

**BI-STATE DEVELOPMENT  
AUDIT, FINANCE & ADMINISTRATION COMMITTEE MEETING  
OPEN SESSION MINUTES  
(Virtual Meeting)  
January 28, 2022**

**Immediately following Operations Committee Meeting**

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

Herbert Simmons  
Sam Gladney  
Fred Pestello – Absent  
Nate Johnson – Absent

**Other Commissioners participating via Zoom**

Rose Windmiller – Acting Chair  
Derrick Cox  
Vernal Brown  
Terry Beach  
Irma Golliday – Absent

**Staff participating via Zoom**

Taulby Roach, President and Chief Executive Officer  
Brenda Deertz, Director of Executive Services  
Barbara Enneking, General Counsel  
Myra Bennett, Manager of Board Administration  
Thomas Curran, Executive Vice President – Administration  
Tammy Fulbright, Executive Vice President, Chief Financial Officer  
Mary Lamie, Executive Vice President of Multi Modal Enterprises  
Crystal Messner, Chief Audit Executive  
Charles Stewart, Exec. Vice President Organizational Effectiveness/Interim Exec. Director Metro Transit

**Others participating via Zoom**

Erin Stumpf, ASL Interpreter  
Rebecca Pursley, ASL Interpreter

- 1. Open Session Call to Order**  
**9:37 a.m.** Chair Windmiller called the Open Session of the Audit, Finance & Administration Committee Meeting to order at 9:37 a.m.
  
- 2. Roll Call**  
**9:37 a.m.** Roll call was taken, as noted above.

**3. Public Comment**

**9:37 a.m.** Myra Bennett, Manager of Board Administration, noted that no public comments were received for the Audit, Finance & Administration Committee meeting, and that all public comments submitted were addressed at the Operations Committee meeting.

**4. Minutes of the October 15, 2021 Audit, Finance & Administration Committee, Open Meeting**

**9:38 a.m.** The minutes of the October 15, 2021 Audit, Finance & Administration Committee, Open Meeting were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Brown and seconded by Commissioner Cox. **The motion passed unanimously.**

**5. Intergovernmental Agreement between BSD and Regional Justice Information Services (REJIS)**

**9:39 a.m.** A briefing paper was included in the meeting materials, presenting to the Operations Committee, for discussion, acceptance, and referral to the Board of Commissioners for approval, Intergovernmental Agreement between Bi-State Development (BSD) and Regional Justice Information Services (REJIS). Tom Curran, Executive Vice President Administration, gave an overview of this item, noting that BSD has had a relationship with REJIS since 2011, which has proven to be very beneficial for the Agency. He noted that staff from REJIS is available to provide IT support 24 hours per day, seven days per week, 365 days per year. Mr. Curran reported that the agreement would provide for this type of specialized IT support, and would be for a term of 36 months, with 4 optional renewals.

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

- 6. IAD Audit Follow-Up Summary – 2<sup>nd</sup> Quarter - FY2022**
- 7. IAD Status Report – 2<sup>nd</sup> Quarter - FY2022**
- 8. IAD SSO-Status Report – 4<sup>th</sup> Quarter - Calendar Year 2021**
- 9. Treasury Safekeeping Accounts Audit, Ending September 30, 2021**

**9:41 a.m.** Briefing papers were included in the meeting materials with regard to each of these items. Crystal Messner, Chief Audit Executive, noted that, if there are no objections, she will give a combined overview of these items. Being no objections, Ms. Messner noted that, for the second quarter, FY 2022 Audit Follow-Up, there were 118 recommendations; 69 have been completed and closed; 31 are still outstanding. She reported that, in the next quarter, IAD will be focusing on the 18 outstanding recommendations that are overdue.

Ms. Messner noted that, with regard to Item #7 (IAD Status Report – 2nd Quarter - FY2022), the Internal Audit Plan is proceeding as expected, and IAD is moving forward to replace audits with higher risk needs.

With regard to Item #8 (Internal Audit State Safety Oversight Status Report - 4th Quarter Calendar Year 2021), Ms. Messner reported that these run on a three year basis, and the Agency is in the first year of that 3-year term. She noted that, for the 4<sup>th</sup> quarter, there were 6 items noted,

and those were successfully closed. She also reported that the Agency completed and received consensus on the Audit Report, as of December 15, 2021.

Ms. Messner noted that, with regard to Item #9 (Treasury Safekeeping Accounts Audit, Ending September 30, 2021), this is performed on a quarterly basis. She stated that one of the goals for this quarter, and going forward, was to bring a little more substance to this audit review than had been in the past. She reported that IAD worked with CFO, Tammy Fulbright, and her team regarding this change. Ms. Messner noted that previously, IAD was looking at approximately \$38 million for verification, for specific items, due to a request of the Board, over a decade ago. She noted that she and Ms. Fulbright have been working to make the audits more comprehensive, so the decision was made to include the \$425 million in cash and investments, from the quarterly Treasurer's Report (Item #13). She stated that she is happy to report that the review of the respective balances and credit ratings reported in the Treasurer's Report, as of September 30, 2021, are fairly presented. Ms. Messner noted that IAD will be incorporating fuel hedging funds into this review, in the future. These items were presented for information only.

**10. 401(k) Plan Audit Update**

**9:44 a.m.** 401(k) Plan Audit updates were included in the meeting materials regarding this item. Charles Stewart, Executive Vice President Organizational Effectiveness, gave an overview of this item, noting that an unmodified audit opinion has been issued for this audit. This item was presented as information only.

**11. 2021 Pension Valuations Update**

**9:45 a.m.** 2021 Pension Valuations Update updates were included in the meeting materials. This item was presented as information only. Charles Stewart, Executive Vice President Organizational Effectiveness, gave an overview, noting the following:

As of June 1, 2021, the funded ratio for the Salaried Pension Plan was 83.3%, and the unfunded liability was \$18,169,574. As of April 1, 2021, the funded ratio for the IBEW Pension Plan was 85.5%, and the unfunded liability was \$1,102,752. As of April 1, 2021, the funded ratio for the Local 788, Amalgamated Transit Union, AFL-CIO Pension Plan was 70.6%, and the unfunded liability was \$64,856,905.

Commissioner Gladney asked if the IBEW plan is a defined benefit plan, and Mr. Stewart noted that all of these plans are defined benefit plans.

**12. Financial Statements**

**13. Treasurer's Report**

**9:50 a.m.** Financial Statements and a Treasurer's Report for the quarter ended September 30, 2021 were included in the meeting materials. Tammy Fulbright, Executive Vice President/Chief Financial Officer, noted that, if there are no objections, she will give a combined overview of these items. Being no objections, Ms. Fulbright noted that for the first quarter of 2022, the Agency had the opportunity to apply for additional federal stimulus funding, and as part of that application, it was required that the Agency pull down 90% of its CARES funding. She stated that the Agency pulled those funds to use in 2022, which then allows the Agency to apply for additional funding. Ms. Fulbright noted that Riverfront Attractions was up, which was a sizable increase from last year, and was primarily due to an increase in cruises. She reported that these

were offset by losses, primarily due to refunding of the Arch debt; however, this will be offset in the coming months. Ms. Fulbright noted that the Airport was also down, due to additional incurred losses that were recognized as a result of a previous fire at a maintenance building. She noted that the Agency's rate of return on investments on self-directed funds has been struggling, due to the current economy. She gave an overview of realized gains regarding the fuel hedging program. This item was presented as information only.

**14. Procurement Report**

**9:52 a.m.** A Procurement Report was included in the meeting materials regarding this item. Thomas Curran, Executive Vice President Administration, gave an overview of this item, noting that, for the second quarter, non-competitive procurements totaled approximately \$1.7 million or 10.2% of the total purchase order commitment. He stated that, for the past 12 months, non-competitive procurements totaled approximately \$13.6 million or 14.4% of the total purchase order commitment. He stated that the Agency is interested in keeping these numbers as low as possible. This item was presented as information only.

**15. Unscheduled Business**

**9:53 a.m.** President and CEO, Taulby Roach, noted that there is no unscheduled business.

**16. President/CEO Report**

**9:54 a.m.** President and CEO, Taulby Roach, commended Tammy Fulbright, Executive Vice President and CFO, and Crystal Messner, Chief Audit Executive, for the close working relationship they have established between the two departments.

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

**9:54 a.m.** Myra Bennett, Manager of Board Administration, advised the Committee of the upcoming meeting, as follows:

Board of Commissioners Meeting:	Friday, February 18, 2022	8:30 AM
Safety & Security Meeting:	Thursday, March 10, 2022	8:30 AM
Operations/Audit, Finance, Administration:	Friday, March 18, 2022	8:30 AM

**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 pursuant to Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); and Auditors under §10.080(D)(10)**

**9:55 a.m.** Chair Windmiller requested a motion to allow the Committee to move into closed session as permitted under Bi-State Development Board Policy, Chapter 10, Section 10.080, (D) (1) – Legal; and (D) (10) – Audit.

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

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

Terry Beach – Yea  
Derrick Cox – Yea  
Herbert Simmons – Yea

**The motion passed unanimously, and the Committee moved into Executive Session at 9:56 a.m.**

**19. Reconvene to Open Meeting**

**10:07 a.m.** The Committee reconvened to the Open Meeting at approximately 10:07 a.m.

Commissioner Simmons made a motion to accept, and forward to the Board of Commissioners for approval, the Draft – Organizational Effectiveness Data Integrity Audit, as presented. The motion was seconded by Commissioner Brown.

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

Terry Beach – Yea  
Derrick Cox – Yea  
Herbert Simmons – Yea

**The motion passed unanimously.**

**20. Adjournment**

**10:07 a.m.** Chair Windmiller asked if there was any further business, and being none, Commissioner Cox made a motion to adjourn the meeting. The motion was seconded by Commissioner Brown. Unanimous vote in favor was taken, the motion passed, and the meeting was adjourned at approximately 10:08 a.m.

  
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Deputy Secretary to the Board of Commissioners  
Bi-State Development