

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

**Operations Committee Members in Attendance**

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

**Other Commissioners in Attendance**

Rose Windmiller  
Derrick Cox  
Vernal Brown (via phone)

**Staff in Attendance**

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

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

**Others in Attendance**

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

**1. Open Session Call to Order**

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

**2. Roll Call**

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

**3. Public Comment**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

**19. Credit Rating Agencies**

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

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

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

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

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

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

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

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

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

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

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

**24. President/CEO Report**

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

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

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

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

**25. Unscheduled Business**

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

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

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

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

**27. Adjournment to Executive Session – If such action is approved by a majority vote of the Bi-State Development Agency’s Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters pursuant to**

**Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); Real Estate under §10.080(D)(2); Personnel under §10.080(D)(3); Health Proceedings under §10.080(D)(4); Employee Negotiations under §10.080(D)(5); Data Processing under §10.080(D)(6); Purchasing and Contracts under §10.080(D)(7); Proprietary Interest under §10.080(D)(8); Hotlines under §10.080(D)(9); Auditors under §10.080(D)(10); Security under §10.080(D)(11); Computers under §10.080(D)(12); Personal Access Codes under §10.080(D)(13); Personal Information under §10.080(D)(14); Insurance Information under §10.080(D)(15); Rail, Bus, or Facilities Safety and Accidents under §10.080(D)(16) or Protected By Law under §10.080(D)(17).**

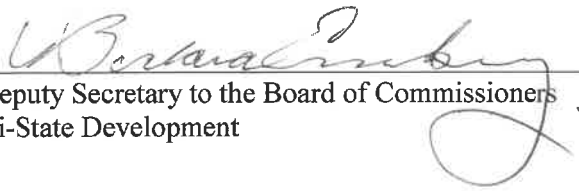
**9:54 a.m.** Chair Holman requested a motion to allow the Board to go into closed session, pursuant to the requirements of the Bi-State Development Agency's Board Policy, Chapter 10, Section 10.080 (D) (10) – Auditors.

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

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

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

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

  
Deputy Secretary to the Board of Commissioners  
Bi-State Development