA administration expense	15,070	11,505	(3,565)	(31.0)	16,315	31,369	23,005	(8,364)	(36.4)	32,276
EAP expense	8,303	8,760	457	5.2	8,883	17,206	17,518	312	1.8	17,723
Retirement										
Pension expense	3,141,097	2,899,901	(241,196)	(8.3)	3,041,499	6,113,491	5,798,692	(314,799)	(5.4)	3,100,196
401 K contributions	311,644	664,153	352,509	53.1	298,613	613,259	1,328,305	715,046	53.8	586,632
Other										
Uniform allowance	202,916	178,356	(24,560)	(13.8)	73,013	410,213	366,214	(43,999)	(12.0)	205,240
Miscellaneous benefits	648	3,590	2,942	81.9	649	8,337	7,180	(1,157)	(16.1)	12,025
Benefit costs applied to capital projects.	(73,361)	(100,022)	(26,661)	(26.7)	(60,738)	(132,607)	(200,043)	(67,436)	(33.7)	(128,821)
Total company paid benefits	13,221,020	16,688,006	3,466,986	20.8	14,486,472	26,729,734	33,431,457	6,701,723	20.0	26,409,229
Total wages and benefits	$ 43,890,099	$ 47,336,278	$ 3,446,179	7.3	$ 45,751,693	$ 86,543,172	$ 94,992,662	$ 8,449,490	8.9	$ 85,228,705

Metro Transit System
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

	Total	Revenue Fund	Operating Fund	Internally Restricted Fund	Prop M Fund	Prop A Fund	Sales Tax Capital Fund	Commodity Funds	Insurance Funds	Other Restricted Funds
Balance October 1, 2015										
Cash & Investments	$ 194,195,777	$ 1,228,994	$ 51,818,802	$ 14,662,012	$ 56,865,593	$ 19,636,459	$ 18,102,219	$ 6,086,909	$ 17,562,774	$ 8,232,015
Add :										
Passenger Fares	12,859,821	12,766,040	93,781	-	-	-	-	-	-	-
City of St. Louis	9,395,549	-	8,483,741	-	817,660	-	94,148	-	-	-
St. Louis County	29,231,431	-	28,553,825	-	265,404	-	412,202	-	-	-
State of Illinois	364,745	-	364,745	-	-	-	-	-	-	-
St. Clair County	18,852,463	-	18,852,463	-	-	-	-	-	-	-
FTA	16,228,912	-	16,228,912	-	-	-	-	-	-	-
Commodity Fund	19,568	-	19,568	-	-	-	-	-	-	-
All Other	1,591,814	-	1,458,952	21,279	63,413	30,027	8,356	-	9,787	-
Cash Receipts	88,544,303	12,766,040	74,055,987	21,279	1,146,477	30,027	514,706	-	9,787	-
Interfund Transfers	-	(12,696,800)	11,175,369	(18,420)	(3,235,798)	1,050,342	(308,361)	2,000,000	2,032,965	702
Less:										
Cash Disbursements	(102,045,676)	-	(98,904,266)	-	-	-	-	(1,742,836)	(1,398,574)	-
Balance December 31, 2015										
Cash & Investments	180,694,403	1,298,234	38,145,892	14,664,871	54,776,272	20,716,828	18,308,564	6,344,073	18,206,952	8,232,717
Less:										
Pre-Encumbrances & Restrictions										
Local Match - Approved Grants	39,635,614	-	-	-	37,198,511	-	2,437,103	-	-	-
- Grant Applications	2,200,000	-	-	-	2,200,000	-	-	-	-	-
- Long Range Capital Programs (1)	31,249,222	-	-	-	15,377,761	-	15,871,461	-	-	-
SIR Worker Comp Pledged Funds	2,405,000	-	-	-	-	-	-	-	2,405,000	-
Other Restrictions	105,204,567	1,298,234	38,145,892	14,664,871	-	20,716,828	-	6,344,073	15,801,952	8,232,717
Total Restrictions	180,694,403	1,298,234	38,145,892	14,664,871	54,776,272	20,716,828	18,308,564	6,344,073	18,206,952	8,232,717
Unencumbered Cash & Investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(1) Restricted to finance obligations.

Metro Transit System
Cross County Metrolink Debt
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

	Total Trustee Statements	Revenue Funds	Debt Service Funds	Expense Funds	Debt Service Reserve Funds
Balance at October 1, 2015					
Cash & investments	$ 82,910,928	$ -	$ 48,562,144	$ 77,288	$ 34,271,496
Add cash receipts:					
St. Louis County sales tax - Prop M	10,560,673	10,560,673	-	-	-
St. Louis County sales tax - Prop A	13,129,280	13,129,280	-	-	-
St. Louis City sales tax - Prop M	2,501,040	2,501,040	-	-	-
St. Louis City sales tax - Prop M2	2,501,040	2,501,040	-	-	-
Realized gain	32,457	-	-	-	32,457
Interest received	309,865	2,104	1,936	23	305,801
Total cash receipts	29,034,354	28,694,137	1,936	23	338,258
Less fund disbursements:					
Debt service - Series 2009	(2,383,988)	-	(2,383,988)	-	-
Debt service - Series 2013A	(8,404,656)	-	(8,404,656)	-	-
Debt service - Series 2013B	(553,500)	-	(553,500)	-	-
Debt Principal - Series 2013A	(37,220,000)	-	(37,220,000)	-	-
Expenses/Accrued interest reclassication	(9,800)	(6,000)	-	(3,800)	-
Prop M/Prop A to Metro	(23,216,678)	(23,216,678)	-	-	-
Total disbursements	(71,788,622)	(23,222,678)	(48,562,144)	(3,800)	-
Interfund transfers:					
Transfer from 2013 DSR to 2013 DS	-	-	1,815,726	-	(1,815,726)
Interest/principal transfers	-	(5,471,459)	5,471,459	-	-
Total interfund transfers	-	(5,471,459)	7,287,185	-	(1,815,726)
Balance at December 31, 2015					
Cash & investments	$ 40,156,660	$ -	$ 7,289,121	$ 73,512	$ 32,794,027

Transit System
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities		
Receipts from customers	$	23,760,316
Payments to employees		(86,352,801)
Payments to vendors		(35,559,100)
Payments for self-insurance		(4,675,323)
Receipts (payments) from inter-fund activity		(1,033,056)
Net cash provided by (used in) operating activities		(103,859,964)
Cash flows from non capital financing activities		
Operating assistance received		105,582,247
Contributions to outside entities		(978,173)
Net cash provided by (used in) non capital financing activities		104,604,074
Cash flows from capital and related financing activities		
Acquisitions of capital assets		(38,513,674)
Payments of long-term debt		(8,540,864)
Interest Paid		(10,093,763)
Contributed capital		40,822,917
Cash flows from capital and related financing activities		(16,325,384)
Cash flows from investing activities		
Purchases of investments		(54,611,605)
Proceeds from sale of investments		59,426,009
Interest received		671,001
Net cash provided by (used in) investing activities		5,485,405
Net increase (decrease) in cash and cash equivalents		(10,095,869)
Cash and cash equivalents, beginning of year		121,670,532
Cash and cash equivalents, year to date	$	111,574,663

Reconciliation of operating loss to net cash used for operating activities		
Operating income (loss)	$	(103,024,579)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Change in assets and liabilities		
Accounts and notes receivables		(5,377,361)
Interfund accounts receivable		(858,190)
Materials and supplies		98,069
Prepaid expenses, deferred charges and other current assets		(1,186,540)
Accounts payable		(1,972,400)
Other current liabilities		8,607,126
Interfund accounts payable		1,054,317
Accrued expenses		(533,711)
Other post employment benefits liability		724,082
Self-insurance liability		(1,390,777)
Total adjustments		(835,385)
Net cash provided by (used for) operating activities	$	(103,859,964)

Supplemental disclosure of cash flow information

Noncash Activities:

>	Interest received on capital lease	$	2,915,196
>	Interest accrued on capital lease		(2,915,196)
>	Gain/(Loss) on hedging commodities		(3,041,594)
>	Gain on disposal of fixed assets		645,147
>	Non-operating noncash activity		(211,790)
>	Net transfers for rail station improvements		627
>	Deferred Loss Amortization		213,039
>	Prior period adjustment		(46,793)

Note: Cash and cash equivalents for this cash flow statement are defined according to General Accepted Accounting Principles as cash and all investments with a maturity of 90 days or less. The Consolidated Cash Receipts & Disbursement (CR&D), the Cross County CR&D report and the Balance Sheet report on cash and all investments, regardless of maturity date. Therefore, the beginning and ending cash balances on this report may not agree to the CR&D report and the balance sheet.

Metro Transit System
Schedule of Aged Receivables - Invoiced
December 31, 2015
(unaudited)

	Less than 30 days	31-60 days	61-90 days	91-180 days	181-360 days	Over 361 days	Total
Due from TMA Customers	$ 329,813	$ 339	$ 13,418	$ 11,546	$ 21,833	$ 26,709	$ 403,658
Due from Call-A-Ride	422,335	357	-	135	-	-	422,827
Due from Advertising (Marketing)	-	-	838	-	3,970	-	4,808
Due from Leases and Rents	55,104	458	-	3,353	789	1,217	60,921
Due from Auxiliary Services/Others	(4,228,656)	103,327	16,081	617,182	255	-	(3,491,811)
Due from Grants (Accounting)	14,367,534	62,596	35,727	3,293	38,000	24,936	14,532,086
Due from Passes	1,698,222	340,515	84,374	14,374	7,903	-	2,145,388
Subtotal	12,644,352	507,592	150,438	649,883	72,750	52,862	14,077,877
Due from Engineering	-	-	-	1,030	-	-	1,030
Due from Airport	43,876	19,129	4,110	4,884	2,351	270	74,620
Total	$ 12,688,228	$ 526,721	$ 154,548	$ 655,797	$ 75,101	$ 53,132	$ 14,153,527

Metro Transit System
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description			Budget	Current	Year-To-Date	Life-To-Date	Balance
Project #							
0034	Van Procurement FY04-FY08 (X204) 2		$ 2,740,824	$ -	$ -	$ 2,720,471	$ 20,353
1237	CAR Van Replacement FY07		2,975,815	-	-	2,913,172	62,643
1279	Fare Collection System Upgrade/Replacement (06 Earmark)		29,707,512	253,508	866,006	22,403,483	7,304,029
1290	Buses FY05 Fed Earmark (25)		1,210,235	-	-	1,210,235	-
1361	Radio System CAD/AVL		23,857,144	12,257	18,277	9,761,849	14,095,295
1530	Eads Bridge Rehab ARRA		25,338,774	-	-	25,338,774	-
1531	Rail & Tie Replacement		1,718,025	-	-	1,718,025	-
1574	CAR Van Replacement		8,650,165	-	1,586,637	7,132,307	1,517,858
1666	Slope Stabilization	z	4,097,297	-	193,907	4,088,949	8,348
1668	Embankment Erosion	z	3,223,073	63,519	257,465	399,155	2,823,918
1708	Feeder Wire/Water Mitigation MO--12	z	1,058,564	-	1,576	704,294	354,270
1717	Non-Revenue Vehicles FY12 MO		1,718,858	103,022	103,022	1,499,321	219,537
1722	Missouri Slopes Stability	z	1,144,600	135,628	582,231	823,742	320,858
1723	MO OCS Wire Rehab	z	1,646,670	49,340	130,265	1,438,176	208,494
1734	EADS Bridge Rehab Phase II		29,708,943	3,259,486	8,489,419	13,572,334	16,136,609
1739	Downtown Transfer Center		8,498,596	44,920	60,236	788,497	7,710,099
1754	IT Systems Upgrade Yr 1 - FY12		1,121,406	-	-	973,819	147,587
1755	IT Systems Upgrade Yr 2 - FY13		1,425,750	-	81,407	397,665	1,028,085
1756	North County Transit Center		10,280,000	1,906,765	3,404,706	8,715,166	1,564,834
1817	Radio System Tower Sites		6,212,885	368,352	994,185	2,505,855	3,707,030
1834	Rail Tie Replacement Year 2	z	1,939,408	19,934	20,375	1,480,772	458,636
1844	Tactile Warning Strip Phase II	z	1,719,616	5,195	4,884	764,194	955,422
1845	MOW SGR Inventory-Database Development		1,037,955	-	222	1,025,321	12,634
1848	Articulated Buses		11,441,319	-	-	6,490,426	4,950,893

Metro Transit System
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description			Budget	Current	Year-To-Date	Life-To-Date	Balance
Projects continued							
1855	Arch Bike Trail		$ 1,105,000	$ (4,670)	$ 71,879	$ 186,012	$ 918,988
1860	Bus Procurement Duluth		20,911,804	-	-	20,908,285	3,519
1862	North County Transit Phase II		2,200,481	121,161	122,283	1,543,356	657,125
1863	Bus Procurement Duluth II		11,582,762	-	-	10,893,680	689,082
1869	Phase 1 Audio Frequency Circuit		3,101,678	119,828	128,502	265,486	2,836,192
1875	Rail Tie Replace Year 3	z	2,147,572	914,968	1,618,855	1,655,385	492,187
1885	TOI Operation Management Software		2,859,367	198,820	227,783	515,237	2,344,130
1887	TOI Transit Business Intellegence		1,031,572	-	-	-	1,031,572
1905	Buses - FY13 CMAQ		18,565,431	7,658,877	7,660,132	18,186,145	379,286
1933	FY14 Preventive Maintance	z	20,000,000	-	-	20,000,000	-
1937	Innovative High School Career	z	2,129,435	-	-	-	2,129,435
1941	Duluth Piggyback III 40'		12,698,501	12,350,194	12,350,194	12,350,194	348,307
1955	Spruce Street Bridge		6,871,621	1,865,201	2,124,858	2,325,330	4,546,291
1959	Z-Gate Ped Barriers & Fence		1,257,938	66,977	126,924	159,924	1,098,014
1960	Rail ROW Repairs-MP 0-15.4 MO		1,905,200	-	514	514	1,904,686
1962	Elevator Rehab - 8 Units - MO		1,302,000	15,164	16,402	19,538	1,282,462
1973	Portable Bus Lifting System - MO		1,004,619	-	-	-	1,004,619
1983	DC to AC Rail Car Upgrades		22,500,000	-	-	-	22,500,000
1988	Ewing Wall Rehabilitation		10,037,743	233,797	357,966	373,075	9,664,668
1991	Financial Report-Budget Software		1,307,680	24,000	24,000	24,000	1,283,680
1997	IL Bus Facility Rehabilitation		1,850,692	-	14,850	14,850	1,835,842
2000	Administrative Facility		1,700,000	26,446	878,423	878,423	821,577
2020	Feeder Wire-Water Mitigation	z	1,644,372	404,771	741,298	746,310	898,062
2021	Bus Northwest Connector	z	2,355,536	-	-	-	2,355,536
2029	FY15 Preventive Maintenance	z	16,250,000	-	-	16,250,000	-
2030	FY15 100% 7 SCCTD Buses		2,076,050	-	338	2,169	2,073,881
2035	Mobile Data Terminal		1,050,000	-	-	-	1,050,000
2053	Buses (4) FY15 Formula		1,856,000	-	-	-	1,856,000
2054	Call-A-Ride Vans (7) FY15		2,161,300	-	-	-	2,161,300
2057	Non-Rev Vehicles (16) MO FY14		1,146,145	-	-	-	1,146,145

Metro Transit System
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description		Budget	Current	Year-To-Date	Life-To-Date	Balance
Projects continued						
2060 Boyle Street ML Station		$ 12,655,022	$ 15,109	$ 15,109	$ 15,109	$ 12,639,913
2061 CWE ML Station Rehab		1,888,009	-	-	-	1,888,009
2070 DC to AC Propulsion YR 2		2,033,859	-	-	-	2,033,859
2077 Buses FY15 Bus Facility		3,615,724	-	-	-	3,615,724
2078 Buses FY14 CMAQ		5,210,000	-	-	-	5,210,000
2079 MO Buses		3,709,048	-	-	-	3,709,048
2081 Convention Center Escalator FY15 SGR		1,103,500	-	-	-	1,103,500
2094 CAR Vans (7) FY14 Fed Formula		1,479,456	-	-	-	1,479,456
All others	*z	43,247,005	837,475	1,439,837	18,190,196	25,056,809
Total active projects		$ 434,025,556	$ 31,070,044	$ 44,714,967	$ 244,369,220	$ 189,656,336

* "All Others" list all projects with a budget less than one million dollars.

z Some Projects/Awards do not produce a fixed asset; they are considered operating expenditures.

BI-STATE DEVELOPMENT

ST. LOUIS™
DOWNTOWN AIRPORT

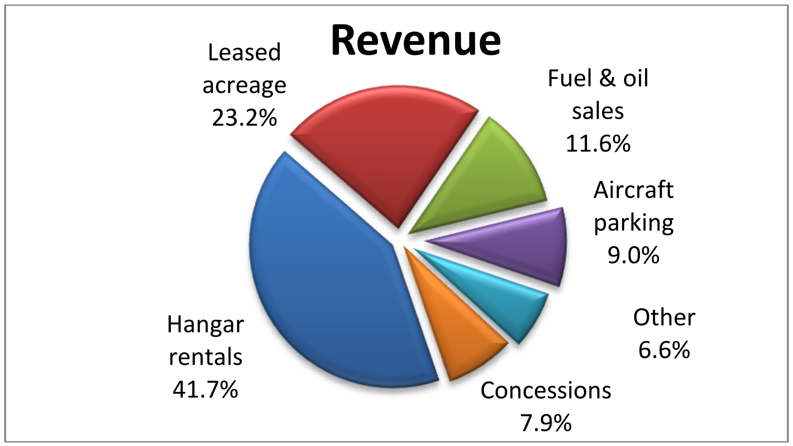
BU150096

St. Louis Downtown Airport

Six Months Ended December 31, 2015

Income before depreciation for the St. Louis Downtown Airport for the six months ended December 31, 2015 was $44,289. This is favorable to budget by $50,031. These results are greater than the prior year by $15,201.

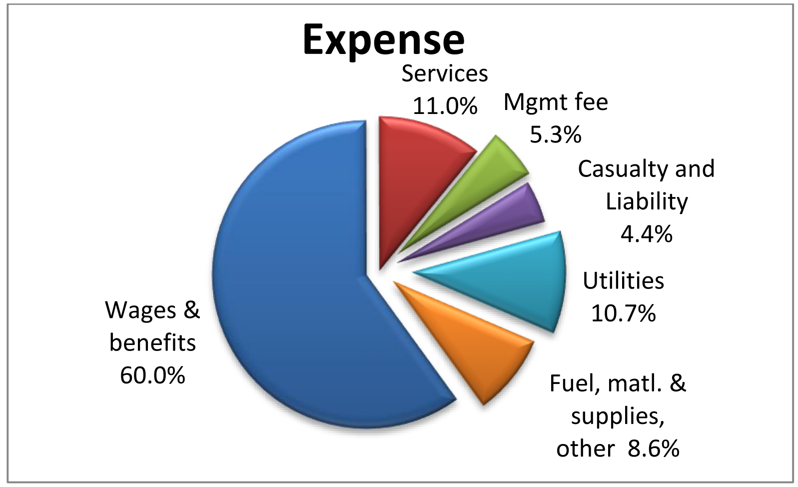
Revenue is greater than last year by $39,739 or 5.4% and unfavorable to budget by 2.6% or $19,287. Farm income was budgeted evenly throughout the year and received on a seasonal basis. The Airport also benefited from charges for after-hours firefighter coverage.



Wages and benefits are favorable to budget by $15,241 or 3.4% due to lower pension and other benefits costs.

`

Materials and supplies are favorable to budget by $15,462 due to planned purchases relating to firefighting supplies; buildings and grounds, repair parts, training materials and computer equipment occurring later in the fiscal year.



Services are $22,324 unfavorable to budget and $38,557 unfavorable to prior year primarily due to higher consulting fees and maintenance services.

Utilities are $15,204 favorable to budget. Electricity expense is favorable.

Other expenses are favorable to budget by $5,370 or 10.7% due to lower travel, staff training, and farm expenses.

Performance Indicators			
YTD	Fuel sales (gallons)	Aircraft movements	Avg. based aircraft
FY16 Actual	935,229	49,722	329
FY16 Budget	886,815	45,000	320
FY15 Actual	871,010	44,412	318

St. Louis Downtown Airport
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Assets							
Current assets							
Cash and investments	$ 683,497	$ 660,851	$ 22,646	3.4	$ 839,970	$ (156,473)	(18.6)
Accounts and notes receivable	71,879	59,037	12,842	21.8	73,381	(1,502)	(2.0)
Interfund accounts receivable	43,888	15,907	27,981	175.9	11	43,877	n/a
Materials and supplies inventory	61,609	61,584	25	-	62,321	(712)	(1.1)
Other current assets	67,721	54,259	13,462	24.8	63,925	3,796	5.9
Total current assets	928,594	851,638	76,956	9.0	1,039,608	(111,014)	(10.7)
Capital assets							
Capital assets	52,728,214	52,728,214	-	-	51,305,742	1,422,472	2.8
Accumulated depreciation	(33,670,654)	(33,277,894)	(392,760)	(1.2)	(32,107,359)	(1,563,295)	(4.9)
Total capital assets, net	19,057,560	19,450,320	(392,760)	(2.0)	19,198,383	(140,823)	(0.7)
Land	4,542,564	4,542,564	-	-	4,542,564	-	-
Construction-in-process	144,887	144,887	-	-	1,197,077	(1,052,190)	(87.9)
Total capital assets	23,745,011	24,137,771	(392,760)	(1.6)	24,938,024	(1,193,013)	(4.8)
Non-current assets							
Deferred charges	16,653	16,653	-	-	20,542	(3,889)	(18.9)
Total non-current assets	16,653	16,653	-	-	20,542	(3,889)	(18.9)
Total	$ 24,690,258	$ 25,006,062	$ (315,804)	(1.3)	$ 25,998,174	$ (1,307,916)	(5.0)

St. Louis Downtown Airport
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Liabilities							
Current liabilities							
Accounts payable	$ 16,428	$ 15,705	$ 723	4.6	$ 21,329	$ (4,901)	(23.0)
Interfund accounts payable	92,872	5,870	87,002	n/a	43,737	49,135	112.3
Accrued expenses	54,800	53,307	1,493	2.8	60,675	(5,875)	(9.7)
Other current liabilities	2,257	3,812	(1,555)	(40.8)	4,464	(2,207)	(49.4)
Total current liabilities	166,357	78,694	87,663	111.4	130,205	36,152	27.8
Non-current liabilities							
Other post-employment benefits	350,727	349,957	770	0.2	342,684	8,043	2.3
Long-term self-insurance	28,991	28,991	-	-	28,991	-	-
Unfunded pension liabilities	183,752	183,752	-	-	315,860	(132,108)	(41.8)
Total non-current liabilities	563,470	562,700	770	0.1	687,535	(124,065)	(18.0)
Total liabilities	729,827	641,394	88,433	13.8	817,740	(87,913)	(10.8)
Net Position							
Net position - capital investments	32,880,637	32,880,637	-	-	32,669,069	211,568	0.6
Net position - unrestricted	(8,179,768)	(8,179,768)	-	-	(6,759,437)	(1,420,331)	(21.0)
Net income (loss)	(740,438)	(336,201)	(404,237)	(120.2)	(729,198)	(11,240)	(1.5)
Total net position	23,960,431	24,364,668	(404,237)	(1.7)	25,180,434	(1,220,003)	(4.8)
Total	$ 24,690,258	$ 25,006,062	$ (315,804)	(1.3)	$ 25,998,174	$ (1,307,916)	(5.0)

St. Louis Downtown Airport
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Airport parking	$ 34,638	$ 34,853	$ (215)	(0.6)	$ 35,724	$ 69,475	$ 69,705	$ (230)	(0.3)	$ 70,653
Leased acreage	80,966	43,169	37,797	87.6	104,941	179,622	86,339	93,283	108.0	198,895
Hangar rental	173,872	202,553	(28,681)	(14.2)	135,324	322,954	405,106	(82,152)	(20.3)	251,765
Aviation sales flowage	44,025	41,274	2,751	6.7	44,745	90,285	91,750	(1,465)	(1.6)	85,697
Other operating revenue	27,280	22,514	4,766	21.2	29,546	48,384	45,027	3,357	7.5	47,462
Concessions	48,644	28,790	19,854	69.0	66,294	61,435	57,580	3,855	6.7	80,169
Service fee revenue	800	50	750	1,500.0	600	800	100	700	700.0	600
Interest income	125	84	41	48.8	43	2,106	167	1,939	1,161.1	81
Total revenue	410,350	373,287	37,063	9.9	417,217	775,061	755,774	19,287	2.6	735,322
Expense										
Wages and benefits [1]	236,233	225,592	(10,641)	(4.7)	213,403	436,594	451,835	15,241	3.4	417,245
Services	58,307	28,825	(29,482)	(102.3)	31,221	79,975	57,651	(22,324)	(38.7)	41,418
Fuel and lube consumed	3,547	6,097	2,550	41.8	4,031	8,917	13,038	4,121	31.6	9,738
Materials and supplies	33,310	31,963	(1,347)	(4.2)	27,690	47,290	62,752	15,462	24.6	69,348
Utilities	40,450	45,771	5,321	11.6	42,605	78,216	93,420	15,204	16.3	92,973
Casualty and liability costs	16,136	16,255	119	0.7	15,539	32,271	32,506	235	0.7	25,079
Other expenses	31,279	30,027	(1,252)	(4.2)	32,911	44,944	50,314	5,370	10.7	50,433
Other non-operating expense	2,565	-	(2,565)	-	-	2,565	-	(2,565)	-	-
Total expense	421,827	384,530	(37,297)	(9.7)	367,400	730,772	761,516	30,744	4.0	706,234
Income (loss) before depreciation	(11,477)	(11,243)	(234)	(2.1)	49,817	44,289	(5,742)	50,031	871.3	29,088
Depreciation and amortization expense	392,760	398,145	5,385	1.4	370,953	784,727	785,251	524	0.1	758,286
Net income (loss)	$ (404,237)	$ (409,388)	$ 5,151	1.3	$ (321,136)	$ (740,438)	$ (790,993)	$ 50,555	6.4	$ (729,198)

[1] - Detailed schedule included.

St. Louis Downtown Airport
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Personnel expense										
Wages	$ 168,312	$ 141,766	$ (26,546)	(18.7)	$ 141,672	$ 305,027	$ 284,096	$ (20,931)	(7.4)	$ 273,228
Company paid benefits										
Payroll related taxes and insurance										
FICA	12,031	10,845	(1,186)	(10.9)	10,122	21,725	21,733	8	-	19,392
Unemployment insurance	67	315	248	78.7	63	158	630	472	74.9	116
Worker's compensation insurance	9,068	9,168	100	1.1	6,973	17,837	18,335	498	2.7	13,946
Health and welfare										
Medical	25,251	22,970	(2,281)	(9.9)	23,444	51,650	45,940	(5,710)	(12.4)	47,246
Dental	536	612	76	12.4	636	1,203	1,225	22	1.8	1,271
Other post retiree medical	769	12,149	11,380	93.7	11,156	3,666	24,342	20,676	84.9	23,582
Life insurance / AD&D	160	150	(10)	(6.7)	198	360	300	(60)	(20.0)	395
Short and long term disability	965	240	(725)	(302.1)	1,039	2,038	480	(1,558)	(324.6)	2,038
FMLA administration expense	63	70	7	10.0	78	141	139	(2)	(1.4)	156
EAP expense	38	44	6	13.6	47	84	88	4	4.5	93
Retirement										
Pension expense	3,143	12,418	9,275	74.7	7,018	6,695	24,836	18,141	73.0	15,272
401 K contributions	9,375	13,584	4,209	31.0	9,285	18,221	27,168	8,947	32.9	18,014
Other										
Uniform allowance	6,455	1,261	(5,194)	(411.9)	1,672	7,789	2,523	(5,266)	(208.7)	2,496
Total company paid benefits	67,921	83,826	15,905	19.0	71,731	131,567	167,739	36,172	21.6	144,017
Total wages and benefits	$ 236,233	$ 225,592	$ (10,641)	(4.7)	$ 213,403	$ 436,594	$ 451,835	$ 15,241	3.4	$ 417,245

St. Louis Downtown Airport
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

	Total	Revenue Fund	Investments Operating Fund	Other Restricted Funds
Balance at September 30, 2015				
Cash & Investments	$ 660,851	$ 128,229	$ 182,665	$ 349,957
Add:				
Customer payments	395,830	395,830	-	-
Interest received	125	13	112	-
Total cash receipts	395,955	395,843	112	-
Interfund transfers	-	(375,000)	374,230	770
Less:				
Cash disbursements	(373,309)	(704)	(372,605)	-
Balance at December 31, 2015				
Cash & Investments	$ 683,497	$ 148,368	$ 184,402	$ 350,727

St. Louis Downtown Airport
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities		
Receipts from customers	$	813,425
Payments to employees		(431,436)
Payments to vendors		(281,114)
Payments for self-insurance		(32,271)
Receipts (payments) from inter-fund activity		(10,897)
Net cash provided by (used in) operating activities		57,707
Cash flows from noncapital financing activities		
Non operating contributions		(2,565)
Net cash provided by (used in) noncapital and related financing activities		(2,565)
Cash flows from capital and related financing activities		
Acquisitions of capital assets		(77)
Net cash provided by (used in) capital and related financing activities		(77)
Cash flows from investing activities		
Interest received		2,106
Net cash provided by (used in) investing activities		2,106
Net increase (decrease) in cash and cash equivalents		57,171
Cash and cash equivalents, beginning of year		626,326
Cash and cash equivalents, year to date	$	683,497

Reconciliation of operating income to net cash used for operating activities		
Operating income (loss)	$	44,748
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Change in assets and liabilities		
Accounts and notes receivable		40,470
Interfund accounts receivable		(43,888)
Materials and supplies		(25)
Prepaid expenses, deferred charges and other current assets		(53,004)
Accounts payable		(8,417)
Other current liabilities		2,413
Interfund accounts payable		71,744
Other post employment benefits liability		3,666
Total adjustments		12,959
Net cash provided by (used for) operating activities	$	57,707

Supplemental disclosure of cash flow information

No disclosures.

St. Louis Downtown Airport
Schedule of Aged Receivables - Invoiced
December 31, 2015
(Unaudited)

Customers owing over $1,000	Less than 30 days	31-60 days	61-90 days	91-180 days	181-360 days	Over 361 days	Total
Aviation Business Corporation	$ 3,677	$ 1,777	$ 2,772	$ 973	$ -	$ -	$ 9,199
Charlie Booth	230	230	-	690	1,380	200	2,730
EAA Chapter 64	84	74	-	140	888	-	1,186
Ideal Aviation Illinois	13,010	8,906	98	-	-	-	22,014
Jet Aviation - Cahokia, IL	1,304	-	-	-	-	-	1,304
Jet Aviation - Teterboro, NJ	18,063	6,991	775	-	-	-	25,829
Parks Aviation Holdings LLC	4,625	666	43	-	-	-	5,334
Parks College	77	-	-	2,528	-	-	2,605
Subtotal	41,070	18,644	3,688	4,331	2,268	200	70,201
All other customers	2,806	485	422	553	83	70	4,419
Total	**$ 43,876**	**$ 19,129**	**$ 4,110**	**$ 4,884**	**$ 2,351**	**$ 270**	**$ 74,620**

St. Louis Downtown Airport
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description		Budget	Current	Year-To-Date	Life-To-Date	Balance
Reconstruct Taxiway B, Phase 1	x	$ 4,500,000	$ -	$ -	$ -	$ 4,500,000
Land acquisition for future airport expansion	x	4,000,000	-	-	-	4,000,000
Improve 4-way intersection - turn lanes and traffic lights	x	900,000	-	-	-	900,000
Rapid Intervention Vehicle	x	500,000	-	-	-	500,000
Rehab parking lot by Hangar 1 and 2.	x	312,000	-	-	-	312,000
Terminal Roof Replacement	x	144,700	-	493	129,773	14,927
Taxiway B Northside Drainage Improvements		1,000,000	-	-	-	1,000,000
Taxiway B Northside Environmental Assessment	x	125,000	-	-	-	125,000
Total St. Louis Downtown Airport		$ 11,481,700	$ -	$ 493	$ 129,773	$ 11,351,927

x Projects are carryover from prior year.

BI-STATE DEVELOPMENT

GATEWAY ARCH RIVERBOATS

BU150096

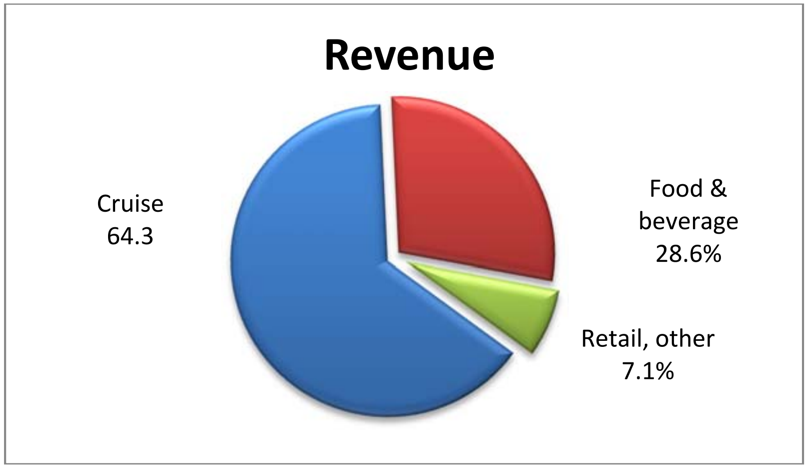
Riverfront Attractions

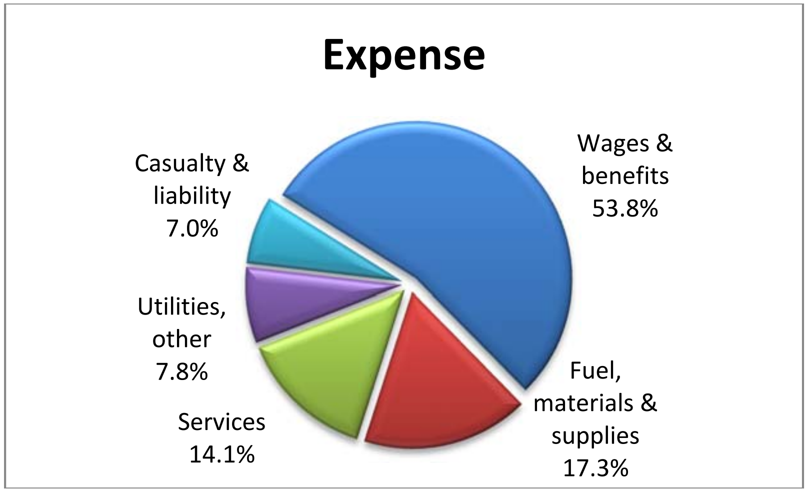
Six Months Ended December 31, 2015

Riverfront Attractions includes the Tom Sawyer and Becky Thatcher riverboats which feature sightseeing, dinner, and specialty cruises, a gift shop, snack bar, and photography sales. There is also leased heliport operations.

Loss before depreciation for all Riverfront Attractions for the six months ended December 31, 2015 was $77,714. This is $457,140 unfavorable to budget but $45,686 higher than prior year.

Revenue is $985,878 which is 43.6% lower than budget because of flooding. Riverfront flooding to date resulted in the loss of 30 cruising days. Revenue is favorable to prior year by $105,421 or 12.0% because the south end of the Leonor K. Sullivan Boulevard construction project is complete.





Wages and benefits are $79,019 or 12.1% favorable to budget due to position vacancies and benefits.

Services are 0.8% favorable to budget and include boat maintenance and repair, removing flood debris and cost of musicians for dinner and specialty cruises.

Fuel and lube consumed is $22,933 favorable to budget because of lower than expected fuel prices and 209 fewer cruises than budgeted.

Materials and supplies are $159,815 favorable to budget primarily due to fewer purchases of food and beverages related to the fewer dinner and specialty cruises.

Utilities are $13,510 or 29.1% favorable to budget due to lower electricity, natural gas, telephone, water and sewer, and waste removal expenses.

Casualty and liability expense is $12,998 or 14.8% favorable to budget as a result of lower self insured property and casualty expense.

Other expenses are favorable to budget by $15,180. The favorable variance to budget is primarily related to lower advertising and promotion expenses.

Performance Indicators			
YTD	**Passengers**	**Cruises**	**Passengers per Cruise**
FY16 Actual	40,289	354	114
FY16 Budget	63,735	563	113
FY15 Actual	39,007	339	115

Riverboat passengers increased 3.3% from FY 2015 but was 36.8% lower than budget. Riverfront flooding and construction unfavorably impacted the number of passengers.

The number of **Cruises** increased from FY 2015 by 15 or 4.4% but 209 less than budget. This was the result of the cruising days lost due to flooding and construction. The average **Passengers per Cruise** in FY 2016 is consistent with the FY 2016 Budget and with FY 2015 Actual.

Riverfront Attractions
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Assets							
Current assets							
Cash and investments	$ 60,545	$ 42,988	$ 17,557	40.8	$ 19,435	$ 41,110	211.5
Accounts and notes receivable	11,000	10,535	465	4.4	5,647	5,353	94.8
Interfund accounts receivable	-	4,123	(4,123)	(100.0)	1,491	(1,491)	(100.0)
Materials and supplies inventory	44,287	45,280	(993)	(2.2)	46,565	(2,278)	(4.9)
Other current assets	76,514	114,771	(38,257)	(33.3)	74,890	1,624	2.2
Total current assets	192,346	217,697	(25,351)	(11.6)	148,028	44,318	29.9
Capital assets							
Capital assets	5,165,449	5,165,207	242	-	4,786,579	378,870	7.9
Accumulated depreciation	(3,485,817)	(3,403,920)	(81,897)	(2.4)	(3,181,455)	(304,362)	(9.6)
Total capital assets, net	1,679,632	1,761,287	(81,655)	(4.6)	1,605,124	74,508	4.6
Construction-in-process	-	-	-	n/a	3,283	(3,283)	(100.0)
Total capital assets	1,679,632	1,761,287	(81,655)	(4.6)	1,608,407	71,225	4.4
Total	$ 1,871,978	$ 1,978,984	$ (107,006)	(5.4)	$ 1,756,435	$ 115,543	6.6

Riverfront Attractions
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Liabilities							
Current liabilities							
Accounts payable	$ 40,699	$ 33,860	$ 6,839	20.2	$ 55,532	$ (14,833)	(26.7)
Interfund accounts payable	1,311,315	1,097,987	213,328	19.4	601,331	709,984	118.1
Accrued expenses	109,900	89,803	20,097	22.4	96,915	12,985	13.4
Other current liabilities	164,732	343,389	(178,657)	(52.0)	123,508	41,224	33.4
Total current liabilities	1,626,646	1,565,039	61,607	3.9	877,286	749,360	85.4
Non-current liabilities							
Other post-employment benefits	374,855	374,019	836	0.2	366,371	8,484	2.3
Long-term self-insurance	33,654	33,654	-	-	37,654	(4,000)	(10.6)
Unfunded pension liabilities	449,172	449,172	-	-	434,308	14,864	3.4
Total non-current liabilities	857,681	856,845	836	0.1	838,333	19,348	2.3
Total liabilities	2,484,327	2,421,884	62,443	2.6	1,715,619	768,708	44.8
Net Position							
Net position - capital investments	254,907	254,907	-	-	254,907	-	-
Net position - unrestricted	(621,083)	(621,083)	-	-	55,403	(676,486)	n/a
Net income (loss)	(246,173)	(76,724)	(169,449)	(220.9)	(269,494)	23,321	8.7
Total net position	(612,349)	(442,900)	(169,449)	(38.3)	40,816	(653,165)	n/a
Total	$ 1,871,978	$ 1,978,984	$ (107,006)	(5.4)	$ 1,756,435	$ 115,543	6.6

Riverfront Attractions
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Cruise	$ 239,177	$ 225,255	$ 13,922	6.2	$ 136,569	$ 633,531	$ 1,087,446	$ (453,915)	(41.7)	$ 506,253
Food and beverage	134,271	162,595	(28,324)	(17.4)	79,958	282,357	561,877	(279,520)	(49.7)	299,289
Retail	6,668	9,084	(2,416)	(26.6)	4,575	27,606	51,949	(24,343)	(46.9)	26,260
Other operating revenue	30,707	23,574	7,133	30.3	22,628	62,182	67,349	(5,167)	(7.7)	61,437
Sales discount	(7,174)	(7,220)	46	0.6	(3,374)	(19,798)	(21,005)	1,207	5.7	(12,782)
Total revenue	403,649	413,288	(9,639)	(2.3)	240,356	985,878	1,747,616	(761,738)	(43.6)	880,457
Expense										
Wages and benefits [1]	292,640	277,653	(14,987)	(5.4)	199,684	571,886	650,905	79,019	12.1	516,869
Services	63,984	82,670	18,686	22.6	60,838	150,047	151,190	1,143	0.8	136,714
Fuel and lube consumed	11,934	10,000	(1,934)	(19.3)	6,768	23,067	46,000	22,933	49.9	28,352
Materials and supplies	48,797	62,018	13,221	21.3	52,145	160,703	320,518	159,815	49.9	138,338
Utilities	13,498	22,035	8,537	38.7	16,614	32,924	46,434	13,510	29.1	38,589
Casualty and liability costs	37,564	42,926	5,362	12.5	36,956	74,970	87,968	12,998	14.8	73,913
Other expenses	22,785	32,538	9,753	30.0	34,007	49,995	65,175	15,180	23.3	71,082
Total expense	491,202	529,840	38,638	7.3	407,012	1,063,592	1,368,190	304,598	22.3	1,003,857
Income (loss) before depreciation	(87,552)	(116,552)	29,000	24.9	(166,656)	(77,714)	379,426	(457,140)	(120.5)	(123,400)
Depreciation and amortization expense	81,897	78,853	(3,044)	(3.9)	69,824	168,459	157,707	(10,752)	(6.8)	146,094
Net income (loss)	$ (169,449)	$ (195,405)	$ 25,956	13.3	$ (236,480)	$ (246,173)	$ 221,719	$ (467,892)	(211.0)	$ (269,494)

[1] - Detailed schedule included.

Riverfront Attractions
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Personnel expense										
Wages	$ 227,392	$ 192,329	$ (35,063)	(18.2)	$ 138,392	$ 439,161	$ 472,819	$ 33,658	7.1	$ 375,814
Company paid benefits										
Payroll related taxes and insurance										
FICA	14,886	14,713	(173)	(1.2)	9,807	30,199	36,171	5,972	16.5	27,051
Unemployment insurance	439	1,997	1,558	78.0	226	1,527	3,984	2,457	61.7	1,942
Worker's compensation insurance	693	2,038	1,345	66.0	673	1,418	4,074	2,656	65.2	6,345
Health and welfare										
Medical	19,199	25,435	6,236	24.5	17,126	39,410	50,690	11,280	22.3	33,026
Dental	623	679	56	8.2	739	1,399	1,353	(46)	(3.4)	1,478
Other post retiree medical	836	11,126	10,290	92.5	9,881	3,742	22,253	18,511	83.2	22,501
Life insurance / AD&D	171	166	(5)	(3.0)	212	384	331	(53)	(16.0)	421
Short and long term disability	1,083	264	(819)	(310.2)	1,118	2,224	525	(1,699)	(323.6)	2,214
FMLA administration expense	397	77	(320)	(415.6)	525	873	153	(720)	(470.6)	1,089
EAP expense	38	49	11	22.4	47	85	97	12	12.4	93
Retirement										
Pension expense	21,038	13,746	(7,292)	(53.0)	17,884	40,832	27,396	(13,436)	(49.0)	37,979
401 K contributions	4,679	15,034	10,355	68.9	2,696	9,466	29,959	20,493	68.4	6,405
Other										
Uniform allowance	1,166	-	(1,166)	-	358	1,166	1,100	(66)	(6.0)	511
Total company paid benefits	65,248	85,324	20,076	23.5	61,292	132,725	178,086	45,361	25.5	141,055
Total wages and benefits	$ 292,640	$ 277,653	$ (14,987)	(5.4)	$ 199,684	$ 571,886	$ 650,905	$ 79,019	12.1	$ 516,869

Riverfront Attractions
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

	Total		Operating Fund		Change Fund	
Balance at September 30, 2015						
Cash & Investments	$	42,988	$	37,088	$	5,900
Add:						
Revenue receipts		83,311		83,311		-
Transfers from Airport		-		-		-
Transfers from Arch Tram		194,159		194,159		-
Total cash receipts		277,470		277,470		-
Interfund transfers		-		-		-
Less:						
Transfers to Arch Tram		-		-		-
Transfers to Executive Services		(258,809)		(258,809)		-
Cash disbursements		(1,104)		(1,104)		-
Total cash disbursements		(259,913)		(259,913)		-
Balance at December 31, 2015						
Cash & Investments	$	60,545	$	54,645	$	5,900

Riverfront Attractions
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities	
Receipts from customers	$ 982,760
Payments to employees	(548,049)
Payments to vendors	(595,912)
Payments for self-insurance	(76,870)
Receipts (payments) from inter-fund activity	315,915
Net cash provided by (used in) operating activities	77,844
Cash flows from noncapital financing activities	
Acquisitions of capital assets	(41,871)
Net cash provided by (used in) capital and related financing activities	(41,871)
Cash flows from capital and related financing activities	
None noted.	
Cash flows from investing activities	
None noted.	
Net increase (decrease) in cash and cash equivalents	35,973
Cash and cash equivalents, beginning of year	24,572
Cash and cash equivalents, year to date	$ 60,545

Reconciliation of operating loss to net cash used for operating activities	
Operating income (loss)	$ (77,714)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Change in assets and liabilities	
Accounts and notes receivable	(3,118)
Interfund accounts receivable	-
Materials and supplies	5,032
Prepaid expenses, deferred charges and other current assets	(76,382)
Accounts payable	18,850
Other current liabilities	(106,581)
Interfund accounts payable	315,915
Other post employment benefits liability	3,742
Self-insurance liability	(1,900)
Total adjustments	155,558
Net cash provided by (used for) operating activities	$ 77,844

Supplemental disclosure of cash flow information

No disclosures.

Riverfront Attractions
Capital Expenditures for Active Projects
For the Quarter Ended December 31, 2015
(unaudited)

Description	Budget	Current	Year-To-Date	Life-To-Date	Balance
Copy machine	$ 5,000	$ -	$ -	$ -	$ 5,000
Total Riverfront Attractions	$ 5,000	$ -	$ -	$ -	$ 5,000

BI·STATE DEVELOPMENT

REGIONAL FREIGHT DISTRICT

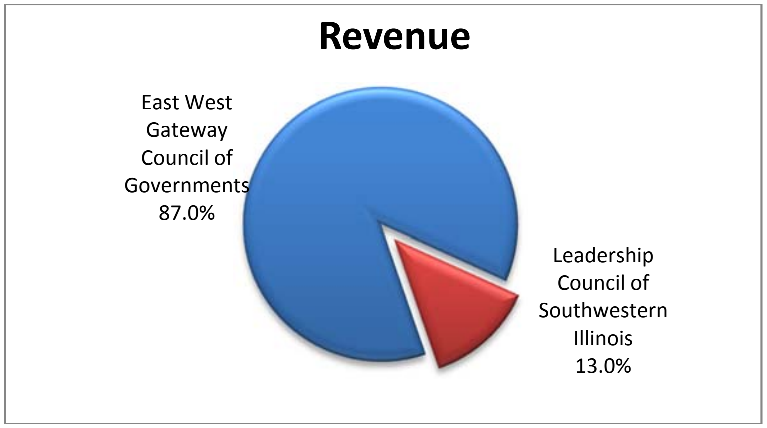
BU150096

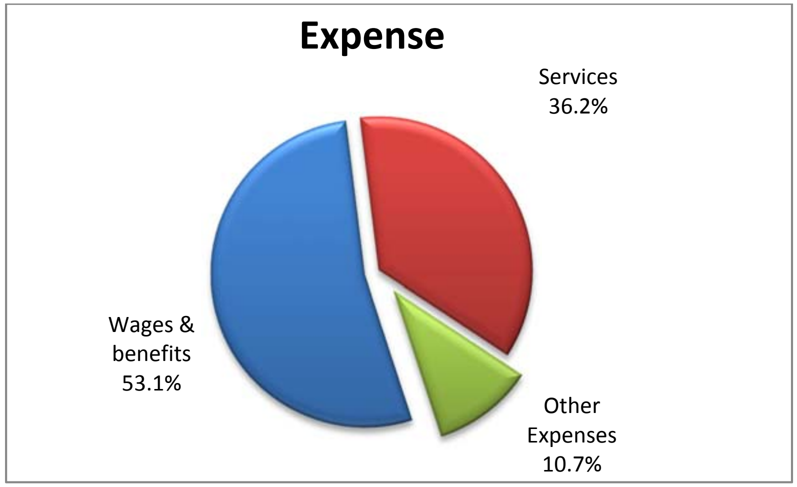
Regional Freight District

Six Months Ended December 31, 2015

Loss before depreciation for the Regional Freight District for the six months ended December 31, 2015 was $7,785. This is unfavorable to budget by $93,687.

Revenue of $192,469 is less than budget by $32,531 or 14.5%. Partnership Revenue Fees are from the Leadership Council of Southwestern Illinois and the East-West Gateway Council of Governments.





Wages and benefits are favorable to budget by $9,753 or 8.4%.

Services are $52,503 unfavorable to budget due to higher consulting expenses.

Other expenses of $21,493 are unfavorable to budget by $19,743 due to non-budgeted advertising and lease and rent expense.

Regional Freight District
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Assets							
Current assets							
Accounts and notes receivable	$ 167,469	$ 86,683	$ 80,786	93.2	$ -	$ 167,469	n/a
Total current assets	167,469	86,683	80,786	93.2	-	167,469	n/a
Total	$ 167,469	$ 86,683	$ 80,786	93.2	$ -	$ 167,469	n/a

Regional Freight District
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Interfund accounts payable	168,886	48,042	120,844	251.5	-	168,886	n/a
Accrued expenses	5,300	-	5,300	n/a	-	5,300	n/a
Total current liabilities	174,186	48,042	126,144	262.6	-	174,186	n/a
Non-current liabilities							
Other post-employment benefits	1,068	862	206	23.9	-	1,068	n/a
Total non-current liabilities	1,068	862	206	23.9	-	1,068	n/a
Total liabilities	175,254	48,904	126,350	258.4	-	175,254	n/a
Net Position							
Net income (loss)	(7,785)	37,779	(45,564)	(120.6)	-	(7,785)	n/a
Total net position	(7,785)	37,779	(45,564)	(120.6)	-	(7,785)	n/a
Total	$ 167,469	$ 86,683	$ 80,786	93.2	$ -	$ 167,469	n/a

Regional Freight District
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Revenue										
Partnership fees	$ 80,786	$ 112,500	$ (31,714)	(28.2)	$ -	$ 192,469	$ 225,000	$ (32,531)	(14.5)	$ -
Total revenue	80,786	112,500	(31,714)	(28.2)	-	192,469	225,000	(32,531)	(14.5)	-
Expense										
Wages and benefits [1]	54,802	61,715	6,913	11.2	-	106,245	115,998	9,753	8.4	-
Services	52,503	10,000	(42,503)	(425.0)	-	72,503	20,000	(52,503)	(262.5)	-
Materials and supplies	13	375	362	96.5	-	13	750	737	98.3	-
Utilities	-	300	300	100.0	-	-	600	600	100.0	-
Other expenses	19,032	875	(18,157)	(2,075.1)	-	21,493	1,750	(19,743)	(1,128.2)	-
Total expense	126,350	73,265	(53,085)	(72.5)	-	200,254	139,098	(61,156)	(44.0)	-
Income (loss) before depreciation	(45,564)	39,235	(84,799)	(216.1)	-	(7,785)	85,902	(93,687)	(109.1)	-
Net income (loss)	$ (45,564)	$ 39,235	$ (84,799)	(216.1)	$ -	$ (7,785)	$ 85,902	$ (93,687)	(109.1)	$ -

[1] - Detailed schedule included.

Regional Freight District
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current					Year to Date				
	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year	Actual	Budget	$ Favorable (Unfavorable)	% Fav (Unfav)	Prior Year
Personnel expense										
Wages	$ 46,166	$ 48,412	$ 2,246	4.6	$ -	$ 87,607	$ 89,922	$ 2,315	2.6	$ -
Company paid benefits										
Payroll related taxes and insurance										
FICA	2,924	3,704	780	21.1	-	5,941	6,879	938	13.6	-
Unemployment insurance	-	-	-	-	-	203	-	(203)	-	-
Worker's compensation insurance	-	148	148	100.0	-	-	296	296	100.0	-
Health and welfare										
Medical	3,651	4,334	683	15.8	-	7,550	8,668	1,118	12.9	-
Dental	79	116	37	31.9	-	180	231	51	22.1	-
Other post retiree medical	206	-	(206)	-	-	1,068	-	(1,068)	-	-
Life insurance / AD&D	39	28	(11)	(39.3)	-	88	57	(31)	(54.4)	-
Short and long term disability	237	45	(192)	(426.7)	-	237	91	(146)	(160.4)	-
FMLA administration expense	6	14	8	57.1	-	13	26	13	50.0	-
EAP expense	3	8	5	62.5	-	8	16	8	50.0	-
Retirement										
Pension expense	149	2,343	2,194	93.6	-	355	4,686	4,331	92.4	-
401 K contributions	1,342	2,563	1,221	47.6	-	2,995	5,126	2,131	41.6	-
Total company paid benefits	8,636	13,303	4,667	35.1	-	18,638	26,076	7,438	28.5	-
Total wages and benefits	$ 54,802	$ 61,715	$ 6,913	11.2	$ -	$ 106,245	$ 115,998	$ 9,753	8.4	$ -

Regional Freight District
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities	
Receipts from partnership fees	$ 25,000
Payments to employees	(99,877)
Payments to vendors	(94,009)
Receipts (payments) from inter-fund activity	168,886
Net cash provided by (used in) operating activities	-
Cash flows from noncapital financing activities	
None noted.	
Net cash provided by (used in) noncapital financing activities	-
Cash flows from capital and related financing activities	
None noted.	
Cash flows from investing activities	
None noted.	
Net cash provided by (used in) investing activities	-
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, year to date	$ -

Reconciliation of operating loss to net cash used for operating activities	
Operating income (loss)	$ (7,785)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Change in assets and liabilities	
Accounts and notes receivable	(167,469)
Inter-fund accounts payable	168,886
Other current liabilities	5,300
Other post employment benefits liability	1,068
Total adjustments	7,785
Net cash provided by (used for) operating activities	$ -

Supplemental disclosure of cash flow information

No disclosures.

BI-STATE DEVELOPMENT

BI-STATE DEVELOPMENT RESEARCH INSTITUTE

BU150096

Bi-State Development Research Institute

Six Months Ended December 31, 2015

The Bi-State Development Research Institute is a 501(c)(3) non-profit corporation under the organizational umbrella of Bi-State Development. The Board of Commissioners granted approval to establish the Institute on March 28, 2014 and subsequently approved the organization's bylaws on May 23, 2014.

The Bi-State Development Research Institute was developed to focus on three primary goals:

- Focus on real estate acquisition and conveyance in support of Transit-Oriented Development ("TOD") and regional economic development; and
- Plan, study and evaluate regional land use, public policy, economic and community development and infrastructure investment, including, but not limited to transit activities; and
- Insure that the Institute is self-sustaining and able to fiscally support itself; that is serve as a conduit for charitable donations supporting Institute goals and specific community support, such as providing transit tickets for deserving youth and as a fund raising conduit for events.

Income before depreciation for the Research Institute for the six months ended December 31, 2015 was $39,657.

Revenue of $39,805 is greater than budget by $37,305, resulting from the receipt of a grant award.

Services are $2,352 favorable to budget due to the lower legal expenses.

Bi-State Development Research Institute
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash and investments	$ 44,375	$ 4,644	$ 39,731	855.5	$ 4,951	$ 39,424	796.3
Total current assets	44,375	4,644	39,731	855.5	4,951	39,424	796.3
Total	$ 44,375	$ 4,644	$ 39,731	855.5	$ 4,951	$ 39,424	796.3

Bi-State Development Research Institute
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	**Prior Period**	**Dollar Change**	**Percent Change**	**Prior Year**	**Dollar Change**	**Percent Change**
Liabilities							
Current liabilities							
Accounts payable	$ 5,000	$ 5,000	$ -	-	$ 5,000	$ -	-
Total current liabilities	5,000	5,000	-	-	5,000	-	-
Total liabilities	5,000	5,000	-	-	5,000	-	-
Net Position							
Net position - unrestricted	(282)	(282)	-	-	-	(282)	n/a
Net income (loss)	39,657	(74)	39,731	n/a	(49)	39,706	n/a
Total net position	39,375	(356)	39,731	n/a	(49)	39,424	n/a
Total	$ 44,375	$ 4,644	$ 39,731	855.5	$ 4,951	$ 39,424	796.3

Bi-State Development Research Institute
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(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	$ 39,805	$ 1,250	$ 38,555	3,084.4	$ 900	$ 39,805	$ 2,500	$ 37,305	1,492.2	$ 900
Total revenue	39,805	1,250	38,555	3,084.4	900	39,805	2,500	37,305	1,492.2	900
Expense										
Services	74	1,250	1,176	94.1	25	148	2,500	2,352	94.1	25
Materials and supplies	-	-	-	-	74	-	-	-	-	74
Other expenses	-	-	-	-	850	-	-	-	-	850
Total expense	74	1,250	1,176	94.1	949	148	2,500	2,352	94.1	949
Income (loss) before depreciation	39,731	-	39,731	-	(49)	39,657	-	39,657	-	(49)
Net income (loss)	$ 39,731	$ -	$ 39,731	-	$ (49)	$ 39,657	$ -	$ 39,657	-	$ (49)

Bi-State Development Research Institute
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

Description	**Total**	**Operating Fund**
Balance at September 30, 2015		
Cash & Investments	$ 4,644	$ 4,644
Add:		
Receipts	39,806	39,806
Total cash receipts	39,806	39,806
Interfund transfers	-	-
Less:		
Bank charges	(75)	(75)
	(75)	(75)
Balance at December 31, 2015		
Cash & Investments	$ 44,375	$ 44,375

Bi-State Development Research Institute
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities		
Receipts from awards/grants	$	39,805
Payments to vendors		(148)
Net cash provided by (used in) operating activities		39,657
Cash flow from noncapital financing activities		
None noted.		
Cash flow from capital and related financing activities		
None noted.		
Cash flows from investing activities		
None noted.		
Net increase (decrease) in cash and cash equivalents		39,657
Cash and cash equivalents, beginning of year		4,718
Cash and cash equivalents, year to date	$	44,375

Reconciliation of operating income to net cash used for operating activities		
Operating income (loss)	$	39,657
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
None noted.		
Total adjustments		-
Net cash provided by (used for) operating activities	$	39,657

Supplemental disclosure of cash flow information

No disclosures.

BI•STATE DEVELOPMENT

Arts in Transit

BU150096

Arts In Transit, Inc.
Six Months Ended December 31, 2015

Arts In Transit, Inc. is a non-profit 501(c)(3). Its primary role is to establish and coordinate a collaboration of artists to design and build standalone artwork which is integrated into the transit system.

Income before depreciation for Arts In Transit, Inc. for the six months ended December 31, 2015 was $24,438.

Total revenue includes the annual contribution of $26,500 from the Regional Arts Commission and sales of MetroScapes posters. MetroScapes are original works of art created by ten St. Louis artists and showcases local art at Metro transit locations. The posters were reproduced in large-scale and featured at more than 200 MetroBus shelters in the St. Louis region.

Services are $2,362 and include expenses for an art bus painting project.

Arts In Transit, Inc.
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Assets							
Current assets							
Cash and investments	$ 26,699	$ 36,586	$ (9,887)	(27.0)	$ -	$ 26,699	n/a
Interfund accounts receivable	-	6,390	(6,390)	(100.0)	-	-	n/a
Total current assets	26,699	42,976	(16,277)	(37.9)	-	26,699	n/a
Total	$ 26,699	$ 42,976	$ (16,277)	(37.9)	$ -	$ 26,699	n/a

Arts In Transit, Inc.
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current				Prior Year		
	Current Period	Prior Period	Dollar Change	Percent Change	Prior Year	Dollar Change	Percent Change
Liabilities							
Current liabilities							
Interfund accounts payable	-	13,975	(13,975)	(100.0)	-	-	n/a
Total current liabilities	-	13,975	(13,975)	(100.0)	-	-	n/a
Total liabilities	-	13,975	(13,975)	(100.0)	-	-	n/a
Net Position							
Net position - unrestricted	$ 2,261	$ 2,261	$ -	-	$ -	$ 2,261	n/a
Net income (loss)	24,438	26,740	(2,302)	(8.6)	-	24,438	n/a
Total net position	26,699	29,001	(2,302)	(7.9)	-	26,699	n/a
Total	$ 26,699	$ 42,976	$ (16,277)	(37.9)	$ -	$ 26,699	n/a

Arts In Transit, Inc.
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(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	$ -	$ 25	-	$ -	$ 26,800	$ -	$ 26,800	-	$ -
Total revenue	25	-	25	-	-	26,800	-	26,800	-	-
Expense										
Services	2,327	-	(2,327)	-	-	2,362	-	(2,362)	-	-
Total expense	2,327	-	(2,327)	-	-	2,362	-	(2,362)	-	-
Income (loss) before depreciation	(2,302)	-	(2,302)	-	-	24,438	-	24,438	-	-
Net income (loss)	$ (2,302)	$ -	$ (2,302)	-	$ -	$ 24,438	$ -	$ 24,438	-	$ -

Arts in Transit, Inc.
Cash Receipts and Disbursements Schedule
For the Quarter Ended December 31, 2015
(unaudited)

Description		Total		Operating Fund
Balance at September 30, 2015				
Cash & Investments	$	36,586	$	36,586
Add:				
Income		6,415		6,415
Total cash receipts		6,415		6,415
Interfund transfers		-		-
Less:				
Bank charges		(27)		(27)
Cash disbursements		(16,275)		(16,275)
		(16,302)		(16,302)
Balance at December 31, 2015				
Cash & Investments	$	26,699	$	26,699

Arts in Transit, Inc.
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities		
Receipts from contributions	$	30,800
Payments to vendors		(6,557)
Receipts (payments) from inter-fund activity		(6,390)
Net cash provided by (used in) operating activities		17,853
Cash flow from noncapital financing activities		
None noted.		
Net cash provided by (used in) financing activities		
Cash flow from capital and related financing activities		
None noted.		
Cash flows from investing activities		
None noted.		
Net increase (decrease) in cash and cash equivalents		17,853
Cash and cash equivalents, beginning of year		8,846
Cash and cash equivalents, year to date	$	26,699

Reconciliation of operating income to net cash used for operating activities		
Operating income (loss)	$	24,438
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Change in assets and liabilities		
Accounts and notes receivables		4,000
Interfund accounts receivable		-
Accounts payable		(4,195)
Interfund accounts payable		(6,390)
Total adjustments		(6,585)
Net cash provided by (used for) operating activities	$	17,853

Supplemental disclosure of cash flow information

No disclosures.

BU150096

Health and Welfare Internal Service Fund

Six Months Ended December 31, 2015

Health and welfare benefits are a major expense for BSD. BSD has elected to establish an Internal Service Fund for this major expense category. An Internal Service Fund (ISF) is a proprietary fund used to account for goods or services provided by one department or agency to another department or agency on a cost-reimbursement basis.

The Health and Welfare Internal Service Fund will provide Management and the Board of Commissioners with greater visibility and enhanced financial reporting for Bi-State Development's $30 million self-funded health and welfare insurance activities. The implementation of the Internal Service Fund enhances the governance and oversight of the Agency's annual contribution and will provide a means to clearly see the true cost of the health insurance benefit covering the Agency's employees and retirees.

The ISF will be directly responsible for functions which were previously in different divisions of BSD. This will improve coordination and effort. The Vice President in charge of the ISF will be responsible for the Benefits Department and the Wellness Department.

Revenue for the Internal Service fund is generated from other BSD operational units for services provided and from participant contributions. Expense includes staff compensation and other general operating expenses to operate the fund and claims paid expense.

Income before depreciation for the Internal Service Fund for the six months ended December 31, 2015 was $493.4 thousand.

Revenue was $15.9 million includes $12.6 million in employer contributions and $3.3 million in employee/participant contributions.

Expense of $15.4 million includes $10.7 million in medical claims and $3.1 million in prescription claims paid.

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Health Self-Insurance
Internal Service Fund
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current Period	Prior Period	Current Dollar Change	Current Percent Change
Assets				
Current assets				
Cash and investments	$ 3,290,462	$ -	$ 3,290,462	n/a
Accounts and notes receivable	18,406	-	18,406	n/a
Interfund accounts receivable	504,250	2,387,053	(1,882,803)	(78.9)
Total current assets	3,813,118	2,387,053	1,426,065	59.7
Total	$ 3,813,118	$ 2,387,053	$ 1,426,065	59.7

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Health Self-Insurance
Internal Service Fund
Quarterly Statement of Net Position
December 31, 2015
(unaudited)

	Current Period	Prior Period	Current Dollar Change	Current Percent Change
Liabilities				
Current liabilities				
Interfund accounts payable	$ 1,010,368	$ -	$ 1,010,368	n/a
Accrued expenses	50,800	-	50,800	n/a
Total current liabilities	1,061,168	-	1,061,168	n/a
Current liab payable from restricted assets				
Medical self-insurance liability	2,255,254	2,255,254	-	-
Total current liabilities payable from restricted assets	2,255,254	2,255,254	-	-
Total current liabilities	3,316,422	2,255,254	1,061,168	47.1
Non-current liabilities				
Other post-employment benefits	3,264	-	3,264	n/a
Total non-current liabilities	3,264	-	3,264	n/a
Total liabilities	3,319,686	2,255,254	1,064,432	47.2
Net Position				
Net income (loss)	493,432	131,799	361,633	274.4
Total net position	493,432	131,799	361,633	274.4
Total	$ 3,813,118	$ 2,387,053	$ 1,426,065	59.7

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Health Self-Insurance
Internal Service Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Quarter Ended December 31, 2015
(unaudited)

	Current Actual	Year to Date Actual
Revenue		
Employee medical contributions	$ 1,352,302	$ 3,125,143
Employee dental contributions	109,636	226,581
Employee gym membership	1,672	1,672
Bi-State Dev medical contributions	6,189,355	12,347,708
Bi-State Dev dental contributions	138,446	285,831
Bi-State Dev EAP contributions	12,219	20,775
Healthy Savings Plan	(49,829)	(96,898)
Total revenue	7,753,801	15,910,812
Expense		
Wages and benefits	272,638	442,341
Services	85,150	109,856
Materials and supplies	3,815	3,864
Utilities	909	1,062
Other expenses	11,906	12,563
Medical claims paid	4,957,465	10,704,305
Contra medical	(915,105)	(1,291,623)
Dental claims paid	218,675	433,068
Medical TPA fees	376,641	658,666
Prescription (RX) claims/admin fees	1,271,327	3,057,398
Medical stop loss	85,732	171,206
Medicare C+ and Part D program	744,483	789,548
Other administrative and third party fees	278,532	325,126
Total expense	7,392,168	15,417,380
Income (loss) before depreciation	361,633	493,432
Net income (loss)	$ 361,633	$ 493,432

Bi-State Development Agency of the
Missouri-Illinois Metropolitan District
Health Self-Insurance
Internal Service Fund
Detailed Schedule of Wages and Benefits
For the Quarter Ended December 31, 2015
(unaudited)

	Current Actual	Year to Date Actual
Personnel expense		
Wages	$ 222,739	$ 349,413
Company paid benefits		
Payroll related taxes and insurance		
FICA	11,728	20,910
Unemployment insurance	406	406
Worker's compensation insurance	(25)	-
Health and welfare		
Medical	15,866	27,868
Dental	585	1,104
Other Post Retiree Medical	892	3,264
Life Insurance / AD&D	190	353
Short and Long Term Disability	955	2,022
FMLA administration expense	58	103
EAP expense	35	64
Retirement		
Pension expense	12,901	26,436
401 K contributions	6,308	10,398
Total company paid benefits	49,899	92,928
Total wages and benefits	$ 272,638	$ 442,341

Health Self-Insurance Internal Service Fund
Cash Receipts and Disbursements Schedule
For the Six Months Ended December 31, 2015
(unaudited)

Description	Total	Health and Welfare	Medical HRA	Medical Self Insurance	Medical RRA
Balance at July 1, 2015					
Cash & investments	$ -	$ -	$ -	$ -	$ -
Add:					
Receipts	15,523,882	10,272,065	134,000	5,051,784	66,033
Total cash receipts	15,523,882	10,272,065	134,000	5,051,784	66,033
Interfund transfers	1,882,800	1,882,800	-	-	-
Less:					
Cash disbursements	(14,116,220)	(8,973,672)	(83,630)	(5,008,314)	(50,604)
Balance at December 31, 2015					
Cash & investments	$ 3,290,462	$ 3,181,193	$ 50,370	$ 43,470	$ 15,429

Health Self-Insurance Internal Service Fund
Statement of Cash Flows
For the Six Months Ended December 31, 2015
(unaudited)

Cash flows from operating activities	
Receipts from interfund services provided	$ 15,892,406
Payments to employees	(388,277)
Payments to vendors	(127,345)
Payments for self-insurance	(12,592,440)
Receipts (payments) from inter-fund activity	506,118
Net cash provided by (used in) operating activities	3,290,462
Cash flows from noncapital financing activities	
None noted.	
Cash flows from capital and related financing activities	
None noted.	
Cash flows from investing activities	
None noted.	
Net increase (decrease) in cash	3,290,462
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, year to date	$ 3,290,462

Reconciliation of operating loss to net cash used for operating activities	
Operating income (loss)	$ 493,432
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Change in assets and liabilities	
Accounts and notes receivable	(18,406)
Interfund accounts receivable	(504,250)
Accrued expenses	50,800
Interfund accounts payable	1,010,368
Other post employment benefits liability	3,264
Self-insurance liability	2,255,254
Total adjustments	2,797,030
Net cash provided by (used for) operating activities	$ 3,290,462

Supplemental disclosure of cash flow information

No disclosures.

BI-STATE DEVELOPMENT
STAFFING LEVEL REPORT
December 2015

	EMPLOYEES AT END OF MONTH						
	PRIOR MONTH	ADDED	DELETED	CURRENT MONTH	BUDGETED POSITIONS	VARIANCE	PERCENT VARIANCE
A.T.U. Maintenance & Operations:							
Light Rail Vehicle Operators	102	0	(1)	101	102	(1)	-1.0%
PT Bus Operators	87	0	(2)	85	83	2	2.4%
Bus Operators	824	2	(5)	821	792	29	3.7%
Van Operators	200	0	(4)	196	200	(4)	-2.0%
Vehicle Maintenance	269	3	(1)	271	286	(15)	-5.2%
MetroBus Support Services and Facility Maintenance	22	1	(2)	21	24	(3)	-12.5%
Maintenance of Way	50	1	0	51	53	(2)	-3.8%
Revenue	13	0	(2)	11	13	(2)	-15.4%
Materials Management	26	0	0	26	27	(1)	-3.7%
SUBTOTAL A.T.U. Maintenance & Operations	1,593	7	(17)	1,583	1,580	3	0.2%
Other:							
A.T.U. Clerical Unit	51	1	(1)	51	52	(1)	-1.9%
I.B.E.W.	63	1	0	64	66	(2)	-3.0%
Salaried	467	2	(6)	463	498	(35)	-7.0%
SUBTOTAL Other	581	4	(7)	578	616	(38)	-6.2%
TOTAL	2,174	11	(24)	2,161	2,196	(35)	-1.6%
ARCH							
Salaried:	12	0	0	12	12	0	0.0%
Hourly:*	85	0	(5)	80	84	(4)	-4.8%
TOTAL ARCH	97	0	(5)	92	96	(4)	-4.2%
AIRPORT	11	0	0	11	11	0	0.0%
RIVERBOAT CRUISES							
Salaried:	11	0	0	11	12	(1)	-8.3%
Hourly:*	60	0	0	60	49	11	22.4%
TOTAL RIVERBOAT CRUISES	71	0	0	71	61	10	16.4%
EXECUTIVE OFFICE	26	0	0	26	27	(1)	-3.7%
GRAND TOTAL	2,379	11	(29)	2,361	2,391	(30)	-1.3%

Does not include Security Officers, Interns or Temporary Employees
*Includes PT and Seasonal - Actual depends on availability
1/8/2016

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FINANCE@BISTATEDEV.ORG

BU150094

Open Session Item

13

FISCAL YEAR **2016**

PERFORMANCE INDICATORS

Second Quarter
Ending December 31, 2015

BI-STATE DEVELOPMENT

65 YEARS

Bi-State Development of the Missouri-Illinois Metropolitan District

Table of Contents

EXECUTIVE SUMMARY

METRO

SERVICE CHANGES AND FARE INCREASES

There have been no major service changes in FY 2016 when compared to the prior year. Metro continues to modify bus routes on a quarterly basis to improve efficiencies in scheduling and to match customer needs. System revenue miles and hours varied less than 1.0%, when compared to the prior year. On July 1, 2014 Metro increased fares affecting the price of MetroLink base and reduced fares and weekly, monthly and university semester passes. The cost of the MetroLink base fare increased 25¢ to $2.50; weekly passes increased $1 to $27; monthly passes increased $6 to $78 and the university semester pass increased $25 to to $175.

REVENUES AND EXPENSES

Passenger revenue of $25.5 million is 7.0% less than prior year as a result of lower ridership. Operating expenses are 3.3% greater than prior year and 7.3% below budget. Expenses are greater than prior year due to higher wage and benefit costs, revenue equipment parts expense and self-insured casualty losses. The favorable variance to budget is related to wages and benefits, fuel, utilities and material and supplies' tickets and passes.

RIDERSHIP AND OTHER CUSTOMER MEASURES

Passenger boardings for FY 2016 decreased 5.9% when compared to the prior year. By mode, the decrease was MetroBus 5.7%, MetroLink 6.4% and Call-A-Ride 0.1%. Ridership on Metrobus and Metrolink was down due to lower fuel prices and employment shift away from Metro's core service area. System passenger injuries per 100,000 boardings is 1.7 compared to 1.5 last year.

BUSINESS MEASURES

The average fare for FY 2016 is $1.08, compared to $1.09 for the prior year and $1.11 for the budget. Farebox recovery is lower than the prior year primarily due to lower passenger revenue. Operating expense per revenue hour increased 3.1% compared to the prior year, while remaining below budget. Operating expense per passenger boarding increased 9.8% to $5.72, when compared to the prior year, but remained 2.6% below budget. The increase over prior year was due to higher operating expenses and lower ridership.

OPERATING MEASURES

In FY 2016, vehicle accidents per 100,000 vehicle miles was 1.6, which was below budget by 0.3 and above prior year by 0.1. Unscheduled absenteeism was 3.4%, against a prior year of 3.3%. Passenger boardings per revenue mile and revenue hour were below prior year due to lower ridership.

EXECUTIVE SUMMARY (Cont.)

EXECUTIVE SERVICES

Income before depreciation for Executive Services was greater than budget by $332,333 primarily as a result of expenses being lower than budget. The lower than budgeted expenses are due to unfilled positions and the timing of legal, auditing and consulting fees. Other expenses are favorable due to the timing of travel, training and meetings expense.

GATEWAY ARCH

Arch tram ridership was 0.8% favorable to budget and 2.3% unfavorable to prior year actual. Ticket sales are down compared to prior year due to the on-going City/Arch/River construction project. Income before depreciation of $2,063,675 is greater than budget due to returned funds from the National Park Service.

ST. LOUIS DOWNTOWN AIRPORT

Income before depreciation for the airport was $50,031 higher than budget as a result of lower than planned operating expenses and higher operating revenues. Revenue was favorable to budget by 2.6%. Airport activity varies because of the economy, special events and weather conditions. Aircraft movements increased 12.0% from last year while gallon fuel fees increased 7.4% and the average number of aircraft based at the airport increased 3.5% compared to last year.

RIVERFRONT ATTRACTIONS

Riverboat passengers for the six months ended December 31, 2015 were 36.8% lower than budget but 3.3% greater than FY 2015. There were 30 cruising days lost due to flooding. The days closed resulted in 209 fewer cruises and revenue being 43.6% unfavorable to budget. The lost cruising days resulted in expenses being under budget 22.3%, largely in wages and benefits, fuel, utilities, insurance and materials and supplies expense.

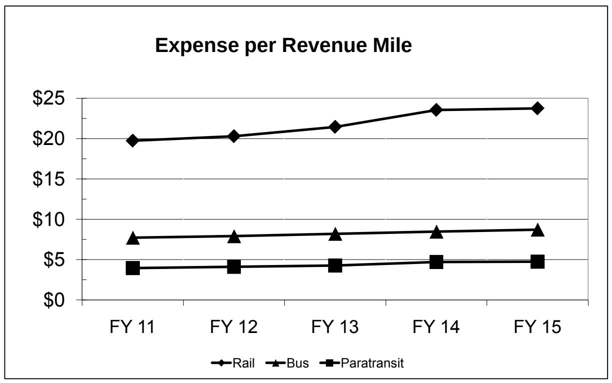
REGIONAL FREIGHT DISTRICT

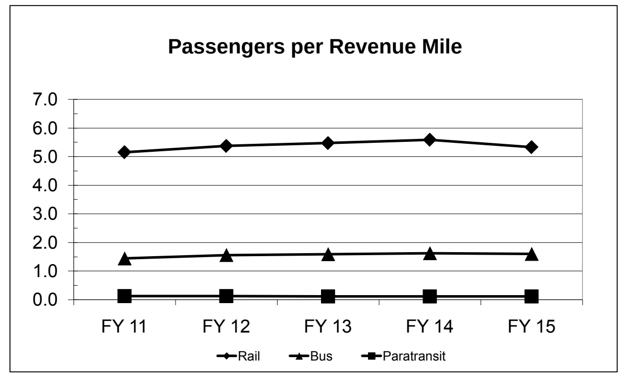
Loss before depreciation for the six months ended December 31, 2015 was $7,785. This is unfavorable to budget by $93,687. Revenue is $32,531 or 14.5% less than budget. Expenses are 44.0% greater than budget due to consulting, advertising and lease and rent expense.

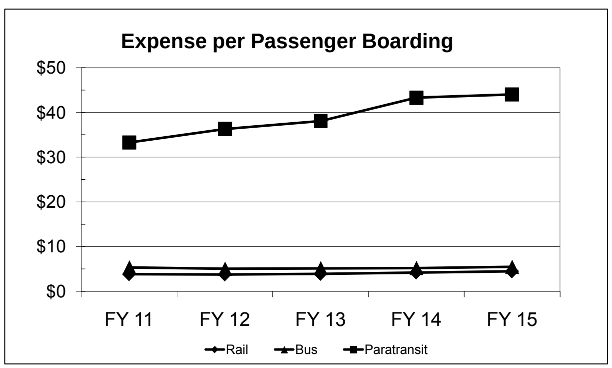
Metro

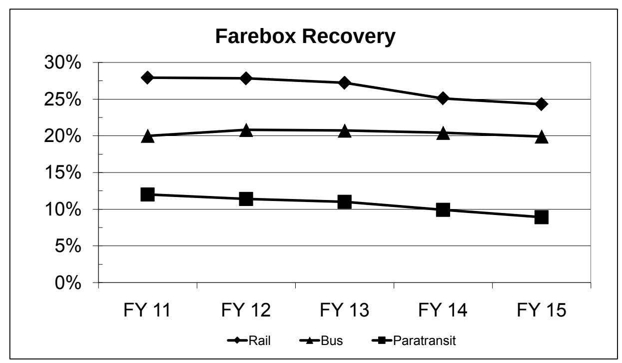
METROBUS METROLINK CALL-A-RIDE

ANNUAL TRANSIT PERFORMANCE

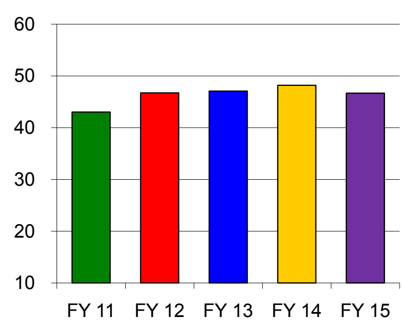


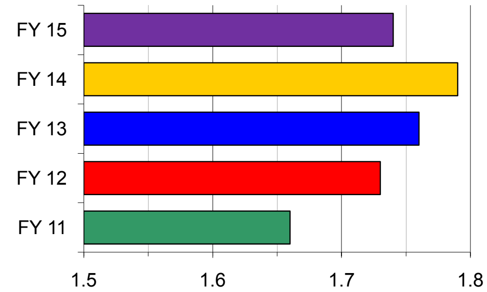






Metro System Profile

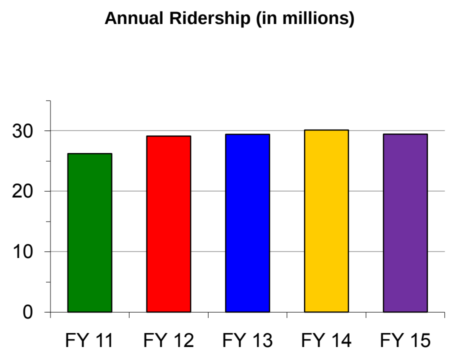


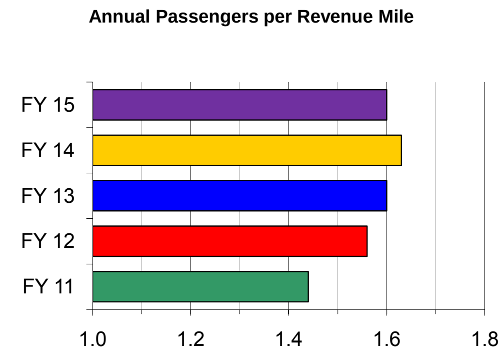


Six Months Ended December 31, 2015

Goal	FY 2016	FY 2015	Change		FY 2014	FY 2013	FY 2012
				Customer Measures			
156,825	144,283	153,164	-5.8%	Average Weekday Ridership	154,887	152,816	137,644
25,113,894	23,111,196	24,551,293	-5.9%	Passenger Boardings	24,780,866	24,152,524	23,371,250
1.0	1.7	1.5	19.9%	Passenger Injuries per 100,000 Boardings	1.1	1.5	1.0
10.0	13.4	11.7	15.0%	Customer Complaints per 100,000 Boardings	11.7	16.6	12.2
				Business Measures			
$1.11	$1.08	$1.09	-1.2%	Average Fare (Includes Fixed & Special)	$1.07	$1.08	$1.06
19.5%	18.8%	20.9%	-10.0%	Farebox Recovery	21.3%	22.2%	22.0%
$155.94	145.30	140.92	3.1%	Operating Expense per Revenue Hour	136.54	130.10	124.27
$5.87	5.72	5.21	9.8%	Operating Expense per Passenger Boarding	5.04	4.87	4.80
$4.35	4.44	3.91	13.6%	Subsidy per Passenger Boarding	3.78	3.60	3.54
				Operating Measures			
1.9	1.6	1.5	6.7%	Vehicle Accidents per 100,000 Vehicle Miles	1.5	1.6	1.6
3.0%	3.4%	3.3%	3.0%	Unscheduled Absenteeism	2.9%	3.3%	3.5%
1.83	1.71	1.81	-5.6%	Passenger Boardings per Revenue Mile	1.83	1.79	1.81
27.24	25.41	27.03	-6.0%	Passenger Boardings per Revenue Hour	27.11	26.69	25.87

MetroBus Profile

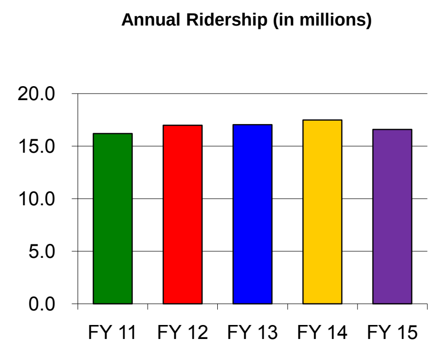


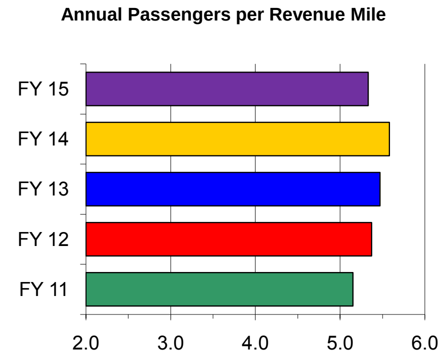


Six Months Ended December 31, 2015

Goal	FY 2016	FY 2015	Change		FY 2014	FY 2013	FY 2012
				Customer Measures			
99,205	92,141	97,868	-5.9%	Average Weekday Ridership	97,515	96,877	84,979
15,722,918	14,639,988	15,523,874	-5.7%	Passenger Boardings	15,464,723	15,172,940	14,528,019
1.2	2.3	1.8	25.7%	Passenger Injuries per 100,000 Boardings	1.4	1.9	1.4
15.0	12.0	13.8	-13.0%	Customer Complaints per 100,000 Boardings	12.2	19.2	13.3
				Business Measures			
$1.10	$1.06	$1.08	-1.5%	Average Fare (Fixed and Special)	$1.06	$1.07	$1.05
19.0%	19.7%	20.9%	-5.7%	Farebox Recovery	21.5%	21.7%	21.4%
$128.81	114.98	116.77	-1.5%	Operating Expense per Revenue Hour	110.68	109.63	104.19
$5.81	5.42	5.17	4.8%	Operating Expense per Passenger Boarding	4.93	4.93	4.91
				Operating Measures			
2.3	2.2	2.1	4.8%	Vehicle Accidents per 100,000 Vehicle Miles	2.1	1.9	2.0
91.0%	92.1%	91.3%	0.9%	On-Time Performance	91.3%	92.0%	90.3%
1.66	1.57	1.66	-5.4%	Passenger Boardings per Revenue Mile	1.66	1.62	1.62
22.55	21.21	22.57	-6.0%	Passenger Boardings per Revenue Hour	22.45	22.22	21.23
99.9%	99.8%	99.8%	0.0%	Percent of Trips Completed	99.9%	99.9%	99.9%
22,000	18,898	17,601	7.4%	Revenue Miles Between Roadcalls	20,686	22,743	18,021

MetroLink Profile

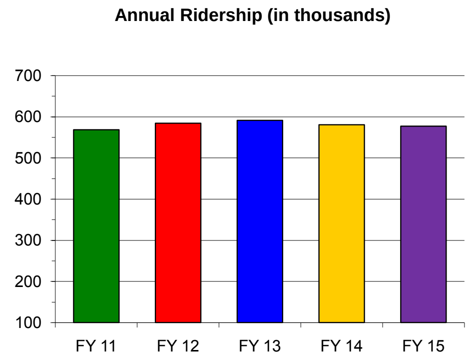


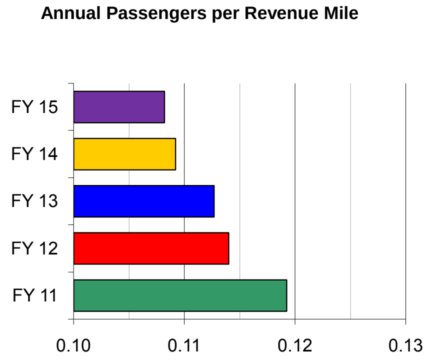


Six Months Ended December 31, 2015

Goal	FY 2016	FY 2015	Change		FY 2014	FY 2013	FY 2012
				Customer Measures			
55,643	50,217	53,367	-5.9%	Average Weekday Ridership	55,409	53,924	50,669
9,095,604	8,183,565	8,739,359	-6.4%	Passenger Boardings	9,023,696	8,682,249	8,553,937
0.6	0.5	0.7	-34.1%	Passenger Injuries per 100,000 Boardings	0.3	0.6	0.2
1.8	2.9	1.3	124.9%	Customer Complaints per 100,000 Boardings	1.4	1.5	0.7
				Business Measures			
$1.10	$1.06	$1.08	-1.5%	Average Fare (Fixed and Special)	$1.06	$1.07	$1.05
23.7%	21.7%	26.4%	-18.0%	Farebox Recovery	26.2%	29.2%	29.2%
$596.37	598.86	533.07	12.3%	Operating Expense per Revenue Hour	544.49	478.10	462.62
$4.65	4.87	4.07	19.7%	Operating Expense per Passenger Boarding	4.05	3.67	3.59
				Operating Measures			
0.1	0.1	0.1	35.1%	Vehicle Accidents per 100,000 Vehicle Miles	0.0	0.0	0.0
98.0%	95.7%	97.7%	-2.0%	On-Time Performance	97.0%	98.3%	98.8%
5.66	5.20	5.54	-6.1%	Passenger Boardings per Revenue Mile	5.72	5.46	5.39
133.70	123.08	131.11	-6.1%	Passenger Boardings per Revenue Hour	134.28	130.45	128.75
30,000	30,138	47,685	-36.8%	Vehicle Miles between Failures	38,037	39,918	40,756

Call-A-Ride Profile

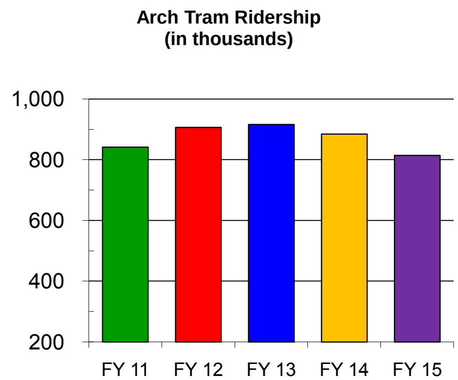


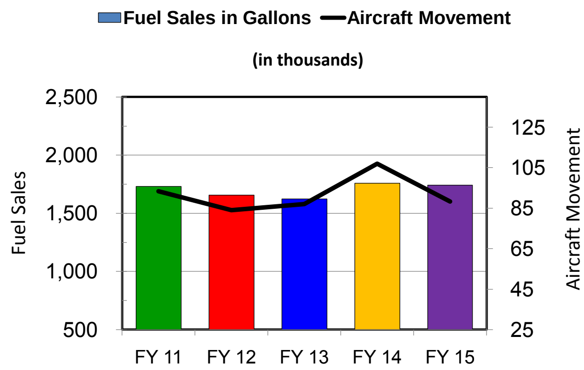


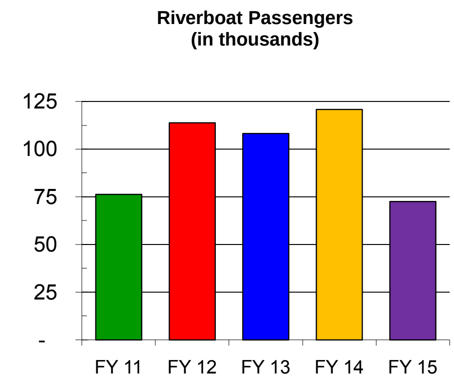
Six Months Ended December 31, 2015

Goal	FY 2016	FY 2015	Change		FY 2014	FY 2013	FY 2012
				Customer Measures			
1,977	1,925	1,928	-0.2%	Average Weekday Ridership	1,964	2,015	1,997
295,372	287,643	288,060	-0.1%	Passenger Boardings	292,447	297,335	289,294
5.0	11.8	5.9	100.3%	Passenger Injuries per 100,000 Boardings	8.5	7.1	4.1
15.0	25.7	27.8	-7.4%	Customer Complaints per 100,000 Boardings	17.8	15.5	15.9
				Business Measures			
$1.92	$2.18	$2.09	4.4%	Average Fare	$1.92	$1.86	$1.67
9.9%	9.9%	10.7%	-7.2%	Farebox Recovery (excludes contractual)	10.7%	11.4%	11.5%
22.2%	20.6%	23.0%	-10.3%	Revenue Recovery (includes contractual)	24.5%	27.7%	30.4%
$85.09	84.93	78.92	7.6%	Operating Expense per Revenue Hour	75.73	71.00	66.99
$44.87	45.14	42.10	7.2%	Operating Expense per Passenger Boarding	40.88	37.10	35.33
				Operating Measures			
1.5	1.2	0.7	71.4%	Vehicle Accidents per 100,000 Vehicle Miles	1.1	1.9	1.4
95.0%	92.5%	94.8%	-2.4%	On-Time Performance	94.2%	94.3%	95.7%
0.11	0.11	0.11	-0.3%	Passenger Boardings per Revenue Mile	0.11	0.12	0.12
1.88	1.88	1.87	0.5%	Passenger Boardings per Revenue Hour	1.85	1.91	1.90
50,000	34,310	32,998	4.0%	Revenue Miles between Maintenance Failure	58,302	37,288	41,089

Bi-State Development Enterprises







Six Months Ended December 31, 2015

Goal	FY 2016	FY 2015	Change		FY 2014	FY 2013	FY 2012
				Gateway Arch			
$475,969	$2,063,675	($4,291,640)	148.1%	Income (Loss) Before Depreciation	$1,121,975	$2,533,670	$590,249
438,306	441,738	451,989	-2.3%	Tram Ridership	471,239	496,110	476,749
				Riverfront Attractions			
$379,426	($77,714)	($123,400)	37.0%	Income (Loss) Before Depreciation	$362,382	$243,283	$258,681
63,735	40,289	39,007	3.3%	Passengers	78,961	68,673	56,362
563	354	339	4.4%	Cruises	587	667	599
155	124	105	18.1%	Days of Operation	151	156	141
				St. Louis Downtown Airport			
($5,742)	$44,289	$29,088	52.3%	Income (Loss) Before Depreciation	$225,575	$314,582	$129,472
886,815	935,229	871,010	7.4%	Fuel Sales (gallons)	910,878	796,733	800,000
45,000	49,722	44,412	12.0%	Aircraft Movements	57,712	43,667	45,727
320	329	318	3.5%	Average Based Aircraft	326	318	332
				Executive Services			
($28,335)	$303,998	$584,510	-48.0%	Income (Loss) Before Depreciation	$493,635	$749,050	$183,812
				Regional Freight District			
$85,902	($7,785)	n/a	n/a	Income (Loss) Before Depreciation	n/a	n/a	n/a

Average Weekday Ridership

Period	MetroBus			MetroLink			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	93,722	100,687	-6.9%	52,865	56,877	-7.1%	1,949	1,948	0.1%	148,536	159,512	-6.9%
2nd Qtr YTD	92,141	97,868	-5.9%	50,217	53,367	-5.9%	1,925	1,928	-0.2%	144,283	153,164	-5.8%
3rd Qtr YTD		94,326			51,214			1,950		-	147,490	
Full year		93,284			51,442			1,957		-	146,682	

Period	MetroBus FY 2016	MetroBus FY 2015	MetroBus Change	MetroLink FY 2016	MetroLink FY 2015	MetroLink Change	Call-A-Ride FY 2016	Call-A-Ride FY 2015	Call-A-Ride Change	System FY 2016	System FY 2015	System Change
July	88,084	96,481	-8.7%	51,382	56,267	-8.7%	1,940	1,903	1.9%	141,406	154,651	-8.6%
August	94,249	99,160	-5.0%	51,481	55,674	-7.5%	1,983	1,988	-0.3%	147,713	156,822	-5.8%
September	98,832	106,420	-7.1%	55,731	58,690	-5.0%	1,925	1,952	-1.4%	156,488	167,062	-6.3%
October	96,538	103,809	-7.0%	50,371	55,874	-9.8%	2,001	2,026	-1.2%	148,910	161,709	-7.9%
November	90,193	93,086	-3.1%	47,165	47,498	-0.7%	1,881	1,878	0.2%	139,239	142,462	-2.3%
December	84,951	88,254	-3.7%	45,172	46,200	-2.2%	1,818	1,822	-0.2%	131,941	136,276	-3.2%
January	-	87,201		-	46,033		-	1,921		-	135,155	
February	-	85,957		-	46,658		-	2,023		-	134,638	
March	-	88,566		-	48,030		-	2,039		-	138,635	
April	-	91,847		-	53,497		-	2,006		-	147,350	
May	-	90,640		-	51,827		-	1,950		-	144,417	
June	-	87,984		-	51,052		-	1,976		-	141,012	

Passenger Boardings

Period	MetroBus			MetroLink			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	7,547,124	8,039,048	-6.1%	4,367,923	4,730,660	-7.6%	144,989	144,792	0.1%	12,060,036	12,914,500	-6.6%
2nd Qtr YTD	14,639,988	15,523,874	-5.7%	8,183,565	8,739,359	-6.4%	287,643	288,060	-0.1%	23,111,196	24,551,293	-5.9%
3rd Qtr YTD	-	22,284,905	-	-	12,458,498	-	-	431,635	-	-	35,175,038	-
Full year	-	29,439,358	-	-	16,637,447	-	-	577,134	-	-	46,653,939	-

July	2,435,625	2,614,885	-6.9%	1,482,226	1,618,750	-8.4%	49,535	48,491	2.2%	3,967,386	4,282,126	-7.4%
August	2,516,668	2,659,210	-5.4%	1,386,198	1,528,210	-9.3%	47,939	48,349	-0.8%	3,950,805	4,235,769	-6.7%
September	2,594,831	2,764,953	-6.2%	1,499,499	1,583,700	-5.3%	47,515	47,952	-0.9%	4,141,845	4,396,605	-5.8%
October	2,594,484	2,837,701	-8.6%	1,389,283	1,562,305	-11.1%	50,066	51,699	-3.2%	4,033,833	4,451,705	-9.4%
November	2,245,054	2,289,928	-2.0%	1,205,121	1,201,463	0.3%	45,271	44,002	2.9%	3,495,446	3,535,393	-1.1%
December	2,253,326	2,357,197	-4.4%	1,221,238	1,244,931	-1.9%	47,317	47,567	-0.5%	3,521,881	3,649,695	-3.5%
January	-	2,286,288		-	1,226,807		-	47,835		-	3,560,930	
February	-	2,095,365		-	1,159,299		-	45,434		-	3,300,098	
March	-	2,379,378		-	1,333,033		-	50,306		-	3,762,717	
April	-	2,425,632		-	1,427,239		-	49,647		-	3,902,518	
May	-	2,369,603		-	1,375,524		-	47,302		-	3,792,429	
June	-	2,359,218		-	1,376,186		-	48,550		-	3,783,954	

Passengers by Jurisdiction

	MetroBus						MetroLink					
	Missouri			St. Clair			Missouri			St. Clair		
Period	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	6,712,288	7,152,041	-6.1%	834,836	887,007	-5.9%	3,555,037	3,841,877	-7.5%	812,886	888,783	-8.5%
2nd Qtr YTD	13,093,524	13,862,702	-5.5%	1,546,464	1,661,172	-6.9%	6,674,798	7,103,544	-6.0%	1,508,767	1,635,815	-7.8%
3rd Qtr YTD	-	19,955,638	-	-	2,329,267	-	-	10,136,357	-	-	2,322,141	-
Full year	-	26,334,282	-	-	3,105,076	-	-	13,535,457	-	-	3,101,990	-
July	2,162,731	2,330,567	-7.2%	272,894	284,318	-4.0%	1,208,720	1,319,626	-8.4%	273,506	299,124	-8.6%
August	2,244,861	2,354,244	-4.6%	271,807	304,966	-10.9%	1,127,630	1,236,244	-8.8%	258,568	291,966	-11.4%
September	2,304,696	2,467,230	-6.6%	290,135	297,723	-2.5%	1,218,687	1,286,007	-5.2%	280,812	297,693	-5.7%
October	2,335,913	2,543,215	-8.2%	258,571	294,486	-12.2%	1,135,921	1,273,341	-10.8%	253,362	288,964	-12.3%
November	2,023,166	2,054,174	-1.5%	221,888	235,754	-5.9%	986,553	977,035	1.0%	218,568	224,428	-2.6%
December	2,022,157	2,113,272	-4.3%	231,169	243,925	-5.2%	997,287	1,011,291	-1.4%	223,951	233,640	-4.1%
January	-	2,055,213		-	231,075		-	996,050		-	230,757	
February	-	1,892,071		-	203,294		-	944,413		-	214,886	
March	-	2,145,652		-	233,726		-	1,092,350		-	240,683	
April	-	2,171,437		-	254,195		-	1,165,179		-	262,060	
May	-	2,106,188		-	263,415		-	1,113,838		-	261,686	
June	-	2,101,019		-	258,199		-	1,120,083		-	256,103	

Passenger Revenue

Period	MetroBus FY 2016	MetroBus FY 2015	MetroBus Change	MetroLink FY 2016	MetroLink FY 2015	MetroLink Change	Call-A-Ride * FY 2016	Call-A-Ride * FY 2015	Call-A-Ride * Change	System FY 2016	System FY 2015	System Change
1st Qtr YTD	$8,143,742	$8,844,890	-7.9%	$4,655,536	$5,153,495	-9.7%	$632,072	$643,724	-1.8%	$13,431,350	$14,642,109	-8.3%
2nd Qtr YTD	$15,604,859	$16,749,400	-6.8%	$8,622,614	$9,385,899	-8.1%	$1,284,900	$1,293,472	-0.7%	$25,512,372	$27,428,771	-7.0%
3rd Qtr YTD		$24,405,558			$13,607,822			$1,977,736			$39,991,116	
Full year		$31,881,150			$17,995,520			$2,616,039			$52,492,709	

Period	MetroBus FY 2016	MetroBus FY 2015	MetroBus Change	MetroLink FY 2016	MetroLink FY 2015	MetroLink Change	Call-A-Ride * FY 2016	Call-A-Ride * FY 2015	Call-A-Ride * Change	System FY 2016	System FY 2015	System Change
1st Qtr	$8,143,742	$8,844,890	-7.9%	$4,655,536	$5,153,495	-9.7%	$632,072	$643,724	-1.8%	$13,431,350	$14,642,109	-8.3%
2nd Qtr	$7,461,117	$7,904,510	-5.6%	$3,967,078	$4,232,404	-6.3%	$652,827	$649,748	0.5%	$12,081,022	$12,786,662	-5.5%
3rd Qtr		$7,656,158			$4,221,923			$684,264			$12,562,345	
4th Qtr		$7,475,591			$4,387,697			$638,303			$12,501,592	

* Call-A-Ride passenger revenue does not include Medicaid and Department of Mental Health contractual subsidies.

Revenue Miles

Period	MetroBus*			MetroLink*			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	4,680,474	4,675,879	0.1%	788,550	787,374	0.1%	1,334,285	1,354,466	-1.5%	6,803,309	6,817,718	-0.2%
2nd Qtr YTD	9,259,390	9,297,580	-0.4%	1,567,159	1,573,591	-0.4%	2,669,369	2,676,164	-0.3%	13,495,918	13,547,335	-0.4%
3rd Qtr YTD	-	13,788,831		-	2,344,534		-	3,986,657		-	20,120,021	
Full year	-	18,396,462		-	3,123,958		-	5,335,156		-	26,855,576	

July	1,595,537	1,580,498	1.0%	267,305	268,160	-0.3%	449,461	452,806	-0.7%	2,312,303	2,301,463	0.5%
August	1,563,357	1,573,079	-0.6%	263,542	263,356	0.1%	442,206	449,359	-1.6%	2,269,105	2,285,794	-0.7%
September	1,521,581	1,522,303	0.0%	257,703	255,858	0.7%	442,618	452,301	-2.1%	2,221,902	2,230,462	-0.4%
October	1,563,396	1,599,734	-2.3%	260,628	266,487	-2.2%	467,532	476,950	-2.0%	2,291,557	2,343,170	-2.2%
November	1,467,430	1,472,726	-0.4%	251,888	253,504	-0.6%	423,870	405,168	4.6%	2,143,188	2,131,398	0.6%
December	1,548,090	1,549,241	-0.1%	266,093	266,227	-0.1%	443,682	439,580	0.9%	2,257,864	2,255,049	0.1%
January	-	1,534,238		-	264,499		-	439,592		-	2,238,330	
February	-	1,407,647		-	239,760		-	414,146		-	2,061,552	
March	-	1,549,366		-	266,683		-	456,755		-	2,272,804	
April	-	1,533,579		-	259,549		-	456,045		-	2,249,173	
May	-	1,530,930		-	262,362		-	442,595		-	2,235,887	
June	-	1,543,123		-	257,513		-	449,859		-	2,250,494	

* Scheduled

Total Miles

Period	MetroBus*			MetroLink*			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	5,347,458	5,336,309	0.2%	795,593	795,036	0.1%	1,421,459	1,439,390	-1.2%	7,564,510	7,570,734	-0.1%
2nd Qtr YTD	10,554,764	10,590,187	-0.3%	1,580,915	1,588,429	-0.5%	2,840,534	2,849,872	-0.3%	14,976,214	15,028,488	-0.3%
3rd Qtr YTD	-	15,696,714		-	2,365,589		-	4,244,563		-	22,306,866	
Full year	-	20,957,915		-	3,151,443		-	5,678,749		-	29,788,107	

Period	MetroBus*			MetroLink*			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
July	1,824,368	1,802,358	1.2%	269,868	271,057	-0.4%	477,810	481,181	-0.7%	2,572,046	2,554,596	0.7%
August	1,783,018	1,797,276	-0.8%	265,688	265,683	0.0%	471,436	476,915	-1.1%	2,520,142	2,539,874	-0.8%
September	1,740,072	1,736,675	0.2%	260,038	258,295	0.7%	472,213	481,294	-1.9%	2,472,323	2,476,264	-0.2%
October	1,778,457	1,821,835	-2.4%	262,972	269,301	-2.4%	497,084	509,671	-2.5%	2,538,513	2,600,807	-2.4%
November	1,667,475	1,670,199	-0.2%	254,048	255,632	-0.6%	449,616	432,581	3.9%	2,371,139	2,358,412	0.5%
December	1,761,375	1,761,844	0.0%	268,302	268,461	-0.1%	472,375	468,230	0.9%	2,502,051	2,498,535	0.1%
January	-	1,744,931		-	266,591		-	468,131		-	2,479,653	
February	-	1,600,196		-	241,727		-	440,516		-	2,282,439	
March	-	1,761,400		-	268,842		-	486,044		-	2,516,286	
April	-	1,749,885		-	261,775		-	485,453		-	2,497,113	
May	-	1,747,668		-	264,421		-	470,008		-	2,482,097	
June	-	1,763,648		-	259,658		-	478,725		-	2,502,031	

* Scheduled

Revenue Hours

Period	MetroBus* FY 2016	MetroBus* FY 2015	MetroBus* Change	MetroLink* FY 2016	MetroLink* FY 2015	MetroLink* Change	Call-A-Ride FY 2016	Call-A-Ride FY 2015	Call-A-Ride Change	System FY 2016	System FY 2015	System Change
1st Qtr YTD	351,540	347,612	1.1%	33,541	33,351	0.6%	76,485	77,549	-1.4%	461,566	458,512	0.7%
2nd Qtr YTD	690,237	687,880	0.3%	66,489	66,658	-0.3%	152,879	153,674	-0.5%	909,604	908,213	0.2%
3rd Qtr YTD	-	1,018,861		-	99,434		-	228,389		-	1,346,684	
Full year	-	1,363,258		-	132,595		-	305,467		-	1,801,320	

Period	MetroBus* FY 2016	MetroBus* FY 2015	MetroBus* Change	MetroLink* FY 2016	MetroLink* FY 2015	MetroLink* Change	Call-A-Ride FY 2016	Call-A-Ride FY 2015	Call-A-Ride Change	System FY 2016	System FY 2015	System Change
July	120,016	117,212	2.4%	11,356	11,393	-0.3%	26,062	26,310	-0.9%	157,434	154,915	1.6%
August	116,969	117,552	-0.5%	11,230	11,156	0.7%	25,302	25,753	-1.8%	153,501	154,461	-0.6%
September	114,555	112,848	1.5%	10,954	10,803	1.4%	25,121	25,486	-1.4%	150,630	149,137	1.0%
October	115,672	117,968	-1.9%	11,044	11,225	-1.6%	26,257	26,910	-2.4%	152,972	156,103	-2.0%
November	108,440	108,155	0.3%	10,617	10,789	-1.6%	24,037	23,375	2.8%	143,094	142,319	0.5%
December	114,584	114,146	0.4%	11,288	11,293	0.0%	26,100	25,840	1.0%	151,972	151,279	0.5%
January	-	112,961		-	11,250		-	25,142		-	149,352	
February	-	103,837		-	10,194		-	23,526		-	137,557	
March	-	114,183		-	11,332		-	26,047		-	151,562	
April	-	114,075		-	11,021		-	25,971		-	151,068	
May	-	114,811		-	11,170		-	25,441		-	151,422	
June	-	115,512		-	10,969		-	25,666		-	152,147	

* Scheduled

Total Hours

Period	MetroBus* FY 2016	MetroBus* FY 2015	MetroBus* Change	MetroLink* FY 2016	MetroLink* FY 2015	MetroLink* Change	Call-A-Ride FY 2016	Call-A-Ride FY 2015	Call-A-Ride Change	System FY 2016	System FY 2015	System Change
1st Qtr YTD	377,198	372,986	1.1%	34,073	33,901	0.5%	82,416	83,595	-1.4%	493,687	490,482	0.7%
2nd Qtr YTD	741,257	738,539	0.4%	67,539	67,742	-0.3%	164,834	165,875	-0.6%	973,629	972,156	0.2%
3rd Qtr YTD	-	1,094,446		-	101,016		-	246,480		-	1,441,942	
Full year	-	1,464,132		-	134,690		-	329,398		-	1,928,220	

Period	MetroBus* FY 2016	MetroBus* FY 2015	MetroBus* Change	MetroLink* FY 2016	MetroLink* FY 2015	MetroLink* Change	Call-A-Ride FY 2016	Call-A-Ride FY 2015	Call-A-Ride Change	System FY 2016	System FY 2015	System Change
July	128,751	125,809	2.3%	11,541	11,591	-0.4%	28,057	28,442	-1.4%	168,349	165,842	1.5%
August	125,480	126,057	-0.5%	11,403	11,331	0.6%	27,273	27,666	-1.4%	164,156	165,054	-0.5%
September	122,967	121,120	1.5%	11,128	10,979	1.4%	27,086	27,487	-1.5%	161,181	159,586	1.0%
October	124,311	126,687	-1.9%	11,221	11,420	-1.7%	28,270	29,056	-2.7%	163,802	167,163	-2.0%
November	116,548	116,043	0.4%	10,784	10,954	-1.6%	25,907	25,277	2.5%	153,239	152,274	0.6%
December	123,199	122,823	0.3%	11,461	11,467	-0.1%	28,241	27,947	1.1%	162,901	162,237	0.4%
January	-	121,490		-	11,418		-	27,179		-	160,087	
February	-	111,710		-	10,350		-	25,350		-	147,411	
March	-	122,707		-	11,505		-	28,076		-	162,288	
April	-	122,525		-	11,195		-	27,941		-	161,660	
May	-	123,148		-	11,336		-	27,329		-	161,813	
June	-	124,012		-	11,144		-	27,648		-	162,804	

* Scheduled

Operating Expense by Mode

Period	MetroBus			MetroLink			Call-A-Ride			System		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	$40,627,406	$38,284,721	6.1%	$19,805,064	$17,499,441	13.2%	$6,241,262	$6,009,673	3.9%	$66,673,732	$61,793,836	7.9%
2nd Qtr YTD	$79,360,097	$80,322,360	-1.2%	$39,817,651	$35,533,900	12.1%	$12,984,509	$12,127,463	7.1%	$132,162,257	$127,983,723	3.3%
3rd Qtr YTD		$118,800,998			$53,761,005			$18,542,848			$191,104,851	
Full year		$158,469,543			$73,607,482			$24,967,327			$257,044,352	

1st Qtr	$40,627,406	$38,284,721	6.1%	$19,805,064	$17,499,441	13.2%	$6,241,262	$6,009,673	3.9%	$66,673,732	$61,793,835	7.9%
2nd Qtr	$38,732,691	$42,037,639	-7.9%	$20,012,587	$18,034,459	11.0%	$6,743,247	$6,117,790	10.2%	$65,488,525	$66,189,887	-1.1%
3rd Qtr		$38,478,638			$18,227,105			$6,415,385			$63,121,128	
4th Qtr		$39,668,545			$19,846,477			$6,424,479			$65,939,501	

Unscheduled Absenteeism

Period	Operators			Maintenance			Facility Support			Total		
	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change	FY 2016	FY 2015	Change
1st Qtr YTD	4.1%	3.0%	1.1%	2.0%	2.1%	0.0%	1.5%	2.2%	-0.7%	3.5%	3.0%	0.5%
2nd Qtr YTD	4.0%	3.3%	0.8%	1.8%	2.0%	-0.2%	1.8%	2.8%	-1.0%	3.4%	3.3%	0.1%
3rd Qtr YTD		3.4%			2.1%			2.5%			3.4%	
Full year		3.5%			2.1%			2.3%			3.5%	
July	3.9%	3.1%	0.8%	2.7%	3.0%	-0.3%	1.1%	1.8%	-0.8%	3.4%	3.1%	0.3%
August	4.1%	2.8%	1.3%	2.2%	1.9%	0.3%	1.8%	2.3%	-0.5%	3.6%	2.8%	0.8%
September	4.3%	3.1%	1.2%	1.1%	1.2%	-0.1%	1.6%	2.3%	-0.8%	3.5%	3.1%	0.4%
October	4.5%	3.3%	1.2%	2.0%	2.3%	-0.3%	2.7%	3.8%	-1.1%	3.9%	3.3%	0.5%
November	4.0%	3.2%	0.7%	1.5%	2.5%	-1.0%	1.9%	2.9%	-1.1%	3.3%	3.2%	0.1%
December	3.4%	4.0%	-0.6%	1.3%	1.3%	0.0%	1.5%	3.4%	-1.9%	2.8%	4.0%	-1.2%
January		3.6%			1.3%			2.0%			3.6%	
February		3.7%			2.7%			2.3%			3.7%	
March		3.7%			2.6%			1.1%			3.7%	
April		3.4%			1.6%			2.3%			3.4%	
May		4.4%			2.1%			1.8%			4.4%	
June		3.7%			2.1%			1.5%			3.7%	

Gateway Arch

	Income (Loss) Before Depreciation		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	$555,478	$816,317	-32.0%
2nd Qtr YTD	$2,063,675	($4,291,640)	148.1%
3rd Qtr YTD		($6,210,789)	
Full Year		($6,150,033)	

	Tram Ridership		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	313,500	327,008	-4.1%
2nd Qtr YTD	441,738	451,989	-2.3%
3rd Qtr YTD		555,271	
Full Year		814,737	

	Tram Ridership		
Month	**FY 2016**	**FY 2015**	**Change**
July	151,269	153,124	-1.2%
August	101,490	117,575	-13.7%
September	60,741	56,309	7.9%
October	55,554	52,740	5.3%
November	41,001	39,556	3.7%
December	31,683	32,685	-3.1%
January	-	25,878	
February	-	20,455	
March	-	56,949	
April	-	63,117	
May	-	84,144	
June	-	112,205	

Riverfront Attractions

	Riverboat Passengers		
Month	**FY 2016**	**FY 2015**	**Change**
July	1,665	6,496	-74.4%
August	17,180	20,101	-14.5%
September	10,463	4,446	135.3%
October	8,641	5,660	52.7%
November	2,233	1,964	13.7%
December	107	340	-68.5%
January	0	0	-
February	0	0	-
March	0	5,434	
April	0	9,405	
May	0	13,273	
June	0	5,972	

Quarter	FY 2016	FY 2015	Change
1st Qtr YTD	29,308	31,043	-5.6%
2nd Qtr YTD	40,289	39,007	3.3%
3rd Qtr YTD		44,441	
Full Year		73,091	

	Income (Loss) Before Depreciation		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	$9,839	$43,255	-77.3%
2nd Qtr YTD	($77,714)	($123,400)	37.0%
3rd Qtr YTD		($382,265)	
Full Year		($363,372)	

	Riverboat Cruises		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	247	256	-3.5%
2nd Qtr YTD	354	339	4.4%
3rd Qtr YTD		382	
Full Year		667	

	Riverboat Days of Operation		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	63	55	14.5%
2nd Qtr YTD	124	105	18.1%
3rd Qtr YTD		130	
Full Year		202	

St. Louis Downtown Airport

	Fuel Sales in Gallons		
Month	**FY 2016**	**FY 2015**	**Change**
July	169,207	147,048	15.1%
August	167,025	138,056	21.0%
September	171,343	146,556	16.9%
October	150,389	171,728	-12.4%
November	123,096	154,712	-20.4%
December	154,169	112,910	36.5%
January	0	117,692	
February	0	140,418	
March	0	155,977	
April	0	134,439	
May	0	160,934	
June	0	161,562	

Quarter	FY 2016	FY 2015	Change
1st Qtr YTD	507,575	431,660	17.6%
2nd Qtr YTD	935,229	871,010	7.4%
3rd Qtr YTD		1,285,097	
Full Year		1,742,032	

	Income (Loss) Before Depreciation		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	$55,765	($20,727)	369.0%
2nd Qtr YTD	$44,289	$29,088	52.3%
3rd Qtr YTD		$19,927	
Full year		$144,525	

	Aircraft Movements		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	23,433	23,874	-1.8%
2nd Qtr YTD	49,722	44,412	12.0%
3rd Qtr YTD		64,523	
Full Year		88,345	

	Average Based Aircraft		
Quarter	**FY 2016**	**FY 2015**	**Change**
1st Qtr YTD	329	317	3.9%
2nd Qtr YTD	329	318	3.5%
3rd Qtr YTD		322	
Full Year		325	

Regional Freight District

Income (Loss) Before Depreciation

Quarter	FY 2016	FY 2015	Change
1st Qtr YTD	$37,779	n/a	n/a
2nd Qtr YTD	($7,785)	n/a	n/a
3rd Qtr YTD			
Full Year			

Quarter	FY 2016	FY 2015	Change
1st Qtr	$37,779	n/a	n/a
2nd Qtr	($45,564)	n/a	n/a
3rd Qtr			
4th Qtr			

Executive Services

Income (Loss) Before Depreciation

Quarter	FY 2016	FY 2015	Change
1st Qtr YTD	$325,942	$415,850	-21.6%
2nd Qtr YTD	$303,998	$584,509	-48.0%
3rd Qtr YTD		$742,130	
Full Year		$1,075,644	

Quarter	FY 2016	FY 2015	Change
1st Qtr	$325,942	$415,850	-21.6%
2nd Qtr	($21,944)	$168,659	-113.0%
3rd Qtr		$157,621	
4th Qtr		$333,515	

Definitions

Transit

Customer complaint

Passenger or general public dissatisfaction expressed to Customer Service by phone call, letter or email for which there is no immediate, satisfactory explanation; includes operator behavior, service, equipment maintenance or suitability, or other concerns. System customer complaints have been restated to include complaints not specifically related to an operating facility.

Expense

Excludes depreciation, amortization, debt expense and the 2% sheltered workshop pass-through. Allocations by mode are based on a management-developed model. (See also "Operating Expense.")

Failure

Metro Call A Ride: Revenue service interruption whereby a vehicle is unable to complete the assigned run and must be removed from service because of a mechanical, wheelchair lift, or other equipment failure. Road hazard tire failures, vandalism, accidents, and other failures not related to maintenance of vehicles are not reported.

MetroLink: Revenue service interruption whereby a train is delayed by five minutes or more or removed from service for mechanical reasons.

Farebox recovery

Passenger revenue as a percent of operating expense.

Fleet size

Number of revenue vehicles at the end of the reporting period.

On-time performance

<u>MetroBus and MetroLink</u>: A trip is considered "on-time" if the vehicle departs within the time frame of 59 seconds before schedule or arrives within 4:59 minutes after schedule.

<u>Metro Call-A-Ride</u>: Appointments are made giving the passenger an estimated arrival time. A trip is considered on-time if arrival for the appointment is within 20 minutes before or after the appointment time.

Transit

Operating expense

Expense less leases and rentals, which is a National Transit Database definition. Allocations by mode are based on National Transit Database instructions which are different than the management-developed cost allocation model. (See also "Expense.")

Passenger boardings

Includes original revenue vehicle boardings and all transfers based on bus farebox counts, MetroLink ridership modeling using Automatic Passenger Counter (APC) technology, and actual Call-A-Ride passengers.

Passenger injury

Physical harm or alleged physical harm to a passenger or bystander involved in an Agency accident. One vehicle accident may result in multiple injuries.

Revenue hours

Time that MetroBus/Call-A-Ride vehicles or MetroLink trains operate in passenger service including special service.

Revenue miles

Distance that MetroBus/Call-A-Ride vehicles or MetroLink trains operate in passenger service including special service.

Revenue recovery

Passenger revenue, Transit Management Association revenue, and paratransit contractual revenue as a percent of expense.

Ridership

Total passenger boardings.

Roadcall

MetroBus revenue service interruption whereby the vehicle is delayed because of mechanical, tire, farebox, wheelchair life or other equipment failure. A delay is not counted as a roadcall unless the delay is five minutes or more.

Transit

Subsidy

Subsidy as reported on "System Profile" - Expense less operating revenue except federal, state and local assistance.

Subsidy as reported on "Peer Performance - System" - Operating expense less passenger revenue.

Total hours

Revenue hours plus deadhead hours (e.g., from the facility to the start of a revenue trip).

Total miles

Revenue miles plus deadhead miles (e.g., from the facility to the start of a revenue trip).

Unscheduled absenteeism

Operator, mechanic and facility support sick time and unauthorized leave as a percent of current staffing, excluding overtime.

Vehicle accident

Incident in which an Agency vehicle makes physical contact with another vehicle, a fixed object or a person. It also includes derailments or leaving the road.

Vehicle miles

For MetroBus and Call-A-Ride, total miles and vehicle miles are the same. For MetroLink, total mileage for each car of a two-car train is included.

Non-Transit

Aircraft movement
Takeoff or landing recorded by the tower. Movements when the tower is closed are not included.

Airport fuel sales
Number of gallons of aviation fuel delivered to the fixed base operators.

Arch tram ridership
Number of adult and child tickets sold.

Based aircraft
Average number of aircraft stored in owned or leased hangers or outside ramps. Quarterly, the amount represents the average of the month-end counts.

Riverfront Attractions
Includes the Gateway Arch Riverboats and bike rentals, operated by Metro, and a heliport owned by Metro but operated under contract by another party.

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FINANCE@BISTATEDEV.ORG

BU150094

Open Session Item

14

Memorandum

To: Finance & Administration Committee

From: Larry B. Jackson
Executive Vice President – Administration

Date: February 29, 2016

Subject: **Quarterly Procurement Activity Report**
Second Quarter Fiscal Year 2016

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 & 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 Metro, which we monitor in accordance with the regulatory requirements.

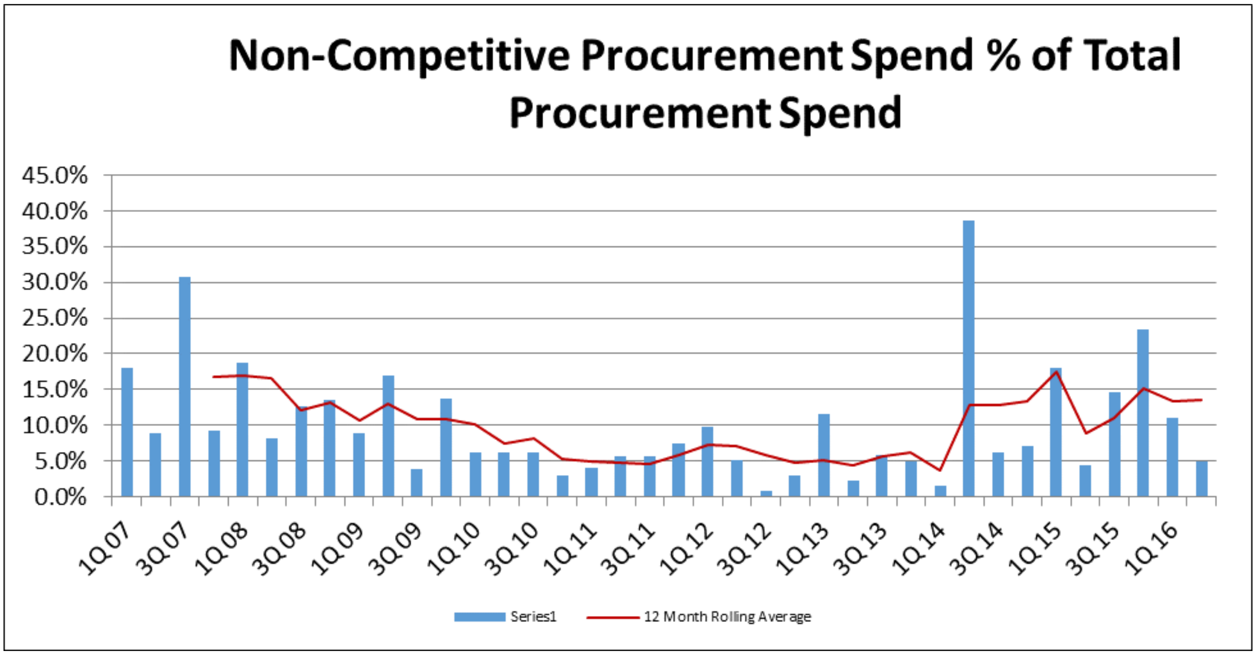
Section 5 – Procurement Card Administration

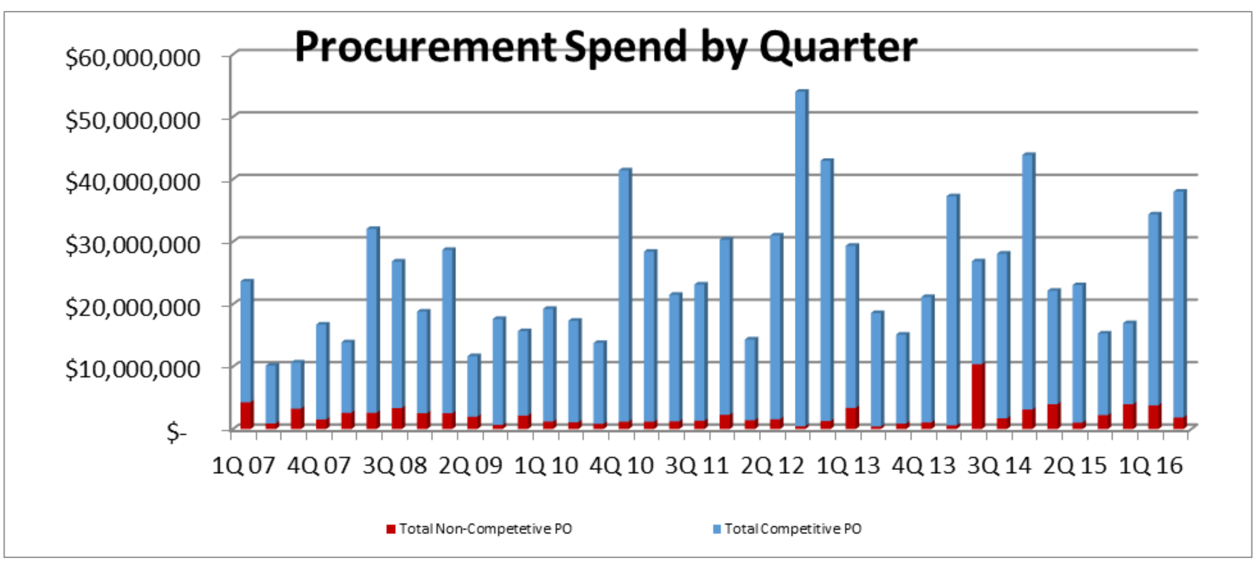
BSD's Procurement Department administers a Procurement Card Program, which provides a means for cardholders to procure low-dollar goods and services independently. This program reduces the administrative burden of processing Purchase Orders and Check Requests for small dollar purchases (typically less 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
Second Quarter FY2016

Second Quarter 2016 Non-Competitive Procurements totaled $1,855,139 or 4.8% of total Purchase Order Commitment volume of $38,033,352. Last 12 months Non-Competitive Procurements totaled $11,856,913 or 11.3% of total Purchase Order Commitment volume of $104,712,510.





CONTRACT AWARDS EXCEEDING $100,000
JULY 1, 2015 - December 30, 2015

Number	Rev	Description	Type	Order Date	Supplier	Amount	Buyer	Closure Status	DBE Goal
51038	1	15-SB-101735-DAB Purchase & Delivery of Ultra Low Sulfur #2 Diesel and B5 Biodiesel, Two Base Years, Period of Performance December 1, 2015 - November 30, 2017	Contract Purchase Agreement	11/24/15	MANSFIELD OIL COMPANY	$ 31,044,254	Baldwin, Deborah	Open	0.0%
51211	0	15-RFP-100793-DH Heavy Duty Transit Buses - TASK ORDER #1	Standard Purchase Order	12/17/15	GILLIG LLC	$ 11,450,348	Hill, Diana	Open	0.0%
		15-RFP-101626-CG Agreement for Legal Counsel, Three Base Years and Two Option years, period of performance November 19, 2015 - November 18, 2020.			VARIOUS (13 Firms)	$ 10,000,000	Gates, Carol		0.0%
50446	0	16-SB-101846-DGR Spruce Street Bridge Replacement, Period of Performance October 1, 2015 - June 30, 2016.	Standard Purchase Order	09/25/15	KOZENY WAGNER INC	$ 5,283,793	Ramsay, David	Open	0.0%
50787	0	16-SB-101993-CB JNEM Arch Transportation System MG Set Replacement, Period of Performance November 2, 1015 - March 31, 2017.	Standard Purchase Order	11/02/15	HARLAN COMPANY (THE)	$ 5,002,100	Bonds, Charcita	Open	7.0%
49639	0	15-RFP-101065-CB Design/Build Ewing Yard Retaining Wall Remediation Part 2, Period of Performance July 17, 2015 - September 2, 2016.	Standard Purchase Order	07/13/15	ST LOUIS BRIDGE CO	$ 4,142,110	Bonds, Charcita	Open	23.0%
50705	0	16-SB-101807-DGR JNEM Gateway Arch Exhibit Rehabilitation, Period of Performance November 2015 - March 2016.	Standard Purchase Order	10/23/15	CONFERENCE TECHNOLOGIES INC	$ 2,244,420	Ramsay, David	Open	0.0%
49668	0	Seven Refurbished Gillig 40' buses.	Standard Purchase Order	07/15/15	COMPLETE COACH WORKS	$ 2,066,050	Hill, Diana	Open	0.0%
49533	0	15-SB-101657-DGR Missouri Radio System Tower Site Upgrades. Period of performance the end of July, 2015 - end of May, 2016.	Standard Purchase Order	07/02/15	IHC CONSTRUCTION COMPANIES LLC	$ 1,811,308	Ramsay, David	Open	0.0%
49778	0	16-SB-101806-DGR Missouri Rail Tie Replacement Services, Period of Performance August, 2015 - December, 2015.	Standard Purchase Order	07/28/15	MUSSELMAN & HALL CONTRACTORS LLC	$ 950,015	Ramsay, David	Open	0.0%
49525	1	15-SB-101528-CG Oracle Annual Maintenance - E-Business Suite, Two Base Years and Two Option Years, Period of Performance August 1, 2015 - July 31, 2019.	Contract Purchase Agreement	07/01/15	MYTHICS INC	$ 894,867	Gates, Carol	Open	0.0%

CONTRACT AWARDS EXCEEDING $100,000
JULY 1, 2015 - December 30, 2015

Number	Rev	Description	Type	Order Date	Supplier		Amount	Buyer	Closure Status	DBE Goal
49744	0	SCADA and Public Address System Service Agreement, Five Base Years, Period of Performance July 1, 2015 - June 30, 2020.	Standard Purchase Order	07/22/15	ARINC INCORPORATED	$	527,905	Bonds, Charcita	Open	0.0%
50894	0	Structural Engineering Services Arch Transportation System MG Replacement.	Standard Purchase Order	11/12/15	MAIDA ENGINEERING INC	$	429,993	Griffin, Sandra	Open	0.0%
49737	0	Transit Master Hardware/Software Agreement with Trapeze Group, Period of Performance July 1, 2015 - June 30, 2016.	Standard Purchase Order	07/22/15	TRAPEZE SOFTWARE GROUP	$	423,101	Hill, Diana	Closed	0.0%
50671	0	16-SS-102282-VH Transit Asset Managment Phase II Period of Performance October 26, 2015 - October 25, 2018	Standard Purchase Order	10/20/15	FOUR NINES TECHNOLOGIES	$	418,000	Haynes, Vickie	Open	0.0%
50804	0	16-RFQ-102171-2, Rotor Squirrel Cage Assembly and Wound Stator Core	Standard Purchase Order	11/03/15	SHERWOOD ELECTROMOTION INC	$	285,980	Baldwin, Deborah	Open	0.0%
50884	0	Arch Transporation System MG Sets Replacement Project, System Integration Related Services.	Standard Purchase Order	11/11/15	MAIDA ENGINEERING INC	$	281,110	Griffin, Sandra	Open	0.0%
51562	0	15-RFP-101653-DR - Pension Plan Actuarial Services, Period of Performance Three Base Years and Two Option Years - November 9, 2015 - December 8, 2020	Contract Purchase Agreement	11/05/15	MILLIMAN INC	$	278,850	Rowey, Deborah	Open	0.0%
50295	1	16-RFQ-102093-DAB Winter Storm Supplies, Period of Performance October 1, 2015 - September 30, 2016	Standard Purchase Order	09/15/15	W. W. GRAINGER INC	$	260,000	Baldwin, Deborah	Open	0.0%
50745	1	16-SB-102052-CG Union Station Track Z-Crossing/DTC-Clark Avenue Improvements.	Standard Purchase Order	10/27/15	RAINERI CONSTRUCTION, LLC	$	246,938	Gates, Carol	Open	0.0%
49582	0	15-RFP-101675-CB On-Site Construction Management Services, Period of Performance July 8, 2015 - March 31, 2016.	Standard Purchase Order	07/08/15	JACOBS ENGINEERING GROUP INC	$	241,000	Baldwin, Deborah	Open	0.0%
50640	1	16-RFP-101944-VH Gateway Arch Ticketing Software, Period of Performance Oct 21, 2015 through October 20, 2018.	Standard Purchase Order	10/15/15	GATEWAY TICKETING SYSTEMS	$	219,250	Haynes, Vickie	Open	0.0%

CONTRACT AWARDS EXCEEDING $100,000
JULY 1, 2015 - December 30, 2015

Number	Rev	Description	Type	Order Date	Supplier		Amount	Buyer	Closure Status	DBE Goal
50061	0	14-SB-99133-DH Bulk Oils, Period of Performance September 2, 2015 - March 1, 2016.	Standard Purchase Order	08/24/15	WALLIS LUBRICANT INC.	$	194,520	Hill, Diana	Open	0.0%
50007	0	16-SB-101973-CB Replacement of Two Rooftop Heating Units and One A/C Unit at Central Facility, Period of Performance August 18, 2015 - November 11, 2015.	Standard Purchase Order	08/18/15	TRANE US, INC	$	181,876	Bonds, Charcita	Open	0.0%
50148	0	16-RFQ-102093-DAB Winter Storm Supplies, Period of Performance October 1, 2015 - September 30, 2016	Standard Purchase Order	08/31/15	LANGE-STEGMANN CO	$	178,750	Baldwin, Deborah	Open	0.0%
50401	0	15-RFP-101663-CG Engineering Design to Increase the Life of the MetroLink Elevators.	Standard Purchase Order	09/23/15	ROSS AND BARUZZINI INC	$	171,150	Gates, Carol	Open	0.0%
50608	0	15-SB-101727-DAB Water Jet Cutting Machine	Standard Purchase Order	10/09/15	FLOW INTERNATIONAL CORPORATION	$	170,760	Baldwin, Deborah	Closed	0.0%
50476	0	15-SB-101510-CG Services to Rebuild Twenty-seven (27) Alstom Model 5F Switch Machines.	Standard Purchase Order	09/29/15	ARROWHEAD INDUSTRIES LLC	$	149,265	Gates, Carol	Open	0.0%
51052	0	15-SB-101107-TJ Synthetic Transmission Fluid, Period of Performance November 11, 2015 - May 29, 2016.	Standard Purchase Order	11/30/15	WALLIS LUBRICANT INC.	$	128,250	Johnson, Theresa	Open	0.0%
49827	0	15-RFQ-101635-TJ Fuel Price Risk Management Consulting Services,Three Base Years and Two Option Years , Period of Performance August 1, 2015 - July 31, 2018	Contract Purchase Agreement	07/30/15	LINWOOD CAPITAL LLC	$	126,000	Johnson, Theresa	Open	0.0%
50584	0	Annual Service Agreement for software monitoring & support of SCADA & PACIS systems provided by ARINC, Period of performance July 1, 2015 - June 30, 2020.	Contract Purchase Agreement	10/07/15	ARINC INCORPORATED	$	123,853	Wright, Diane	Open	0.0%
49711	0	15-SB-101743-DH Furnish and Install 349 Task and Conference Room Chairs at Met Square.	Standard Purchase Order	07/20/15	INTERIOR INVESTMENTS OF ST LOUIS	$	109,096	Hill, Diana	Closed	0.0%
51203	0	Kronos Annual Maintenance, Period of Performance January 23, 2016 - January 22, 2017.	Standard Purchase Order	12/16/15	KRONOS	$	103,391	Haynes, Vickie	Closed	0.0%

Contract Modifications
July 1, 2015 - December 31, 2015

Contract #	Task Order	Mod #	Description	Reason for Mod	Contractor	DBE %	Original Contract Amount	Mod Date	Mod Amount	Revised Contract Amount	Funding Source	# Days Extended	# of Extensions to Date
13-RFP-5980-SG		7	Security & Fare Enforcement Services	Additional Work Additional Funds	Securitas Security Services USA, Inc	10%	$3,235,705	12/16/15	$100,000	$11,099,792	Operations	0	0
13-RP-5980-SG		6	Security and Fare Enforcement	Change in Scope Additional Funds	Securitas Security Services USA, Inc.	10%	$3,235,705	09/18/15	$731,381	$10,999,792	Operations	0	0
10-RFP-5564-DH	CO 22		Fare Collection	Change in Scope	Indra, USA	0%	$ 6,625,896	12/03/15	$ 64,338	$10,810,788	MO-04-0113 MO-05-0028 Prop M SCCTD	0	0
10-RFP-5564-DH		10	Automatic Fare Collection and Smart Card System	Change Order 20	Indra, USA	0%	$ 6,625,896	07/01/15	$100,000	$10,746,450	MO-90-X231 Prop M SCCTD	0	0
13-RFP-5949-DH		2	Communications System Agreement	Time Extension	Motorola Solutions, Inc.	0%	$9,533,163	07/01/15	$ -	$ 9,533,163	MO-90-X204 Prop M	45	1
16-SB-100842-CB		2	North County Transfer Center -Phase 1 Mod 2	Change in Scope	C Rallo Contracting	0%	$5,085,000	09/24/15	$ 44,808	$ 5,182,147	MO-90-X296	0	0
16-SB-100842-CB	4	1	North County Transfer Center -Phase 1 Mod 1	Change in Scope	C Rallo Contracting	0%	$5,085,000	09/22/15	$ 52,389	$ 5,137,339	MO-90-X296	0	0
13-SB-5933-DGR		4	Illinois Slope Stabilization Services & Scour	Time Extension	Illinois Excavators, Inc.	15%	$4,705,629	07/01/15	$ -	$ 4,857,874	N/A	180	1
11-RFP-5737-DGR		9	Elevator and Escalator Full Maintenance and Repiair	Change in Scope	ThyssenKrupp Elevator Corporation	0	$2,092,660	11/03/15	$ -	$ 3,738,837	Operations	0	0
11-RFP-5737-DGR		8	Elevator and Escalator Full Maintenance and Repair	Exercise Option Year 2	ThyssenKrupp Elevator Corporation	0%	$2,092,660	10/16/15	$100,000	$ 3,738,837	Operations	0	0
11-RFP-5737-DGR		7	Elevator and Escalator Full Maintenance and Repair	Additional Funds	ThyssenKrupp Elevator Corporation	0%	$2,092,660	07/20/15	$ 19,968	$ 3,638,837	Operations	0	0

Contract Modifications
July 1, 2015 - December 31, 2015

Contract #	Task Order	Mod #	Description	Reason for Mod	Contractor	DBE %	Original Contract Amount	Mod Date	Mod Amount	Revised Contract Amount	Funding Source	# Days Extended	# of Extensions to Date
11-RFP-5737-DGR		6	Elevator and Escalator Full Maintenance and Repair	Exercise Option Year 2	ThyssenKrupp Elevator Corporation	0%	$2,092,660	07/02/15	$684,486	$ 3,618,869	Operations	0	0
14-RFP-100998-DR		1	Metro Operator Uniforms	Additional Funds	Leon Uniform Company	0%	$3,257,250	07/08/15	$ 80,000	$ 3,337,250	Operations	0	0
12-RFP-5883-DGR		2	ML Structures Inspection ProGram Engineering Services	Additional Work Additional Funds	Juneau Associated, Inc.	15%	$2,512,030	11/30/15	$190,000	$2,702,030	Operations	0	0
13-RFP-5995-CB		4	Design & Construction Phase Services North County Transfer Center Phase I & II	Change in Scope	NCTC-2013 JV	13%	$2,243,447	12/02/15	$ 33,533	$ 2,629,087	MO-95X015 & STCF	0	0
13-RFP-5995-CB	4	3	Design & Constrution Phase Services North County Transfer Center Phase 1 & 2	Change in Scope	NCTC-2013 JV	13%	$2,243,447	09/01/15	$ 27,604	$ 2,595,555	MO-95X015 STCF	0	0
12-SB-5833-DAB		3	DeBaliviere Bus Cleaning	Exercise Option Year 2	MERS/Goodwill	15%	$617,776	10/21/15	$338,335	$ 1,294,446	Operations	0	0
11-SB-5788-CE/DAB		3	CAR Van Cleaning Option Year three	Exercise Option Year 3	World Management Inc.	12%	$478,806	09/03/15	$252,197	$ 1,218,552	Operations	0	0
P.O. 106658	CO 2	2	Agreement for Engineering, Design and Development of Bid Documents for the Replacement of Arch Transportation System Motor Generatory Sets with Variable Frequency Drives in Each Leg of the Arch.	Change in Scope	Maida Engineering, Inc.	0	$581,100	11/09/15	$429,993	$ 1,043,593	JNEM Beneficial Funds	0	0
15-SB-100757-SM/CG	CO 3	1	Shrewsbury Station Pavement & Wall Repairs	Adjustment to Pay Allowance	St. Louis Bridge Construction Company - Arnold	17%	$576,890	11/11/15	$ (63,568)	$ 513,322	MO-05-0028	0	0
11-SB-5688-CB		9	Refuse Removal Services	Time Extension	Allied Waste Inc.	0%	$170,925	10/20/15	$ 20,857	$ 476,750	Operations	180	1

Contract Modifications
July 1, 2015 - December 31, 2015

Contract #	Task Order	Mod #	Description	Reason for Mod	Contractor	DBE %	Original Contract Amount	Mod Date	Mod Amount	Revised Contract Amount	Funding Source	# Days Extended	# of Extensions to Date
14-RFP-100638-SG		2	Passenger Counting & Surveying	Exercise Option Year 1 Additional Work	Critique Personnel, Inc.	10%	$165,720	08/20/15	$230,020	$ 420,740	Operations	0	0
11-RFP-5732-DW		2	Motorola Solutions Inc., Service Agreement	Time Extension	Motorola Solutions, Inc.	0%	$376,800	09/09/15	$ -	$ 376,800	MO-90-X204	365	1
11-SB-5751-CB		2	Roadbed Spraying Services	Exercise Option Year 2	Asplundh Tree Expert Co.	0%	$209,134	07/24/15	$ 73,269	$ 354,455	Operations	0	0
11-RFP-5756-DP/DAB		3	Safety Footwear Services	Time Extension	Red Wing	0%	$185,000	08/11/15	$ -	$ 345,000	Operations	90	1
15-RFP-101675-CB		1	On-Site Construction Management Services	Change in Scope	Jacobs Project Management Co.	0%	$240,259	07/29/15	$ -	$ 240,259	MO-90-X296	0	0
13-SB-5985-DGR		4	Feeder Wire Rehaabilitation & Substation Waterproofing @ MO-12	REDUCE COST	Reinhold Electric, Inc.	15%	$234,408	09/25/15	$ (40,063)	$ 198,637	MO-05-0028 Prop M	0	0
14-SB-99514-CB		2	HVAC System Repair and Preventative Maintenance-Headquarters Building & Gateway Arch Riverboats	Change in Scope	Trane Company	0	$85,122	11/05/15	$ -	$ 170,244	Operations	0	0
14-RFP-100702-VH		1	Transit Asset Management	Change in Scope	Four Nines Tecnology	0%	$130,720	08/20/15	$ 24,000	$ 154,720	Operations	180	2
13-RFQ-5947-SS/VH		3	Consulting and Design Service for Annual Report	Exercise Option Year 3	Falk Harrison	0%	$35,000	09/09/15	$ 45,000	$ 150,000	Operations	0	0
10-RFQ-5654-DR		7	Material Safety Data Sheet Chemical Management System-Year 2 & 2nd 90 day ext	Time Extension	Safetec Compliance Systems, Inc.	0%	$45,540	09/22/15	$ 5,455	$ 145,085	Operations	90	1
15-RFP-101566-CB		1	Procedure Review Consultant Services	Change in Scope	CGN Global	0%	$106,915	11/17/15	$ 8,085	$ 115,000	TSGP Funds - 2014-RA-00032	0	0

Contract Modifications
July 1, 2015 - December 31, 2015

Contract #	Task Order	Mod #	Description	Reason for Mod	Contractor	DBE %	Original Contract Amount	Mod Date	Mod Amount	Revised Contract Amount	Funding Source	# Days Extended	# of Extensions to Date
14-RFP-99224-DR		2	Fare Collection Web Design	Time Extension Additional Funds	Toky Branding & Design	0%	$99,238	09/11/15	$ 900	$ 100,138	Federal	90	1

DAVIS BACON CERTIFIED PAYROLL REPORT FY 16

OCTOBER - DECEMBER 2015

Project: 12-SB-5786-MM EADS BRIDGE REHABILITATION FTA Grant No. MO-96-x005; MO-90-x279; MO-90-x281

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: **03/06/2012** End **06/30/2016**
Contract Amount: **$36,326,411.91**

655 LANDMARK DRIVE ,
ARNOLD , MO 63010

Subcontractor	Start Date	End Date
636-274-0802 ATK SAFETY SUPPLY INC	**10/05/2012**	**05/25/2013**
314-524-6111 B & P Construction, Inc.	**10/02/2012**	**09/10/2013**
773-721-9350 Era Valdivia Contractors Inc	**03/23/2013**	**04/25/2014**
314-892-2963 M.T.C. Construction dba K. Bates Steel	**09/11/2012**	**11/14/2014**
6364753500 THOMAS INDUSTRIAL COATINGS, INC.	**08/19/2012**	**11/14/2014**
314-773-8813 WESTERN WATERPROOFING	**07/06/2013**	**01/24/2014**
618-398-7575 Wissehr Electrical Contractor	**09/09/2012**	**11/14/2014**

Project: 13-SB-5933-DGR ILLINOIS SLOPE STABILIZATION SERVICES & SCOUR PROTECTION PHASE 2 IDOT Grant IL CAP-11-98-ILL

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

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

6182823844
ILLINOIS EXCAVATORS, INC.
Start Date: **08/01/2013** End **12/30/2015**
Contract Amount: **$4,705,629.45**

55 E. MILL STREET ,
RUMA , IL 62278

3148698000
COLLINS & HERMANN
Start Date: **06/27/2013**

618-277-4280
MAYER LANDSCPAING INC
Start Date: **07/10/2013**

6185669117
N & W HORIZONTAL BORING CO.
Start Date: **06/27/2013**

636-978-0752
PJR ASSOCIATES
Start Date: **06/27/2013**

Project: 14-SB-99081-SM ARCH BIKE TRAIL SIGNAGE FTA Grant No. MO-20-x001 and GRG District

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

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

7853121020
STAR SIGNS
Start Date: **07/07/2014** End **07/07/2016**
Contract Amount: **$286,266.00**

801 E. 9TH STREET ,
LAWERENCE , KS 66044

Project: 15-RFP-101065-CB EWING YARD RETAINING WALL REMEDICATION PART 2 - FTA Grant Nos. MO-05-0028, MO-54-001, 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

6362963300
ST. LOUIS BRIDGE COMPANY
Start Date: **08/02/2015** End **09/02/2016**
Contract Amount: **$4,142,110.00**

655 LANDMARK DRIVE ,

ARNOLD , MO 63010

6369378300
D & S FENCING CO INC
Start Date: **11/20/2015**

Project: 15-SB-100690-SM TACTILE WARNING STRIP REPLACEMENT II FTA Grant No. MO-90-x281

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

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

3144215933
L. Keeley
Start Date: **10/06/2014** End **04/01/2015**
Contract Amount: **$718,062.00**

2901 Falling Springs Road ,
Sauget , IL 62206

3147310800
X-L CONTRACTING, INC.
Start Date: **11/04/2014**
Contract Amount: **$134,730.00**

Project: 15-SB-100757-SM SHREWSBURY PAVEMENT AND WALL REPAIR FTA Grant No. MO-05-0028

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: **10/24/2014** End **10/24/2015**
Contract Amount: **$576,890.25**

655 LANDMARK DRIVE ,
ARNOLD , MO 63010

314-524-6111
B & P Construction, Inc.
Start Date: **08/05/2015**

636-300-0908
E. Meier Contracting
Start Date: **09/13/2015**

314-892-2963
M.T.C. Construction dba K. Bates Steel
Start Date: **07/15/2015**

Project: 15-SB-100842-CB NORTH COUNTY TRANSFER CENTER - PHASE 1 FTA Grant No. MO-90-x296, MO-95-x015

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

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

3146642900
C. RALLO CONTRACTING CO., INC.

Start Date: **01/05/2015** End **03/30/2016**
Contract Amount: **$5,085,000.00**

5000 Kemper ,
St. Louis , MO 63139

Subcontractor	Start Date
3149913255 AALCO ENTERPRISES, INC.	Start Date: **03/11/2015**
6366779190 ACCURATE FIRE PROTECTION SYSTEMS, LLC.	Start Date: **03/31/2015**
314-785-0078 BRK ELECTRICAL CONTRACTORS, LLC.	Start Date: **01/27/2015**
3147070232 BRYDIE CONSTRUCTION	Start Date: **12/14/2015**
3142090935 CCR, INC.	Start Date: **09/01/2015**
3143495801 DH & A SHEET METAL	Start Date: **10/15/2015**
6363495801 DH&A Sheet Metal	Start Date: **09/01/2015**
3143301839 GATEWAY CONSTRUCTION SERVICES, INC.	Start Date: **02/06/2015**
3142317799 GEORGE WEIS COMPANY	Start Date: **03/11/2015**
3143530104 J. W. BOMMARITO CONSTRUCTION	Start Date: **02/01/2015**
3145352222 KAEMMERLEN FACILITY SOLUTIONS	Start Date: **05/01/2015**

Prime Contractor	Subcontractor	Sub Subcontractor	Sub Sub Subcontractor	Sub Sub Sub Subcontractor	Start Date	End Date
	3145206844 KSG ENTERPRISES				Start Date: **02/01/2015**	
	6363321099 MAR-II CONCRETE CO.				Start Date: **09/01/2015**	
		6363985255 Select Steel Services, Inc			Start Date: **09/01/2015**	
	6362191860 NIGEL'S FLOORING, LLC				Start Date: **06/01/2015**	
	6363871888 NOR-VEL GRADING & EXCAVATING				Start Date: **02/01/2015**	
	6963985255 SELECT STEEL SERVICES, INC.				Start Date: **08/01/2015**	
	6363988038 Select Steel Services				Start Date: **08/01/2015**	
	6362966667 SHERRELL CONSTRUCTION				Start Date: **11/18/2015**	
	6036214090 SPAN SYSTEMS, INC.				Start Date: **04/01/2015**	End Date: **05/31/2015**
	636332889 ST. CHARLES GLASS & GLAZING				Start Date: **10/22/2015**	
	343672181 TJ PLUMBING CO., INC.				Start Date: **03/01/2015**	

Project: 15-SB-101554-DGR FEEDER WIRE REHABILITATION & SUBSTATION WATERPROOFING AT MO - 08 & 09 FTA Grant No. MO-05-0028

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

Prime Contractor	Subcontractor	Sub Subcontractor	Sub Sub Subcontractor	Sub Sub Sub Subcontractor	Start Date	End Date
3146644444 TGB, INC.					Start Date: **07/16/2015**	End **01/16/2016**

Contract Amount: **$568,286.00**

1104 S. JEFFERSON ,
ST. LOUIS , MO 63104

3148698000
COLLINS & HERMANN Start Date: **10/20/2015**

3146441666
Scally Waterproofing Start Date: **10/07/2015**
Contract Amount: **$6,750.00**

Project: 15-SB-101657-DGR MISSOURI RADIO SYSTEM TOWER SITE UPGRADES - FTA Grant No. MO-90-x231

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

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

8478417724
IHC Construction Companies, LLC Start Date: **07/30/2015** End **05/30/2016**
Contract Amount: **$1,811,307.55**

1500 Executive Drive ,
Elgin , IL 60123

3147812400 Contract ID: **15180-203**
RJP Electric, LLC Start Date: **08/26/2015** End Date: **04/01/2016**
Contract Amount: **$190,000.00**

Project: 16-RFQ-101937-CB AIRPORT BRIDGE (mp 0.42) SPAN 36 BEAM REPAIR - FTA Grant No. MO-54-0001

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

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

3145922119
Concrete Strategies Start Date: **08/04/2015** End **09/20/2015**
Contract Amount: **$65,960.00**

2199 Innerbelt Business Center Drive ,
St. Louis , MO 63114

Project: 16-SB- 101807-DGR JNEM Gateway Arch Exhibit Rehabilitation

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

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

3149931400
Conference Technologies, Inc. Start Date: **10/30/2015** End **12/30/2017**
Contract Amount: **$2,244,420.00**

11653 Adie Road ,
St. Louis , MO 63043

Project: 16-SB-101846-DGR SPRUCE STREET BRIDGE REPLACEMENT

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: **10/27/2015** End **04/30/2016**
Contract Amount: **$5,283,792.70**

951 WEST OUTER ROAD ,
ARNOLD , MO 63010

	3148698000 COLLINS & HERMANN	Start Date: **10/13/2015**
	6369378300 D & S FENCING CO INC	Start Date: **10/20/2015**
	3144325400 Metron Surveying & Layout Co.	Start Date: **10/13/2015**
	573-893-2335 Meyer Electric Company, Inc.	Start Date: **10/01/2015**
	4178646000 Palmerton & Parrish, Inc.	Start Date: **10/13/2015**
	6363051877 Safway Services LLC	Start Date: **11/02/2015**
	7037420020 Schnabel Foundation Company	Start Date: **10/27/2015**
	636-255-0808 TRAMAR CONTRACTING INC.	Start Date: **10/06/2015**
	3147310800 X-L CONTRACTING, INC.	Start Date: **10/06/2015**

Project: 16-SB-101993-CB JNEM ARCH TRANSPORTATION SYSTEM MOTOR-GENERATOR SET REPLACEMENT

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: **11/12/2015** End **05/31/2017**

Contract Amount: **$5,002,100.00**

9810 PAGE BLVD. ,
ST. LOUIS , MO 63132

6189310729
Platinum Scaffolding

Start Date: **11/23/2015** End Date: **02/29/2016**

Contract Amount: **$22,192.00**

Project: 16-SB-102052-CG UNION STATION TRACK Z CROSSING DTC CLARK AVENUE IMPROVEMENTS

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: **11/09/2015** End **02/29/2016**

Contract Amount: **$246,938.25**

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

PROCUREMENT CARD PROGRAM
ADMINISTRATIVE REVIEW STATISTICS
FISCAL YEAR 2015

	FY2015 YTD TOTAL		1ST QUARTER FY16		2nd QUARTER FY16		FY2016 YTD TOTAL	
	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT	TRANSACTION COUNT	TRANSACTION AMOUNT
TOTAL TRANSACTIONS	17553	$ 6,220,029	4134	$ 1,463,356	3831	$1,406,280.41	7965	$ 2,869,636
TRANSACTIONS REVIEWED	17553	$ 6,220,029	4134	$ 1,463,356	3831	$1,406,280.41	7965	$ 2,869,636
PERCENTAGE REVIEWED	100%	100%	100%	100%	100%	100%	100%	100%
TRANSACTIONS INVESTIGATED	113	$ 169,424	13	$ 23,137	7	$ 12,677	20	$ 35,814
PERCENTAGE OF TOTAL INVESTIGATED	0.6%	2.7%	0.3%	1.6%	0.2%	0.9%	0.3%	1.2%
CONFIRMED PROCEDURAL VIOLATIONS	8 TRANS 3 INCIDENTS	$ 26,553	0 TRANS 0 INCIDENTS	$ -	0 TRANS 0 INCIDENTS		0 TRANS 0 INCIDENTS	$ -
CONFIRMED VIOLATION PERCENTAGE OF TOTAL	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TRANSACTIONS WITH SALES TAX	148	$ 30,173	57	$ 17,318	103	$ 5,928	160	$ 23,246
SALES TAX CHARGED		$ 1,867	38	$ 549	44	$ 365		$ 914
PERCENTAGE OF TOTAL TRANSACTIONS WITH SALES TAX	0.8%	0.5%	1.4%	1.2%	2.7%	0.4%	2.0%	0.8%
REFUNDED SALES TAX	36	$ 765	18	$ 283	6	$ 263	24	$ 546