BI·STATE
DEVELOPMENT

2024
FISCAL
YEAR

Finance@BiStateDev.org
314.982.1400

Operating & Capital Budget

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Bi-State Development Agency
Missouri

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director

The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards

Authority and Government

Bi-State Development was established on September 20, 1949 by an Interstate compact passed by the 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 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

Taulby Roach
President and Chief Executive Officer

Tammy L. Fulbright
Executive Vice President
Chief Financial Officer

Charles A. Stewart
Executive Vice President /
Chief Operating Officer

Tom P. Curran
Executive Vice President
Administration

Mary C. Lamie
Executive Vice President
Multi Modal Enterprises

Barbara A. Enneking
General Counsel
Legal & Compliance

Crystal M. Messner
Chief Audit Executive
Internal Audit

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November 18, 2022

Message from the President and Chief Executive Officer

It is my pleasure to present to the Board of Commissioners, for approval, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District Fiscal Year (FY) 2024 Operating and Capital Budget. This document includes the federally required three-year Transportation Improvement Program, which identifies operating and capital resources necessary to serve our regional stakeholders and meet the St. Louis metropolitan area's transportation requirements.

In September, the Board approved new initiatives and incentives package to help with the critical need of attracting and retaining team members. The $2.6 million package included more benefits and wellness offerings such as paid parental leave and subsidies for child care or elder care, new learning opportunities and career development options, as well as tuition reimbursement and student loan subsidies, and free transit passes for employee family members. It also provides support for the establishment of a Wellness and Advocacy Center to assist team members navigating their health benefits and improve access to wellness information.

Several additional initiatives are being launched in 2023 to promote a more positive and inclusive team. Anti-bias and anti-racism training for managers and team members will be implemented early in the calendar year. This training is designed to promote diversity, equity, and inclusion throughout our organization. An app is being launched to better connect all team members with an up-to-date source of information, announcements and two-way communication, regardless of their work location. These initiatives are designed to improve team member engagement.

The FY2024 Metro Transit operating budget includes a continued commitment of financial resources to our key safety and security initiative. The Secure Platform Plan design phase is underway. This important security project encompasses gates, fencing, and cameras for all 38 MetroLink stations throughout the region. This project is a great example of the public and private sector working together in partnership. Private organizations have stepped up and committed $10.4 million in support for this regionally significant project, which is also receiving financial support from St. Louis County, the City of St. Louis, and St. Clair County Transit District. Federal COVID-19 relief funds apportioned to Bi-State Development will also provide financial support.

We are currently working with our union partners, Amalgamated Transit Union (ATU) and the International Brotherhood of Electrical Workers (IBEW), to negotiate new contracts for our represented team members.

Visitation at the Gateway Arch National Park continues to rebound with approximately 75,000 visitors taking the tram ride to the top of the Arch in June 2022. This is the highest monthly count since the pandemic. In August, 2021, Bi-State Development closed on the Series 2021 Taxable Arch Tram Refunding Bonds, which refunded the Arch Series 2014 Bonds. This refunding provides a savings of approximately $30,000 annually in debt service with the new bonds maturing December 2044.

The Riverboats at the Gateway Arch and the public-use heliport provide a complete riverfront destination for locals and tourists. Ending FY 2022, this enterprise enjoyed its best financial year in more than a decade, with income before depreciation of $914,000 and recording more than 130,000 guests on its various cruises.

St. Louis Downtown Airport continues to market its services and real estate as a way to increase its economic impact in the St. Louis region. In June 2022, the airport hosted approximately 40 charted aircraft operations during the inaugural NASCAR Enjoy Illinois 300 Cup Series at the World Wide Technology Raceway.

The St. Louis Regional Freightway provides assistance to manufacturing companies, logistics, and multi-modal freight transportation companies, and their service providers. It coordinates regional freight development efforts, tightly connecting the private and public sector. FreightWeekSTL 2022 offered insightful discussions on innovation and partnerships making national and global freight movement efficient.

The FY 2024 Operating and Capital budget continues a direction of fiscal responsibility and a focus on the long-term financial health of the organization. Following approval by the Bi-State Development Board of Commissioners, the FY 2024 Operating and Capital Budget will continue through the review and approval process, which includes the St. Louis County Public Transportation Commission 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.

Bi-State Development's Transportation Improvement Program will be incorporated into the region's list of transportation priorities and projects eligible for federal financial assistance, generated by the East-West Gateway Council of Governments, the Metropolitan Planning Organization.

At Bi-State Development, we are committed toward improving the quality of life in the St. Louis region by delivering excellent public services and dynamic regional solutions. We continually seek actions, measures, and innovations to improve and optimize the financial health of Bi-State Development and help future generations of this great region thrive.

Taulby A. Roach
President and Chief Executive Officer

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BSD Organizational Overview and Personnel

Bi-State Development is a dynamic and multi-faceted resource for economic development in the St. Louis bi-state region for Illinois and Missouri. BSD is uniquely empowered to provide real solutions to regional challenges with a model of efficiency and accountability.

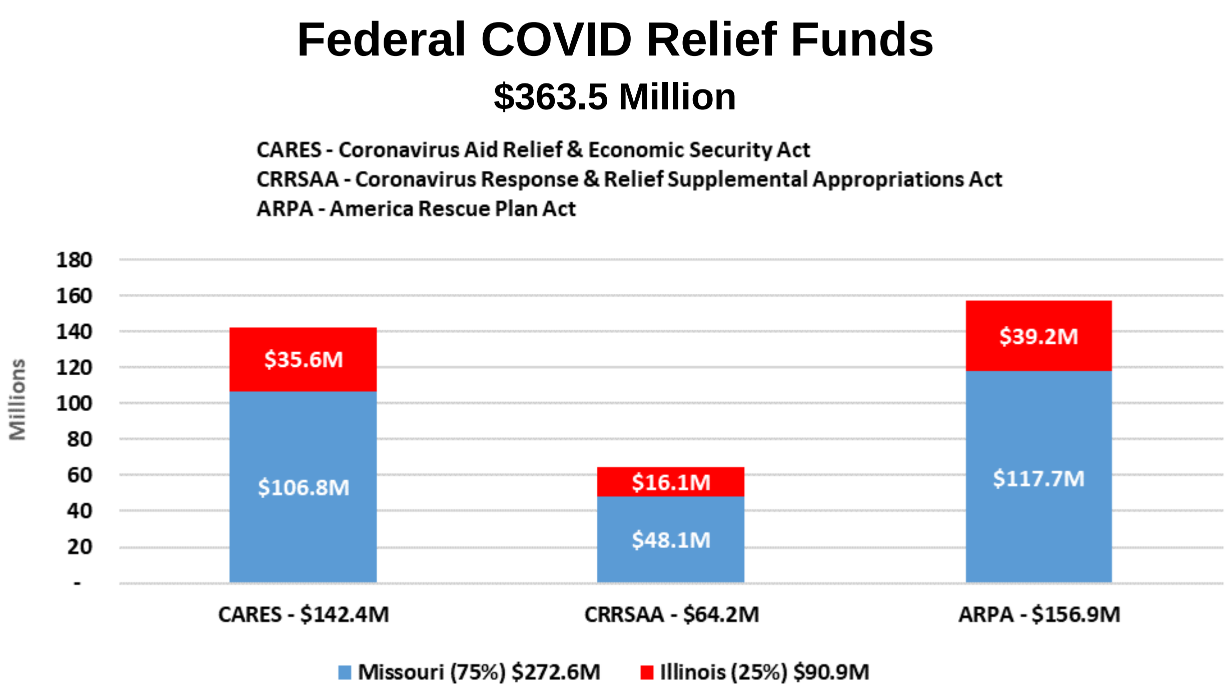
This section contains the Bi-State Development organizational chart for the President and Chief Executive Officer and his direct reports. Also in this section is a FY 2024 Consolidating Statement of Revenue and Expense, which shows each business unit, and a FY 2022 - FY 2024 Combined Revenue and Expense Summary, which combines all business units together with eliminations for the respective periods. The section concludes with BSD personnel information that has a report by division and function and by pay group.

Financial Direction

Fiscal responsibility is a Bi-State Development (BSD) core value and is significantly important to BSD's mission of improving the quality of life in the St. Louis region by delivering excellent public services and dynamic regional solutions. We are One BSD inclusive of Metro Transit, Gateway Arch and Riverfront, St. Louis Downtown Airport, and the St. Louis Regional Freightway.

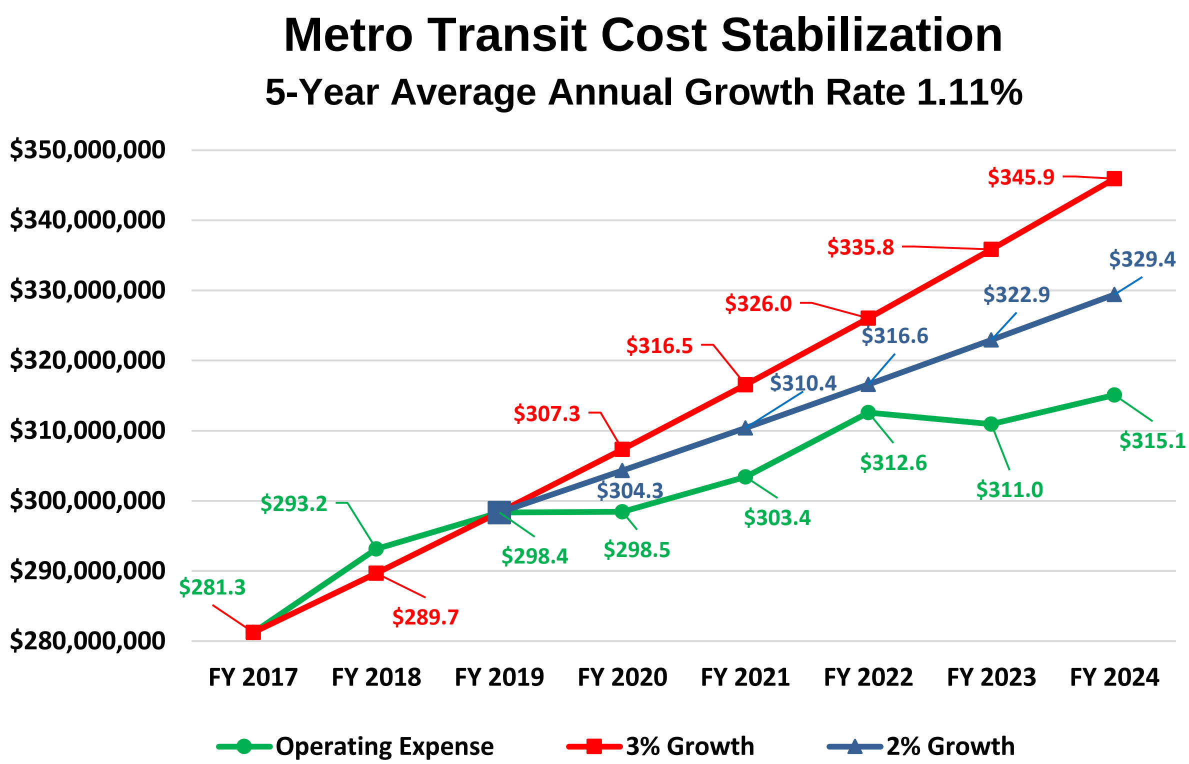
BSD is focused on adding value and the transparent and faithful stewardship of funding entrusted to our organizaition. We continue to work to add efficiencies through system and process improvements and revenue enhancement through new grant opportunities. Our Secure Platform Project is underway, focused on secure access control inclusive of gates, fencing and cameras, and a new fare collection system. For FY 2024, the current Transit projected revenue is $340,050,883. This includes approximately $22.1 million in passenger revenue. Our budget includes sales tax revenues from St. Louis County and St. Louis City. St. Clair County contract revenue is based on hours of services requested.

The federal government responded to the COVID pandemic quickly and through the Federal Transit Administration (FTA) awarded a total of $363.5 million dollars of federal relief funds through three separate legislative acts based on the 5307 FTA formula to be used exclusively for transit. BSD established an allocation to create an equitable disposition of funds based on the percentage of BSD operating expenditures from each state, which results in a split of 75% Missouri and 25% Illinois. The federal stimulus funds are unique when compared to traditional FTA grant funds. These funds do not require a local match and offer a greater flexibility for operating expenses. The FTA monitors and audits the expenditure of these funds. The chart below includes the break down of funding by federal award and allocation by state.



Our financial plan is to bring in all COVID Relief Funds by June 30, 2024. We will continue to gradulally use COVID relief funds as needed to supplement sales tax and passenger revenue. Through FY 2024, we project to expend $216.3 million of these relief funds, and the remaining balance will provide sustainability and support for transit capital projects in future years.

Transit projected operating costs for FY 2024 are $315,093,748. This is an increase of 1.3% percent from the prior year budgeted operating costs of $310,959,903. A financially strong President and Chief Executive Officer continues a direction of fiscal responsibility and controlled costs. Through that direction and the diligent work of team members, a more financially astute team allows for a budgeted average growth rate of 1.11% over the last 5 years, compared to the 3% average budgeted growth experienced in the previous decade. The chart below denotes a 5-year average growth rate of 1.11% compared to a 2% and 3% growth rate.



Combining Statement of Revenue and Expense (By Enterprise)

	Metro Transit	Gateway Arch	Riverfront Attractions	St. Louis Downtown Airport	St. Louis Regional Freightway	Executive Services	Health Self-Insurance Fund	Casualty Self-Insurance Fund	Workers Comp Self-Insurance Fund	Arts In Transit	Total BSD Expense	Eliminations	Total After Eliminations
Passenger revenue	$ 22,067,259	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,067,259	$ -	$ 22,067,259
Paratransit contract	1,374,675	-	-	-	-	-	-	-	-	-	$ 1,374,675	-	1,374,675
Other operating revenue	3,942,451	22,200	145,560	190,200	-	-	-	-	-	-	$ 4,300,411	(25,000)	4,275,411
Agency operating revenue	-	-	-	-	-	4,641,249	-	-	-	-	$ 4,641,249	(4,313,592)	327,657
Arch ticket sales	-	8,742,098	-	-	-	-	-	-	-	-	$ 8,742,098	-	8,742,098
Service/fee revenue	-	422,353	-	-	-	-	-	-	-	-	$ 422,353	-	422,353
Sales discounts revenue	-	(13,113)	-	-	-	-	-	-	-	-	$ (13,113)	-	(13,113)
Not-for-profit (NFP) revenue	-	-	-	-	-	-	-	-	-	51,950	$ 51,950	(51,950)	-
Regional freight fees	-	-	-	-	400,000	-	-	-	-	-	$ 400,000	-	400,000
Aircraft parking	-	-	-	140,599	-	-	-	-	-	-	$ 140,599	-	140,599
Leased acreage	-	-	-	840,912	-	-	-	-	-	-	$ 840,912	-	840,912
Hangar rental	-	-	-	589,596	-	-	-	-	-	-	$ 589,596	-	589,596
Aviation sale flowage fee	-	-	-	137,496	-	-	-	-	-	-	$ 137,496	-	137,496
Airport concessions	-	-	-	116,448	-	-	-	-	-	-	$ 116,448	-	116,448
Cruise revenue	-	-	2,661,425	-	-	-	-	-	-	-	$ 2,661,425	-	2,661,425
Food and beverage revenue	-	-	951,105	-	-	-	-	-	-	-	$ 951,105	-	951,105
Retail revenue	-	-	109,888	-	-	-	-	-	-	-	$ 109,888	-	109,888
Employee health	-	-	-	-	-	-	6,817,968	-	-	-	$ 6,817,968	-	6,817,968
Employer health	-	-	-	-	-	-	32,571,409	-	-	-	$ 32,571,409	(32,741,409)	(170,000)
ISF-Casualty insurance revenue	-	-	-	-	-	-	-	3,816,405	-	-	$ 3,816,405	(3,816,405)	-
ISF-Workers comp revenue	-	-	-	-	-	-	-	-	6,820,672	-	$ 6,820,672	(6,820,672)	-
Total operating revenues	**27,384,385**	**9,173,538**	**3,867,978**	**2,015,251**	**400,000**	**4,641,249**	**39,389,377**	**3,816,405**	**6,820,672**	**51,950**	**97,560,805**	**(47,769,028)**	**49,791,777**
Total grants & assistance	298,006,215	-	-	135,000	-	-	-	-	-	-	$ 298,141,215	-	298,141,215
Interest revenue	13,557,005	433,187	-	-	-	8,812,500	-	-	-	-	$ 22,802,693	-	22,802,693
Pass through grant revenue	1,103,278	-	-	-	-	-	-	-	-	-	$ 1,103,278	-	1,103,278
Total revenues	**340,050,883**	**9,606,726**	**3,867,978**	**2,150,251**	**400,000**	**13,453,749**	**39,389,377**	**3,816,405**	**6,820,672**	**51,950**	**419,607,991**	**(47,769,028)**	**371,838,963**
Wages and benefits	197,140,468	2,994,867	1,661,903	1,060,130	139,523	2,879,167	891,227	132,203	153,944	-	$ 207,053,433	4,450	207,057,883
Services	56,694,869	2,419,085	600,939	193,628	325,000	1,411,588	523,440	402,000	356,500	50,000	$ 62,977,049	(50,000)	62,927,049
Fuel, materials and supplies	34,027,232	691,296	785,595	86,116	3,500	24,697	27,730	-	-	1,700	$ 35,647,866	(6,000)	35,641,866
Casualty and liability costs	8,274,174	30,525	265,852	146,135	-	-	-	4,022,000	281,000	-	$ 13,019,685	(4,022,000)	8,997,685
Utilities	8,829,590	136,324	86,225	209,508	-	3,250	4,560	-	-	-	$ 9,269,457	(650)	9,268,807
Leases, other and admin. charges	10,127,415	1,774,748	206,795	181,997	36,000	532,146	128,635	600	401,500	250	$ 13,390,086	(4,338,342)	9,051,744
Health and welfare self-insurance	-	-	-	-	-	-	37,812,985	-	-	-	$ 37,812,985	(32,741,409)	5,071,576
Casualty self-insurance	-	-	-	-	-	-	-	3,001,000	-	-	$ 3,001,000	205,595	3,206,595
Workers comp self-insurance	-	-	-	-	-	-	-	-	6,800,000	-	$ 6,800,000	(6,820,672)	(20,672)
Total operating expenses	**315,093,748**	**8,046,846**	**3,607,309**	**1,877,513**	**504,023**	**4,850,848**	**39,388,577**	**7,557,803**	**7,992,944**	**51,950**	**388,971,561**	**(47,769,028)**	**341,202,533**
Interest expense	22,534,683	173,893	-	-	-	-	-	-	-	-	$ 22,708,576	-	22,708,576
Contributions to outside entities	2,437,962	160,000	-	-	-	-	800	-	-	-	$ 2,598,762	-	2,598,762
Gain (loss) on disposition of assets	-	-	-	-	-	-	-	-	-	-	$ -	-	-
Pass through grant expense	1,103,278	-	-	-	-	-	-	-	-	-	$ 1,103,278	-	1,103,278
Other non-operating expense	-										$ -		-
Total expenses	**341,169,671**	**8,380,739**	**3,607,309**	**1,877,513**	**504,023**	**4,850,848**	**39,389,377**	**7,557,803**	**7,992,944**	**51,950**	**415,382,176**	**(47,769,028)**	**367,613,149**
Net income (Deficit) before depre	**(1,118,788)**	**1,225,987**	**260,669**	**272,738**	**(104,023)**	**8,602,901**	**-**	**(3,741,398)**	**(1,172,272)**	**0**	**4,225,814**	**-**	**4,225,814**
Depreciation and ammortization	71,537,899	-	255,010	1,260,175	-	-	-	-	-	-	$ 73,053,084		73,053,084
Net transfers	4,913,670							$ (3,741,398)	$ (1,172,272)			-	-
Net income (Deficit)	**(77,570,357)**	**$ 1,225,987**	**$ 5,659**	**$ (987,437)**	**$ (104,023)**	**$ 8,602,901**	**$ -**			**$ -**	**$ (68,827,270)**	**$ -**	**$ (68,827,270)**

Bi-State Development
Combined Statement of Revenue & Expense

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating revenue:					
Passenger and service revenue	36,178,752	36,787,543	41,432,315	4,644,772	12.6%
Other	6,047,201	7,060,384	6,102,036	(958,348)	-13.6%
Charges for services	51,200,989	52,141,202	50,026,454	(2,114,748)	-4.1%
Total operating revenue:	93,426,942	95,989,129	97,560,805	1,571,676	1.6%
State and local	247,866,390	260,414,328	270,191,215	9,776,887	3.8%
Federal	91,775,262	39,249,606	27,950,000	(11,299,606)	-28.8%
Total grants & contractual revenue	339,641,652	299,663,934	298,141,215	(1,522,719)	-0.5%
Interest revenue	9,068,248	9,759,554	22,802,693	13,043,139	133.6%
Other non-operating revenue	439,267	847,145	1,103,278	256,133	30.2%
Total non-operating revenue:	349,149,167	310,270,633	322,047,186	11,776,553	3.8%
Total revenue:	**442,576,109**	**406,259,762**	**419,607,991**	**13,348,228**	**3.3%**
Intercompany revenue eliminations	(48,271,079)	(49,660,429)	(47,769,028)	1,891,401	-3.8%
Total revenue less eliminations:	**394,305,030**	**356,599,333**	**371,838,963**	**15,239,629**	**4.3%**
Operating expense:				-	-
Wages and benefits	187,162,580	216,710,722	207,053,434	(9,657,288)	-4.5%
Services	50,251,670	51,564,009	62,977,049	11,413,040	22.1%
Fuel and lubricants	6,657,547	9,428,372	9,906,437	478,065	5.1%
Parts and supplies	19,516,741	24,809,892	25,741,428	931,536	3.8%
Casualty and liability costs	10,501,494	14,992,188	13,019,685	(1,972,502)	-13.2%
Interfund administrative charges	3,882,682	4,901,797	4,313,597	(588,200)	-12.0%
Utilities	8,372,272	8,769,792	9,269,457	499,665	5.7%
Leases and other expenses	5,353,613	6,375,532	9,076,489	2,700,957	42.4%
Health self-insurance claims	37,061,650	40,158,057	37,812,985	(2,345,072)	-5.8%
Casualty & work comp self-insurance claims	8,659,253	9,403,904	9,801,000	397,096	4.2%
Total operating expense	**337,419,502**	**387,114,265**	**388,971,561**	**1,857,297**	**0.5%**
Non-operating expense:				-	-
Interest expense	20,719,906	22,011,916	22,708,576	696,660	3.2%
Contributions to outside entities	8,099,874	1,340,796	2,598,762	1,257,966	93.8%
Other non-operating expense	1,045,674	1,369,590	1,103,278	(266,312)	-19.4%
Total non-operating expense	29,865,453	24,722,302	26,410,616	1,688,314	6.8%
Total expense:	367,284,955	411,836,567	415,382,177	3,545,610	0.9%
Intercompany expense eliminations	(48,271,079)	(49,660,429)	(47,769,028)	1,891,401	-3.8%
Total expense less eliminations:	**319,013,876**	**362,176,138**	**367,613,149**	**5,437,011**	**1.5%**
Income (decifit) before depreciation	75,291,154	(5,576,805)	4,225,813	9,802,618	-175.8%
Depreciation	86,323,662	78,453,306	73,053,084	(5,400,222)	-6.9%
Net Income (decifit) before transfers	**(11,032,508)**	**(84,030,111)**	**(68,827,270)**	**15,202,841**	**-18.1%**
Net transfers	-	-	-	-	0.0%
Net Income (decifit)	**(11,032,508)**	**(84,030,111)**	**(68,827,270)**	**15,202,841**	

Numbers may not sum due to rounding.

Bi-State Development Personnel

Bi-State Development remains committed to maintaining a responsible position count. The organization went through a series of transitions and a reorganization during the last year. As a result of this, the FY 2021 position count was modified to reflect a different mix of full-time and part-time bus operators ultimately reducing the total operator count. FY 2023 budget included 2,220 positions. For FY 2024, a budget of 2,043 positions reflects an overall decrease from FY2023. The FY 2024 budget plan was developed intent on streamlining processes and becoming more efficient. In FY 2024 a reduction of 177 operators reflects an overall service level reduction.

Metro Transit

A total of 1,976 positions are budgeted for the Metro Transit system enterprise in FY 2024.

Metro Transit Operations

For FY2024 a combined net reduction in the estimated positions from FY2023 for these Metro Transit Operations are expected.

- 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 635 full-time operator positions are planned to operate service levels. This represents a reduction of 176 full time and 4 part time operators from FY 2023.
- Rail Transportation: MetroLink operator counts will remain at 102.
- Paratransit Transportation: Operator positions will increase by one to 201.
- Maintenance of Way, Vehicle and Facility Maintenance: Will reassign responsibilities and expect to be able to hire 3 new professional positions in Maintenance of Way. The Vehicle and Facility Maintenance group continues to seek available qualified professionals to fill positions. This regional shortage of maintenance personnel will require a reduction of 19 expected headcounts including Station Mechanics and Electromechanics.
- Engineering Services: Will increase by 2 positions for FY 2024.

Metro Transit Administration

- Metro Transit Administration will be decreased by 1 position in Procurement.
- Organizational Effectiveness is expected to re-distribute talent within the Group in FY 2024. Organizational Effectiveness includes Human Resources, Pension and Retiree Benefits, Risk Management, and Labor Relations.

Internal Service Funds

Consists of Health, Casualty and Workers Compensation Self-Insurance funds. The FY 2024 budget count for Casualty Self-Insurance and Workers Compensation will remain unchanged from FY 2023 levels.

Executive Services

FY 2024 reflects an increase of 1 position.

Gateway Arch

The Gateway Arch will increase by 1 position for FY 2024.

St. Louis Downtown Airport

Staffing levels will remain the same for the FY 2024 budget.

Riverfront Attractions

Staffing levels will remain unchanged as business begins to strengthen.

St. Louis Regional Freightway

St. Louis Regional Freightway will reduce staffing by 1 position.

Bi-State Development Employees by Division and Function

The following page contains tables of budgeted staff count for FY 2024. The tables compare total BSD personnel to the prior FY 2023 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.

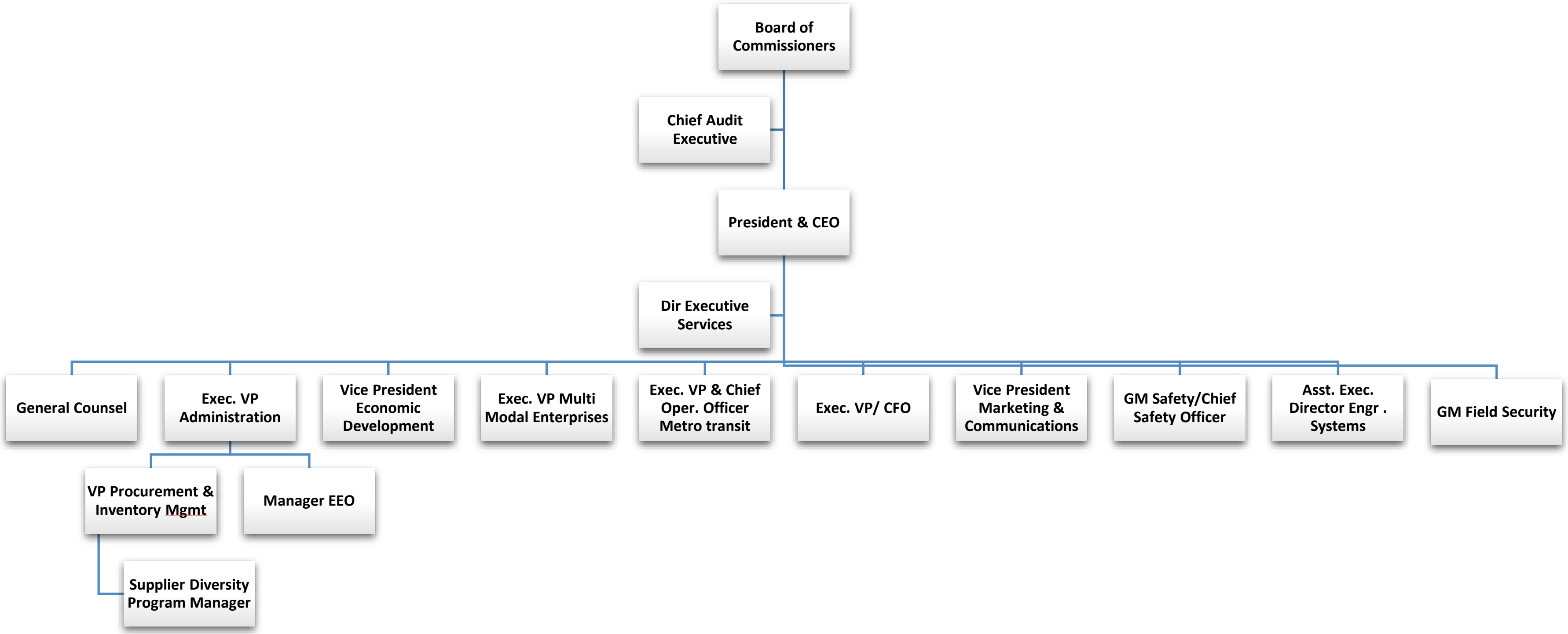
Bi-State Development
Personnel by Division & Function

	Budget 2022	Budget 2023	Budget 2024	Change
Metro Transit Operations				
1100 - MetroBus Operations	888	895	713	(182)
1200 - Security	37	22	42	20
1220 - Field Security	32	51	37	(14)
1400 - MetroLink Operations	146	140	145	5
1500 - Paratransit Operations	245	246	246	0
1590 - Vehicle and Facility Maintenance	382	392	373	(19)
1800 - Service Planning	37	37	37	0
2080 - Maintenance of Way	144	132	135	3
1005 - Executive Director of Metro Transit	2	2	5	3
3020 - ADA Services	1	1	1	0
2000 - Engineering and New Systems	17	15	17	2
Total Operations	**1,931**	**1,933**	**1,751**	**(182)**
Metro Administration				
3100 - Talent Management	15	20	21	1
3010 - Executive Vice-President for Administration	8	7	7	0
3300 - Procurement Matls Mgmt & Supplier Diversity	55	57	56	(1)
3095 - Executive VP Organizational Effectiveness	2	3	1	(2)
3170 - Culture & Change Mgmnt.	0	0	1	1
Finance				
4120 - Treasury	6	4	4	0
4130 - Controllers Group	16	16	18	2
4160 - Passenger Revenue	34	34	34	0
4110 - Chief Financial Officer	4	4	4	0
Total Finance	**60**	**58**	**60**	**2**
5000 - Information Technology	31	35	36	1
3120 - Labor Relations	3	3	2	(1)
3150 - Workforce Diversity and EEO	2	2	2	0
3145 - Pension Administration	1	1	1	0
3200 - Marketing, Customer Service, and Communicatior	19	18	20	2
4180 - Risk Management	6	6	5	(1)
6000 - Meridian Garage and Real Estate	2	2	2	0
4182 - Safety	9	8	9	1
4195 - Drug & Alcohol	2	1	2	1
Total Metro Administration	**215**	**221**	**225**	**4**
Total Metro Transit	**2,146**	**2,154**	**1,976**	**(178)**
Executive Services	16	17	18	1
Gateway Arch	19	16	17	1
St. Louis Downtown Airport	10	10	10	0
Riverfront Attractions	9	11	11	0
St. Louis Regional Freightway	2	2	1	(1)
Health Self Insurance ISF	8	8	8	0
Casualty Self Insurance ISF	7	1	1	0
Workers Comp Self Insurance ISF	3	1	1	0
Total Bi-State Development	**2,220**	**2,220**	**2,043**	**(177)**

BSD Personnel by Paygroup

	Budget 2022	Budget 2023	Budget 2024	Change
Bus Operators (FT)	811	811	635	(176)
Bus Operators (PT)	4	4	0	(4)
Light Rail Operators	102	102	102	0
Van Operators - 1510	200	200	201	1
Total Operators	**1,117**	**1,117**	**938**	**(179)**
788 Clerical	41	41	41	0
788 Service	78	78	81	3
788 Maint	315	315	294	(21)
IBEW	62	62	64	2
Salaried	607	607	625	18
Total Bi-State Development	**2,220**	**2,220**	**2,043**	**(177)**

Executive Office



STRATEGIC PLAN

STRATEGIC PLAN

BU220002

Metro Transit – Strategic Plan Overview

Priorities

Metro Transit's priority is to run a safe and secure system fully responsive to input from regional leadership, Metro customers, and the recent MetroLink security assessment. Metro works to maintain and build ridership through dedicated efforts that improve public perception through team member engagement, strategic planning, communications, and marketing strategies that strengthen relationships with our partners and customers.

Strategic Focus

Delivering customer-focused transit solutions that help build a more connected, vibrant, and thriving region. We are committed to stabilizing and growing ridership by investing in programs that are safe, secure, equitable, and efficient.

Our strategic focus for FY 2024 centers on:

SAFETY & SECURITY

- We have made tremendous strides in security operations and continue improving through security-focused system enhancements. We are training and empowering team members to understand and contribute individually to a safer, more secure Metro.

CUSTOMER EXPERIENCE

- We are working to deliver an improved customer experience through programs and partnerships that match transit solutions to customer and community needs, and delivers capital investments that balance customer experience goals, service expansion, and transit asset management principles.

RECOVERY

- We are responding to the impact of the COVID-19 pandemic by prioritizing our commitment to the safety of our team members and customers, delivering equitable transit service, and ensuring Metro maintains the capacity to sustain operations into the future.

FISCAL RESPONSIBILITY

- We are focusing our resources, reorienting our service, rebuilding our team, and seeking innovative funding opportunities and partnerships to preserve Metro's long-term financial sustainability.

PARTNERSHIPS / RELEVANCE

- We are building and nurturing partnerships, developing authentic relationships with our customers, and connecting to national transit-related conversations to remain timely and relevant.

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Assumptions

The FY 2024 budget projects a $1,118,788 deficit position before depreciation and net transfers.

Service miles and hours are budgeted at a slightly higher level (2.5% and 4.2% respectively) over the FY 2023 budget. System revenue hours are also budgeted at a similar increase over the FY 2023 budget.

Passenger boardings on MetroBus, MetroLink, and Call-A-Ride for FY 2024 show a combined system operating at the same level as the FY 2023 budget. Expected ridership will result from multiple influencing factors including higher fuel costs, perceptions of security, pandemic issues and changes in workforce transit patterns including telecommuting.

Operating Revenue

Passenger revenue is budgeted at $22.1 million for FY 2024. This is an increase of $3.5 million or 19.0% from the FY 2023 budget. The increase in passenger revenue is reflective of a ridership return from the pandemic issues in previous years. The proposed budgeted revenue level is reflective of the focus on improvements in safety and security issues resulting from the use of all available resources. Utilization of mobile ticketing APPS along with the expansion of on-demand service options available within the community are proving to be a contributing factor. Metro's service redesign and focus on the customer experience through improved safety and security measures and new customer amenities are expected to help improve ridership trends. Bi-State Development continues to work with its funding partners, law enforcement partners, and civic and community groups to improve the safety and security of the system. These factors have been incorporated into the FY 2024 operating budget ridership projection with no plans for fare increases in this fiscal budget.

Paratransit contracts include Medicaid revenue and other contractual receipts related to trips provided by Paratransit Operations. The $1.4 million budgeted in FY 2024 is expected to remain approximately the same as the FY 2023 budget.

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 decrease $921,351. This is the result of decreased revenue from rental income, vendor rebates and ATS contractual work.

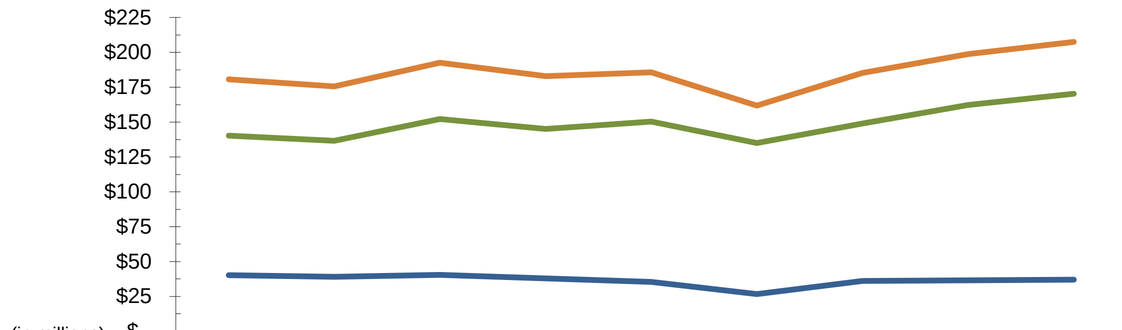
Grants, Sales Tax, and Contractual Revenue

City of St. Louis and St. Louis County sales taxes include ½ cent sales tax (1973) for transportation and ¼ cent sales tax (1994) for light rail development, operation and maintenance and a ¼ cent sales tax (passed 1997, collected 2010) for system operating capital and future expansion. 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 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 operating, capital, and debt service funding annually to cover for the service package requested.

Sales tax receipts (after TIF reductions) appropriated to BSD:

Sales Tax Appropriations



	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget
St. Louis County	140.30	136.70	152.18	145.13	150.42	135.10	149.10	162.35	170.46
St. Louis City	40.29	39.00	40.51	37.94	35.30	26.70	36.18	36.53	37.08
Total	180.59	175.70	192.70	183.07	185.72	161.80	185.28	198.88	207.54

The chart above represents the growth in appropriation of sales tax from St. Louis City and County to BSD. A somewhat stronger trend has been noticed in the local economy which translates to relatively modest growth in sales tax receipts for FY 2022 and optimistically through FY2024 in St. Louis City and St. Louis County sales taxes. Budgeted sales tax receipts are allocated between operating needs, debt service requirements, and capital programs.

State of Missouri revenue for the FY 2024 budget is expected reflect current conditions and become level at $750,000.

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 funding and contracts with BSD for services. St. Clair County reduced fixed route bus service in FY 2023 and FY 2024.

Federal vehicle maintenance represents federal capital formula funds that BSD chooses to program for vehicle maintenance per the Federal Transit Administration's guidelines. FY 2024 budget remains consistent with FY 2023 budget.

Non-capital federal grant revenue funding is expected to be $3.95 million for FY 2024. These funds are expected to be used for MetroLink right-of-way and tunnel structural repairs, system conduit rehabilitation and facilities parking lot repairs and other operating needs as determined.

Non-Operating Revenue

Investment income consists of interest earned on invested funds. The projected budget for FY 2024 is $3,560,776. This sizable increase over the prior year budget is a result of a stronger interest rate environment.

Capital lease revenue recognizes the revenue associated with capital leases. The revenue and expense offset. For FY 2024, these amounts are both $10.0 million.

Expenses

Wages & benefits are expected to be .7% less than the FY 2023 budget. Operator staffing is a planned reduction, while other staffing will increase by 2 positions. The benefits component decreased 7.0% over the prior year, pension Costs having the largest impact.

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 costs (included in benefits) and the unfunded portion. For FY 2024, the unfunded portion of OPEB cost is budgeted at $1.2 million. This is a $2.4 million decrease over the prior year.

Services are expected to increase 23.3%. Metro continues to budget increased costs related to public safety concerns on the Metro transit system. Contracts with our law enforcement partners supplement these services. For FY2024 a focus on leveraging the use of individual mobility services to replenish ridership reductions resulting from lower service levels will contribute additional costs of $5.8 million.

Fuel hedging (realized gains/losses) helps neutralize the outcome of price spikes or decreases in the budget. The fuel hedge program involves purchasing heating oil contracts up to 36 months into the future. In times of rising prices, hedging contracts rise in value when sold and generate a savings that slows the effect of the market increase.

Fuel and lubrications net expense for the FY 2024 budget is anticipated to increase 4.8% due to slightly rising fuel costs. Fuel usage throughout the system will slowly decline as newer more fuel efficient alternatives are introduced.

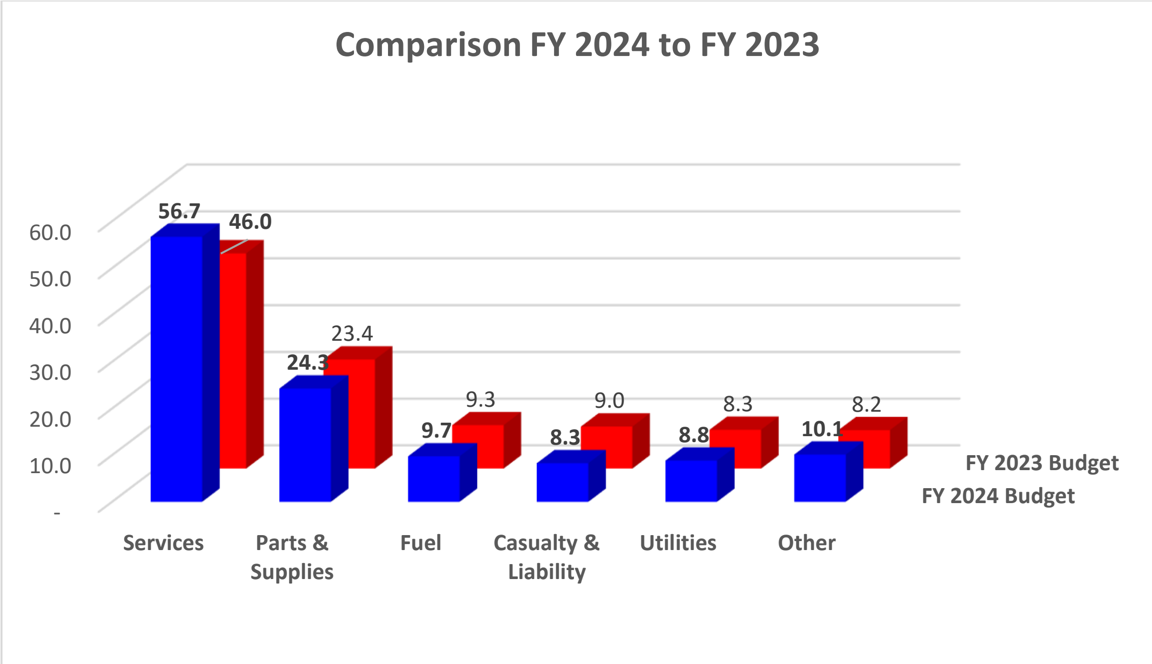
Parts and supplies expense is expected to increase 3.9%. Life cycle fleet maintenance is the basis in determining revenue equipment parts needs each year. Enhanced inventory management which includes addressing supply chain issues and a continued emphasis on quality parts will drive cost efficiencies and savings.

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. Casualty and liability expense is expected to decrease 8.0% compared to the previous budget. Property lines are expected to increase due to hard market conditions.

Utilities, including electric propulsion, are budgeted at 6.3% more than the prior year due to in part to increased consumption and supplier rate increases expected in Spring of 2023. Process improvements continue to be the goal to reduce expense. The 2024 budget is in line with the cost needed to support expected activity.

Other expenses consist of taxes, leases, advertising, travel, and staff development. FY 2024 reflects a 65.0% increase compared to the prior year budget. This increase includes additional staff development, training, employee retention programs and advertising.

Management fees are payments to Executive Services for providing administrative services to Metro.



Non-Operating Expense

Capital lease expense recognizes the cost associated with capital leases. The expense is offset by a revenue amount. For FY 2024 these amounts are both $10.0 million.

Interest on debt results primarily from interest paid on bonds issued to finance the Cross County expansion. Interest expense is budgeted at $12.5 million in FY 2024.

Sheltered workshop expense is budgeted at $1.1 million.

Depreciation and Amortization

Depreciation in public transit systems is generally not funded by operating income. This differs from private industry, which must generate profits for purchase/replacement of property and equipment. Depreciation is presented as required by U.S. Generally Accepted Accounting Principles (US GAAP). Depreciation is not funded to provide equity for capital replacements because capital assets are predominately funded by federal grants. For FY 2024, depreciation is expected to be $71.5 million.

Net Transfers

Internal service fund administration fees are charged by the Workers' Compensation and Casualty Self-Insurance Funds to Metro. These fees represent self-insurance administration costs in excess of claim amounts paid. The amount of the Self-Insurance Administration Fee for FY 2024 is $4.9 million.

METRO TRANSIT SYSTEM PROFILE

METRO TRANSIT SYSTEM PROFILE

BU220002

Total System

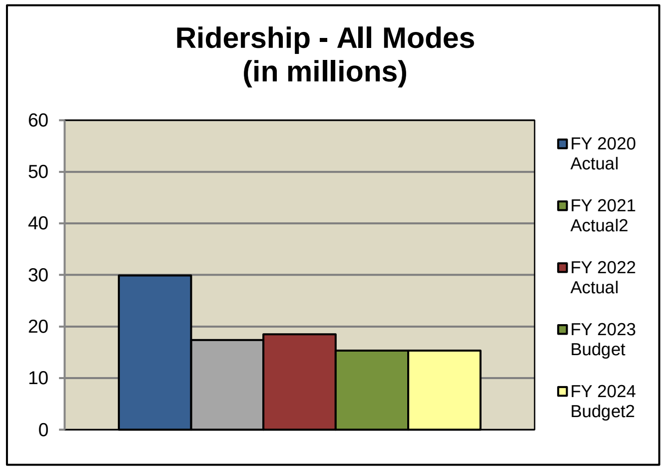
Metro Transit

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 2022 Actual):

18.5 million passenger boardings
58,257 average weekday ridership
20.3 million revenue miles
1.3 million revenue hours
3.5 million diesel gallons consumed



Service area (558 square miles):

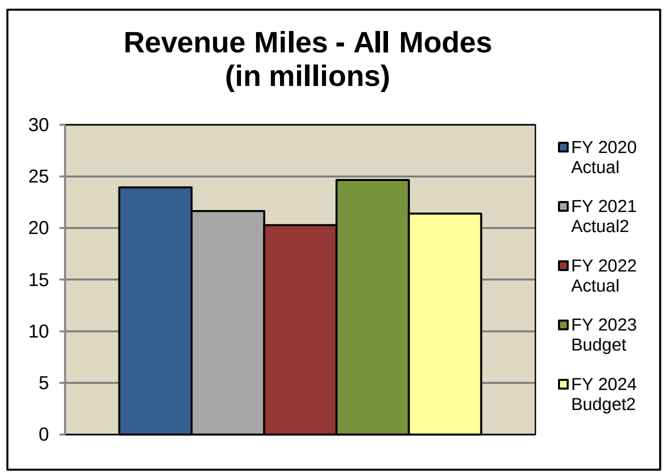
Missouri:
- City of St. Louis
- St. Louis County

Illinois:
- St. Clair County
- Madison County
- Monroe County

Union contracts:

<u>Amalgamated Transit Union, Division 788</u>:
- Bus/Rail Operations and Maintenance
- Clerical Unit
- Demand Response

<u>The International Brotherhood of Electrical Workers:</u>
- Local No. 2 (Missouri)
- Local No. 309 (Illinois)



Metro Transit

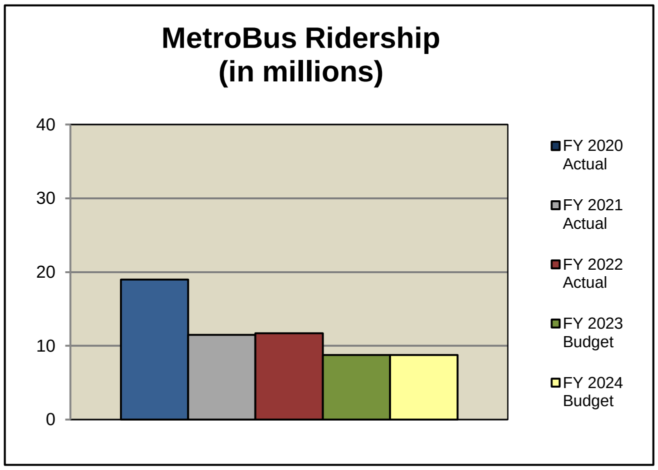
MetroBus

Overview:

Since 1963, Bi-State Development has continuously provided bus service in the Greater St. Louis Region. BSD currently operates 64 fixed bus routes in Missouri and 20 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.

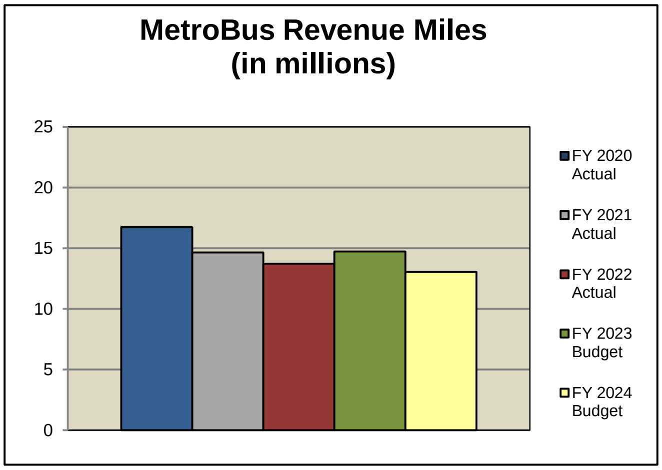
Service levels (FY 2022 Actual):

11.7 million passenger boardings
36,690 average weekday ridership
13.7 million revenue miles
.99 million revenue hours
392 buses (239 used at peak)
3.1 million diesel gallons consumed
67 bus routes (per COVID)
53 bus routes (revised to reflect passengers boardings)



Facilities:

3 garages and 1 maintenance facility
6 MetroBus Transit Centers
27 free park and ride lots
(MO -17; IL -10)



Development:

Completed:

North County Transit Center (2016)
Civic Center Transit Center Expansion (2017)

Metro Transit

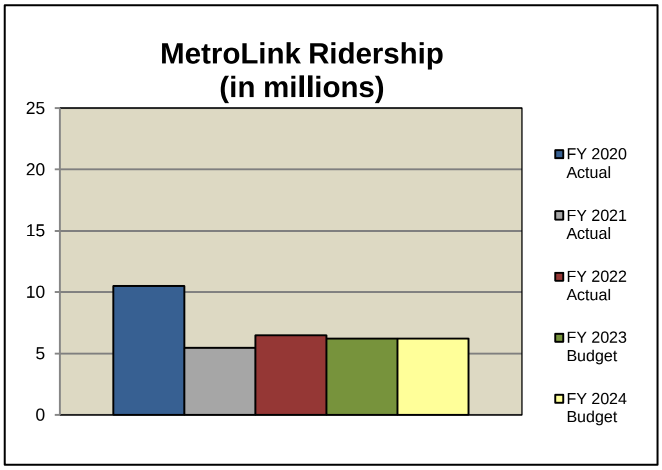
MetroLink

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 2022 Actual):

6.4 million passenger boardings
20,416 average weekday ridership
2.87 million revenue miles
124,317 revenue hours
87 rail cars (53 used at peak)

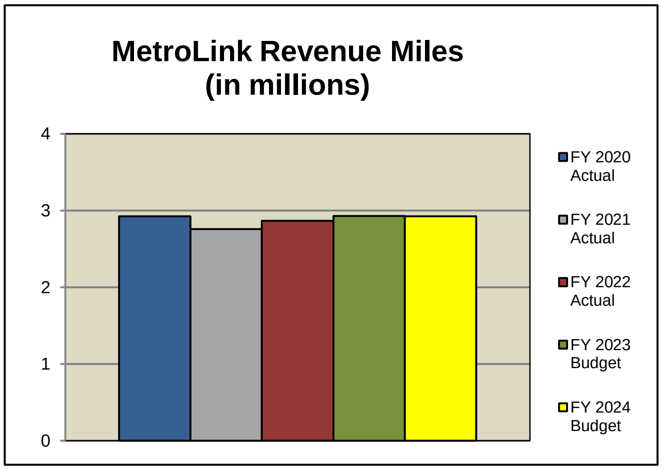


Facilities:

2 rail yards
2 maintenance facilities
38 stations
27 park and ride lots

Development:

- Cortex MetroLink Station
- MetroLink extension in St. Clair County
- Bywater Development Group partnership Project in Swansea, IL
- Excellence in Architecture award – Central West End MetroLink Station



Metro Transit

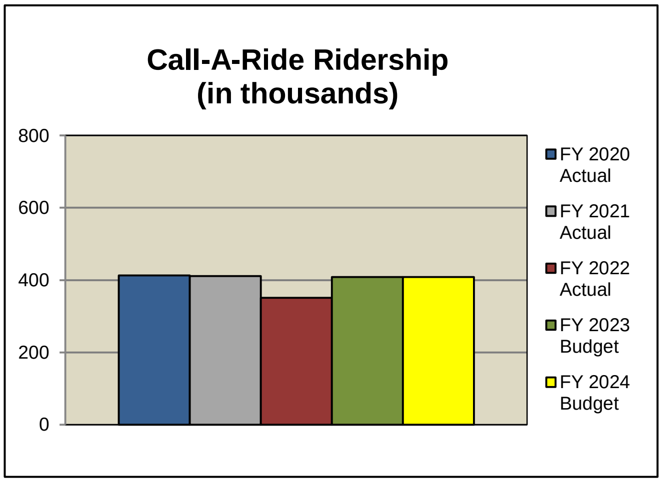
Call-A-Ride

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. This program is designed to ensure Bi-State Development meets the federal mandate of full ADA compliance.

Service levels (FY 2022 Actuals):

351,288 passenger boardings
99.9% ADA passenger boardings
1,151 average weekday ridership
3.7 million revenue miles
210,089 revenue hours
484,327 reservation/assistance calls
0.3 million gallons of diesel consumed
123 vans (102 used at peak)

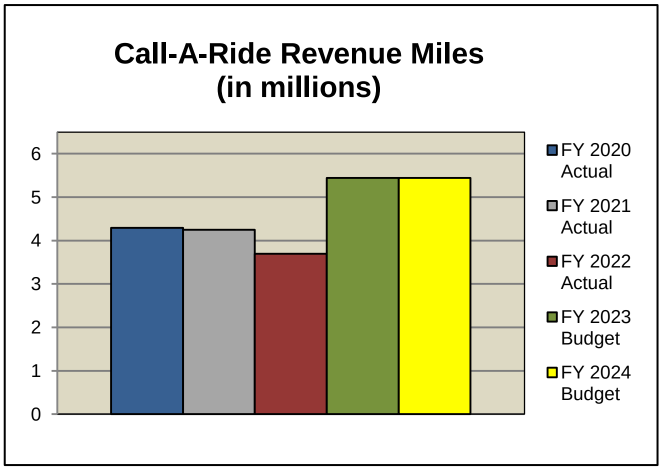


Facilities:

Paratransit maintenance facility at Main Shop

Development:

Trapeze gives CAR the ability to look at vehicles, manpower and ridership and produce a run pick that maximizes those resources.



Performance Indicators: Metro Transit

			FY 2024 Budget		FY 2023 Budget		FY 2022 Actual
Passenger boardings:	**System**		**15,356,932**		**15,356,932**		**18,507,291**
	MetroBus		8,729,217		8,729,217		11,678,288
	MetroLink		6,219,436		6,219,436		6,477,715
	Call-A-Ride		408,280		408,280		351,288
Revenue miles:	**System**		**21,408,591**		**23,100,108**		**20,293,194**
	MetroBus		13,041,900		14,727,651		13,728,073
	MetroLink		2,924,034		2,929,800		2,868,066
	Call-A-Ride		5,442,657		5,442,657		3,697,055
Revenue hours:	**System**		**1,366,523**		**1,618,502**		**1,324,952**
	MetroBus		943,841		1,195,706		990,546
	MetroLink		126,152		126,266		124,317
	Call-A-Ride		296,530		296,530		210,089
Total miles:	**System**		**23,591,670**		**27,239,005**		**22,733,530**
	MetroBus		14,874,442		18,514,700		15,915,579
	MetroLink		2,955,826		2,962,903		2,896,302
	Call-A-Ride		5,761,402		5,761,402		3,921,649
Total hours:	**System**		**1,476,050**		**1,749,522**		**1,549,508**
	MetroBus		1,026,495		1,299,841		1,165,185
	MetroLink		128,206		128,332		125,774
	Call-A-Ride		321,349		321,349		258,549
Passenger revenue	**System**	**$**	**22,067,259**	**$**	**18,538,362**	**$**	**20,090,159**
(excluding TMA and	MetroBus		12,315,504		10,271,543		12,411,555
contractual)	MetroLink		9,052,705		7,572,743		7,069,708
	Call-A-Ride		699,050		694,076		608,896
TMA (regional van services)							
& contractual Medicaid services		**$**	**1,374,675**	**$**	**1,379,772**	**$**	**1,207,429**
Operating expense by mode:	**System**	**$**	**315,093,748**	**$**	**310,959,903**	**$**	**268,592,214**
	MetroBus		181,585,722		176,272,725		173,618,460
	MetroLink		100,770,391		104,636,613		74,715,866
	Call-A-Ride		32,737,635		30,050,565		20,257,888
Passenger boardings per	**System**		**0.7**		**0.7**		**0.9**
revenue mile:	MetroBus		0.7		0.6		0.9
	MetroLink		2.1		2.1		2.3
	Call-A-Ride		0.1		0.1		0.1
Operating expense:							
Per revenue mile:	**System**	**$**	**14.72**	**$**	**13.46**	**$**	**13.24**
	MetroBus		13.92		11.97		12.65
	MetroLink		34.46		35.71		26.05
	Call-A-Ride		6.02		5.52		5.48
Per revenue hour:	**System**	**$**	**230.58**	**$**	**192.13**	**$**	**202.72**
	MetroBus		192.39		147.42		175.28
	MetroLink		798.80		828.70		601.01
	Call-A-Ride		110.40		101.34		96.43
Per passenger boarding	**System**	**$**	**20.52**	**$**	**20.25**	**$**	**14.51**
	MetroBus		20.80		20.19		14.87
	MetroLink		16.20		16.82		11.53
	Call-A-Ride		80.18		73.60		57.67
Operating expense:							
Per total mile:	**System**	**$**	**13.36**	**$**	**11.42**	**$**	**11.81**
	MetroBus		12.21		9.52		10.91
	MetroLink		34.09		35.32		25.80
	Call-A-Ride		5.68		5.22		5.17
Per total hour:	**System**	**$**	**213.47**	**$**	**177.74**	**$**	**173.34**
	MetroBus		176.90		135.61		149.01
	MetroLink		786.00		815.36		594.05
	Call-A-Ride		101.88		93.51		78.35
Farebox recovery:	**System**		**7.0%**		**6.0%**		**7.5%**
	MetroBus		6.8%		5.8%		7.1%
	MetroLink		9.0%		7.2%		9.5%
	Call-A-Ride		2.1%		2.3%		3.0%
Subsidy per passenger boarding:	**System**	**$**	**18.96**	**$**	**18.60**	**$**	**13.12**
	MetroBus		19.37		18.67		13.56
	MetroLink		14.70		15.26		10.20
	Call-A-Ride		75.05		68.17		52.25

Metro Transit System - Statement of Revenue and Expense

	Actual 2022	Budget 2023	Budget 2024	Budget Change $ Change	% Change
Operating revenue:					
Passenger revenue					
Bus/rail revenue	$ 19,481,263	$ 17,844,286	$ 21,368,209	$ 3,523,923	19.7%
C-A-R revenue	608,896	694,076	699,050	$ 4,974	0.7%
Total Passenger Revenue	**20,090,159**	**18,538,362**	**22,067,259**	**3,528,897**	**19.0%**
TMA revenue	-	-	-	$ -	-
Paratransit contracts	1,209,303	1,379,772	1,374,675	$ (5,097)	-0.4%
Other operating revenue	4,106,325	4,863,802	3,942,451	$ (921,351)	-18.9%
Total operating revenue	**25,405,787**	**24,781,936**	**27,384,385**	**2,602,449**	**10.5%**
Non-Operating Revenue:					
Grant, sales tax & contractual	339,440,639	299,663,934	298,006,215	$ (1,657,719)	-0.6%
Investment income	297,536	341,250	3,560,776	$ 3,219,526	943.5%
Capital lease revenue	8,794,236	9,375,904	9,996,229	$ 620,325	6.6%
Other misc non-operational revenue	427,113	847,145	1,103,278	$ 256,133	30.2%
Total Non-operating revenue	**348,959,524**	**310,228,233**	**312,666,498**	**2,438,265**	**0.8%**
Total Revenues	**374,365,311**	**335,010,169**	**340,050,883**	**5,040,714**	**1.5%**
Operating Expenses:					
Compensation	103,545,407	116,541,561	115,508,971	$ (1,032,590)	-0.9%
Benefits	73,637,619	86,542,258	80,411,491	$ (6,130,767)	-7.1%
Other post-employment benefits	1,407,390	3,630,070	1,220,007	$ (2,410,063)	-66.4%
Total Wages & Benefits	**178,590,416**	**206,713,889**	**197,140,469**	**(9,573,420)**	**-4.6%**
Services	44,599,531	46,029,669	56,694,869	$ 10,665,200	23.2%
Fuel and lubrications	6,579,577	9,304,905	9,748,237	$ 443,332	4.8%
Parts and supplies	18,420,380	23,370,380	24,278,995	$ 908,615	3.9%
Casualty and liability costs	5,711,261	8,998,222	8,274,174	$ (724,048)	-8.0%
Utilities	7,908,143	8,308,471	8,829,590	$ 521,119	6.3%
Other operating expenses	3,658,483	4,086,582	6,742,763	$ 2,656,181	65.0%
Management fees	3,124,423	4,147,786	3,384,655	$ (763,131)	-18.4%
Total Operating Expenses	**268,592,213**	**310,959,903**	**315,093,748**	**4,133,845**	**1.3%**
Non-Operating Expense:					
Capital lease expense	8,794,236	9,516,389	9,996,229	$ 479,840	5.0%
Interest expense	11,328,506	12,455,997	12,538,454	$ 82,457	0.7%
Sheltered workshop	1,384,558	1,180,796	2,437,962	$ 1,257,166	106.5%
Other misc non-oper. expense	7,656,354	1,229,106	1,103,278	$ (125,828)	-10.2%
Total Non-Operating Expenses	**29,163,655**	**24,382,288**	**26,075,923**	**1,693,635**	**6.9%**
Total Expenses	**297,755,867**	**335,342,191**	**341,169,671**	**5,827,480**	**1.7%**
Net Income (Decefit) Before Depreciation	**76,609,444**	**(332,022)**	**(1,118,788)**	**(786,766)**	**237.0%**
Depreciation	84,644,963	77,072,057	71,537,899	$ (5,534,158)	-7.2%
Net transfers	6,704,518	5,365,069	4,913,670	$ (451,399)	-8.4%
Net Income (Decefit)	**$ (14,740,037)**	**$ (82,769,148)**	**$ (77,570,357)**	**5,198,791**	**-6.3%**

Numbers may not sum due to rounding.

Metro Transit System - Detail of Grants, Sales Tax & Contractual Revenue

	Actual 2022	Budget 2023	Budget 2024	Budget Change $ Change	% Change
Missouri:					
City of St. Louis 1/2 cent sales tax	$ 20,110,000	$ 20,295,372	$ 21,898,096	$ 1,602,724	7.9%
City of St. Louis 1/4 cent sales tax	8,746,388	8,790,294	9,489,079	$ 698,785	7.9%
City of St. Louis Prop M2 sales tax	7,334,257	7,440,401	5,693,878	$ (1,746,523)	-23.5%
Total City of St. Louis	**36,190,644**	**36,526,067**	**37,081,053**	**$ 554,986**	**1.5%**
St Louis County 1/2 cent sales tax	43,777,710	43,128,064	45,160,403	$ 2,032,339	4.7%
St Louis County 1/4 cent sales tax	31,877,256	33,449,539	35,385,509	$ 1,935,970	5.8%
St Louis County Prop A sales tax	73,429,697	85,827,067	89,919,250	$ 4,092,183	4.8%
Total St. Louis County	**149,084,663**	**162,404,670**	**170,465,162**	**$ 8,060,492**	**5.0%**
Other Local Match - MO	430,088	798,279	450,000	$ (348,279)	-43.6%
Planning and demo reimbursement	106,664	163,216	160,000	$ (3,216)	-2.0%
Total Other Local MO	**536,752**	**961,495**	**610,000**	**$ (351,495)**	**-36.6%**
General Operating & Special MODOT	748,463	799,500	750,000	$ (49,500)	-6.2%
Total State Of Missouri	**748,463**	**799,500**	**750,000**	**$ (49,500)**	**-6.2%**
Total Missouri local & state:	**186,560,523**	**200,691,732**	**208,906,215**	**$ 8,214,483**	**4.1%**
Illinois:					
St Clair County	60,944,257	59,614,414	60,900,000	$ 1,285,586	2.2%
Other Local Match - IL	242,597	108,182	250,000	$ 141,818	131.1%
Total Illinois local & state	**61,186,854**	**59,722,596**	**61,150,000**	**$ 1,427,404**	**2.4%**
Total local & state	**247,747,377**	**260,414,328**	**270,056,215**	**$ 9,641,887**	**3.7%**
Federal:					
Vehicle Maintenance	16,000,000	16,000,000	16,000,000	$ 0	0.0%
Non-capitalized projects	1,282,403	3,760,000	3,950,000	$ 190,000	5.1%
Other Federal	74,410,859	19,489,606	8,000,000	$ (11,489,606)	-59.0%
Total Federal:	**91,693,262**	**39,249,606**	**27,950,000**	**$ (11,299,606)**	**-28.8%**
Total grants, sales tax & contractual revenue	**$ 339,440,639**	**$ 299,663,934**	**$ 298,006,215**	**$ (1,657,719)**	**-0.6%**

Numbers may not sum due to rounding.

Metro Transit - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
By type of expense:				
Wages & benefits without OPEB	203,083,819	195,920,458	(7,163,361)	-3.5%
Other post-employment benefits	3,630,070	1,220,007	(2,410,063)	-66.4%
Services	46,029,669	56,694,869	10,665,200	23.2%
Fuel and lubrications	9,304,905	9,748,237	443,332	4.8%
Parts and supplies	23,370,380	24,278,995	908,615	3.9%
Casualty and liability costs	8,998,222	8,274,174	(724,048)	-8.0%
Utilities	8,308,471	8,829,590	521,119	6.3%
Leases and other expense	4,086,582	6,742,763	2,656,181	65.0%
Agency Fees	4,147,786	3,384,655	(763,131)	-18.4%
Operating expense	**310,959,903**	**315,093,748**	**4,133,845**	**1.3%**
By function:				
Transit Operations	221,505,130	227,580,027	6,074,898	2.7%
Executive Transit Operations Adminis	28,909,117	30,062,851	1,153,734	4.0%
Executive VP Administration	18,170,713	19,552,931	1,382,218	7.6%
Executive VP Organizational Effective	22,174,076	24,376,193	2,202,117	9.9%
Marketing & Communications	4,271,048	4,510,735	239,687	5.6%
Finance	13,353,231	6,424,378	(6,928,853)	-51.9%
Real Estate & Meridian	2,576,587	2,586,632	10,045	0.4%
Operating expense	**310,959,903**	**315,093,748**	**4,133,846**	**1.3%**

numbers may not sum due to rounding

The following section displays operating costs for the departments that reside within Metro Transit. The departments that encompass transit operations include Bus Transportation, Rail Transportation, Paratransit Transportation, Vehicle Maintenance, Facility Maintenance, Maintenance of Way, Planning & System Development, ADA Services, Engineering & New Systems, and are led by the Executive Director of Metro Transit within Transit Administration. The Executive Vice President of Administration manages Procurement & Inventory Management, Workfore Diversity & EEO, Information Technology, and the Administration office. The Executive Vice President of Organizational Effectiveness leads the Human Resource department, Pension & Retiree Benefits, Risk Management, Labor Relations, and the Office of Organizational Effectiveness. Other areas included are managed by the General Manager of Security, the General Manager of Safety, Executive Vice President and Chief Financial Officer, Vice President of Economic Development, and the Vice President of Marketing and Communications.

Transit Operations - Operating Expense by Department / Function

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Bus Transportation				
Wages & benefits without OPEB	72,994,598	65,725,770	(7,268,828)	-10.0%
Other post-employment benefits	783,723	472,772	(310,951)	-39.7%
Services	375,700	411,040	35,340	9.4%
Parts and supplies	212,772	225,700	12,928	6.1%
Casualty and liability costs	0	0	-	0.0%
Utilities	53,353	37,500	(15,853)	-29.7%
Leases and other expense	167,454	144,524	(22,930)	-13.7%
Agency Fees	0	0	-	0.0%
Operating expense	**74,587,600**	**67,017,306**	**(7,570,294)**	**-10.1%**
Rail Transportation				
Wages & benefits without OPEB	13,022,256	14,712,722	1,690,466	13.0%
Other post-employment benefits	134,273	81,327	(52,946)	-39.4%
Services	220	0	(220)	
Parts and supplies	18,594	13,164	(5,430)	-29.2%
Casualty and liability costs	0	0	0	0.0%
Utilities	25,997	26,688	691	2.7%
Leases and other expense	18,618	42,579	23,961	128.7%
Agency Fees	0	0	0	0.0%
Operating expense	**13,219,958**	**14,876,480**	**1,656,522**	**12.5%**

Transit Operations - Operating Expense by Department / Function

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Paratransit Transportation				
Wages & benefits without OPEB	14,549,850	15,967,485	1,417,635	9.7%
Other post-employment benefits	37,496	22,920	(14,576)	-38.9%
Services	240,000	364,200	124,200	51.8%
Parts and supplies	29,782	34,740	4,958	16.6%
Casualty and liability costs	0	0	0	0.0%
Utilities	6,000	6,000	0	0.0%
Leases and other expense	18,095	65,026	46,931	259.4%
Agency Fees	0	0	0	0.0%
Operating expense	**14,881,223**	**16,460,371**	**1,579,148**	**10.6%**
Vehicle Maintenance				
Wages & benefits without OPEB	36,294,718	36,183,081	(111,637)	-0.3%
Other post-employment benefits	335,086	202,591	(132,495)	-39.5%
Services	4,121,608	3,968,260	(153,348)	-3.7%
Fuel and lubrications	9,260,505	9,743,525	483,021	5.2%
Parts and supplies	16,459,034	16,088,619	(370,415)	-2.3%
Casualty and liability costs	(125,000)	(224,120)	(99,120)	79.3%
Utilities	306,427	497,967	191,540	62.5%
Leases and other expense	269,238	481,415	212,177	78.8%
Agency Fees	0	0	0	0.0%
Operating expense	**66,921,615**	**66,941,339**	**19,724**	**0.0%**
Facility Maintenance				
Wages & benefits without OPEB	5,234,144	6,012,170	778,026	14.9%
Other post-employment benefits	47,451	28,694	(18,757)	-39.5%
Services	3,709,008	3,953,000	243,992	6.6%
Fuel and lubrications	0	0	-	0.0%
Parts and supplies	1,546,844	1,526,650	(20,194)	-1.3%
Casualty and liability costs	0	0	-	0.0%
Utilities	2,552,844	2,510,800	(42,044)	-1.6%
Leases and other expense	61,875	65,500	3,625	5.9%
Agency Fees	0	0	0	0.0%
Operating expense	**13,152,166**	**14,096,814**	**944,648**	**7.2%**
Maintenance of Way				
Wages & benefits without OPEB	13,743,381	15,750,861	2,007,480	14.6%
Other post-employment benefits	145,353	88,036	(57,316)	-39.4%
Services	7,736,161	7,952,982	216,821	2.8%
Other Lubricants	0	0	0	0.0%
Parts and supplies	2,299,811	2,591,350	291,539	12.7%
Casualty and liability costs	0	0	0	0.0%
Utilities	4,858,936	5,221,913	362,977	7.5%
Leases and other expense	84,401	130,307	45,906	54.4%
Agency Fees	0	0	0	0.0%
Operating expense	**28,868,042**	**31,735,449**	**2,867,407**	**9.9%**

Transit Operations - Operating Expense by Department / Function

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Operations Training				
Wages & benefits without OPEB	1,810,605	2,068,957	258,352	14.3%
Other post-employment benefits	12,407	7,584	(4,823)	-38.9%
Services	64,231	60,000	(4,231)	-6.6%
Gasoline Consumed	0	0	-	0.0%
Parts and supplies	40,992	49,266	8,274	20.2%
Casualty and liability costs	0	0	-	0.0%
Utilities	2,000	2,000	-	0.0%
Leases and other expense	51,427	53,715	2,288	4.4%
Agency Fees	0	0	0	0.0%
Operating expense	**1,981,662**	**2,241,522**	**259,860**	**13.1%**
Planning & System Development				
Wages & benefits without OPEB	3,270,911	3,415,166	144,255	4.4%
Other post-employment benefits	33,481	20,353	(13,128)	-39.2%
Services	2,094,867	8,029,980	5,935,113	283.3%
Parts and supplies	354,853	333,050	(21,803)	-6.1%
Casualty and liability costs	0	0	-	0.0%
Utilities	6,066	6,000	(66)	-1.1%
Leases and other expense	30,792	44,110	13,318	43.3%
Agency Fees	0	0	0	0.0%
Operating expense	**5,790,970**	**11,848,659**	**6,057,689**	**104.6%**
ADA Services				
Wages & benefits without OPEB	167,430	176,981	9,551	5.7%
Other post-employment benefits	6,983	4,269	(2,715)	-38.9%
Services	791,327	800,320	8,993	1.1%
Parts and supplies	4,080	2,520	(1,560)	-38.2%
Casualty and liability costs	0	0	-	0.0%
Utilities	984	984	-	0.0%
Leases and other expense	37,908	26,415	(11,493)	-30.3%
Agency Fees	0	0	0	0.0%
Operating expense	**1,008,712**	**1,011,489**	**2,777**	**0.3%**
Operations Administration				
Wages & benefits without OPEB	479,308	738,467	259,159	54.1%
Other post-employment benefits	4,475	2,735	(1,740)	-38.9%
Services	550,000	550,000	-	0.0%
Parts and supplies	41,000	41,000	-	0.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	800	800	(0)	0.0%
Leases and other expense	17,600	17,600	-	0.0%
Agency Fees	0	0	0	0.0%
Operating expense	**1,093,183**	**1,350,602**	**257,419**	**23.5%**

Transit Operations - Operating Expense by Department / Function

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Transit Operations Total				
Wages & benefits without OPEB	161,567,201	160,751,660	(815,541)	-0.5%
Other post-employment benefits	1,540,728	931,282	(609,446)	-39.6%
Services	19,683,122	26,089,782	6,406,661	32.5%
Fuel and lubrications	9,260,505	9,743,525	483,021	5.2%
Parts and supplies	21,007,762	20,906,059	(101,703)	-0.5%
Casualty and liability costs	(125,000)	(224,120)	(99,120)	79.3%
Utilities	7,813,407	8,310,652	497,245	6.4%
Leases and other expense	757,407	1,071,191	313,784	41.4%
Agency fees	0	0	0	0.0%
Operating expense	**221,505,130**	**227,580,031**	**6,074,902**	**2.7%**

numbers may not sum due to rounding

Executive Transit Operations Administration

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Security				
Wages & benefits without OPEB	6,092,685	6,813,416	720,731	11.8%
Other post-employment benefits	52,104	31,849	(20,255)	-38.9%
Services	14,686,319	14,804,576	118,257	0.8%
Gasoline Consumed	0	0	-	0.0%
Parts and supplies	49,455	64,986	15,531	31.4%
Casualty and liability costs	0	0	-	0.0%
Utilities	24,175	11,985	(12,190)	-50.4%
Leases and other expense	83,136	39,314	(43,822)	-52.7%
Agency Fees	0	0	-	0.0%
Operating expense	**20,987,873**	**21,766,126**	**778,253**	**3.7%**
Drug & Alcohol				
Wages & benefits without OPEB	103,420	203,172	99,752	96.5%
Other post-employment benefits	1,936	1,183	(753)	-38.9%
Services	450,000	600,000	150,000	33.3%
Parts and supplies			-	0.0%
Casualty and liability costs			-	0.0%
Utilities	540	400	(140)	-25.9%
Leases and other expense	5,000	4,500	(500)	-10.0%
Agency Fees				0.0%
Operating expense	**560,896**	**809,255**	**248,359**	**44.3%**
Safety				
Wages & benefits without OPEB	889,291	1,081,102	191,811	21.6%
Other post-employment benefits	7,476	4,570	(2,906)	-38.9%
Services	331,000	350,000	19,000	5.7%
Parts and supplies	183,600	205,350	21,750	11.8%
Casualty and liability costs	0	0	0	0.0%
Utilities	30,660	35,660	5,000	16.3%
Leases and other expense	65,360	65,760	400	0.6%
Agency Fees	0	0	0	0.0%
Operating expense	**1,507,387**	**1,742,442**	**235,055**	**15.6%**
Emergency Preparedness				
Wages & benefits without OPEB	(102)	0	102	-100.0%
Other post-employment benefits	1,414	864	(550)	-38.9%
Services	0	0	-	0.0%
Parts and supplies	27,000	0	(27,000)	-100.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	700	0	(700)	-100.0%
Leases and other expense	6,000	0	(6,000)	-100.0%
Agency Fees	0	0	-	0.0%
Operating expense	**35,013**	**864**	**(34,148)**	**-97.5%**

Executive Transit Operations Administration

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Engineering & New Systems				
Wages & benefits without OPEB	1,426,901	1,571,178	144,277	10.1%
Other post-employment benefits	23,907	14,613	(9,294)	-38.9%
Services	4,290,858	4,090,000	(200,858)	-4.7%
Parts and supplies	33,150	30,972	(2,178)	-6.6%
Casualty and liability costs	0	0	-	0.0%
Utilities	5,400	5,400	-	0.0%
Leases and other expense	37,733	32,000	(5,733)	-15.2%
Agency Fees	0	0	-	0.0%
Operating expense	**5,817,949**	**5,744,163**	**(73,785)**	**-1.3%**
Executive Transit Operations Administration Totals				
Wages & benefits without OPEB	**8,512,195**	**9,668,868**	**1,156,674**	**13.6%**
Other post-employment benefits	**86,836**	**53,079**	**(33,757)**	**-38.9%**
Services	**19,758,177**	**19,844,576**	**86,399**	**0.4%**
Parts and supplies	**293,205**	**301,308**	**8,103**	**2.8%**
Casualty and liability costs	**0**	**0**	**-**	**0.0%**
Utilities	**61,475**	**53,445**	**(8,030)**	**-13.1%**
Leases and other expense	**197,229**	**141,574**	**(55,655)**	**-28.2%**
Agency Fees	**0**	**0**	**0**	**0.0%**
Operating expense	**28,909,117**	**30,062,851**	**1,153,734**	**4.0%**

numbers may not sum due to rounding

Executive Vice-President - Administration - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Procurement & Inventory Management				
Wages & benefits without OPEB	5,223,611	5,532,494	308,883	5.9%
Other post-employment benefits	52,520	31,917	(20,603)	-39.2%
Services	45,750	101,592	55,842	122.1%
Parts and supplies	333,272	772,910	439,638	131.9%
Casualty and liability costs	0	0	-	0.0%
Utilities	3,062	3,960	898	29.3%
Leases and other expense	62,481	52,530	(9,951)	-15.9%
Operating expense	**5,720,695**	**6,495,403**	**774,707**	**13.5%**
Workforce Diversity & EEO				
Wages & benefits without OPEB	207,383	217,823	10,440	5.0%
Other post-employment benefits	2,908	1,778	(1,131)	-38.9%
Services	25,750	36,000	10,250	39.8%
Fuel and lubrications	0	0	-	0.0%
Parts and supplies	14,239	12,400	(1,839)	-12.9%
Casualty and liability costs	0	0	-	0.0%
Utilities	1,650	1,680	30	1.8%
Leases and other expense	41,750	19,320	(22,430)	-53.7%
Operating expense	**293,681**	**289,001**	**(4,680)**	**-1.6%**
Information Technology				
Wages & benefits without OPEB	4,700,210	4,868,324	168,114	3.6%
Other post-employment benefits	53,651	32,775	(20,876)	-38.9%
Services	5,612,409	5,847,048	234,639	4.2%
Parts and supplies	89,300	88,800	(500)	-0.6%
Casualty and liability costs	170,000	246,000	76,000	44.7%
Utilities	303,820	349,820	46,000	15.1%
Leases and other expense	110,426	116,524	6,098	5.5%
Operating expense	**11,039,815**	**11,549,291**	**509,476**	**4.6%**
Executive VP Administration				
Wages & benefits without OPEB	665,854	713,324	47,470	7.1%
Other post-employment benefits	4,269	2,609	(1,659)	-38.9%
Services	54,000	66,000	12,000	22.2%
Parts and supplies	352,400	371,000	18,600	5.3%
Casualty and liability costs	0	0	-	0.0%
Utilities	1,000	1,000	-	0.0%
Leases and other expense	39,000	65,304	26,304	67.4%
Operating expense	**1,116,523**	**1,219,237**	**102,714**	**9.2%**

Executive Vice-President - Administration - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Executive Vice President - Totals				
Wages & benefits without OPEB	10,797,058	11,331,965	534,907	5.0%
Other post-employment benefits	113,347	69,079	(44,269)	-39.1%
Services	5,737,909	6,050,640	312,731	5.5%
Fuel & Lubrications	0	0	-	0.0%
Parts and supplies	789,211	1,245,110	455,899	57.8%
Casualty and liability costs	170,000	246,000	76,000	44.7%
Utilities	309,532	356,460	46,928	15.2%
Leases and other expense	253,657	253,678	21	0.0%
Operating expense	**18,170,713**	**19,552,931**	**1,382,218**	**7.6%**

numbers may not sum due to rounding

Marketing & Communications - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Arts in Transit				
Wages & benefits without OPEB	31,784	0	(31,784)	-100.0%
Other post-employment benefits	0	0	-	0.0%
Services	58,188	50,000	(8,188)	-14.1%
Parts and supplies	6,000	1,700	(4,300)	-71.7%
Casualty and liability costs	0	0	-	0.0%
Utilities	650	0	(650)	-100.0%
Leases and other expense	1,100	250	(850)	-77.3%
Operating expense	**97,722**	**51,950**	**(45,772)**	**-46.8%**
Gateway Card Center				
Wages & benefits without OPEB	391,026	512,108	121,082	31.0%
Other post-employment benefits	4,063	2,484	(1,579)	-38.9%
Services	121,648	120,000	(1,648)	-1.4%
Parts and supplies	600	600	-	0.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	600	600	-	0.0%
Leases and other expense	36,740	50,450	13,710	37.3%
Operating expense	**554,677**	**686,242**	**131,565**	**23.7%**
Marketing Management				
Wages & benefits without OPEB	1,500,899	1,721,253	220,354	14.7%
Other post-employment benefits	19,150	11,706	(7,445)	-38.9%
Services	1,146,345	1,112,602	(33,743)	-2.9%
Parts and supplies	215,195	204,300	(10,895)	-5.1%
Casualty and liability costs	0	0	-	0.0%
Utilities	9,000	4,850	(4,150)	-46.1%
Leases and other expense	728,060	717,833	(10,227)	-1.4%
Operating expense	**3,618,649**	**3,772,544**	**153,895**	**4.3%**
Marketing & Communications - Total				
Wages & benefits without OPEB	**1,923,709**	**2,233,361**	**309,652**	**16.1%**
Other post employment benefits	**23,213**	**14,189**	**(9,024)**	**-38.9%**
Services	**1,326,181**	**1,282,602**	**(43,579)**	**-3.3%**
Fuel and lubrications			**-**	**0.0%**
Parts and supplies	**221,795**	**206,600**	**(15,195)**	**-6.9%**
Casualty and liability costs	**0**	**0**	**-**	**0.0%**
Utilities	**10,250**	**5,450**	**(4,800)**	**-46.8%**
Leases and other expense	**765,900**	**768,533**	**2,633**	**0.3%**
Total operating expense	**4,271,048**	**4,510,735**	**239,687**	**5.6%**

numbers may not sum due to rounding

Executive Vice-President - Organizational Effectiveness - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Human Resources				
Wages & benefits without OPEB	2,178,343	2,341,263	162,920	7.5%
Other post-employment benefits	13,738	8,398	(5,341)	-38.9%
Services	721,352	839,176	117,824	16.3%
Parts and supplies	45,800	178,400	132,600	289.5%
Casualty and liability costs	0	0	-	0.0%
Utilities	8,400	11,000	2,600	31.0%
Leases and other expense	292,410	318,229	25,819	8.8%
Operating expense	**3,260,043**	**3,696,465**	**436,422**	**13.4%**
Pension & Retiree Benefits				
Wages & benefits without OPEB	7,684,580	7,784,880	100,300	1.3%
Other post-employment benefits	1,851	1,132	(720)	-38.9%
Services	170,948	98,780	(72,168)	-42.2%
Parts and supplies	100	100	-	0.0%
Casualty and liability costs	16,238	17,862	1,624	10.0%
Utilities	1,116	744	(372)	-33.3%
Leases and other expense	12,400	16,500	4,100	33.1%
Operating expense	**7,887,233**	**7,919,997**	**32,764**	**0.4%**
Risk Management				
Wages & benefits without OPEB	601,749	519,947	(81,802)	-13.6%
Other post-employment benefits	6,385	3,903	(2,482)	-38.9%
Services	115,000	62,500	(52,500)	-45.7%
Parts and supplies	8,700	5,050	(3,650)	-42.0%
Casualty and liability costs	8,900,550	8,188,000	(712,550)	-8.0%
Utilities	1,100	1,200	100	9.1%
Leases and other expense	6,350	10,700	4,350	68.5%
Operating expense	**9,639,834**	**8,791,300**	**(848,535)**	**-8.8%**
Labor Relations				
Wages & benefits without OPEB	390,476	281,373	(109,103)	-27.9%
Other post-employment benefits	3,545	2,167	(1,378)	-38.9%
Services	512,030	582,312	70,282	13.7%
Parts and supplies	5,700	2,858	(2,842)	-49.9%
Casualty and liability costs	0	0	-	0.0%
Utilities	2,100	0	(2,100)	-100.0%
Leases and other expense	14,550	0	(14,550)	-100.0%
Operating expense	**928,401**	**868,710**	**(59,691)**	**-6.4%**

Executive Vice-President - Organizational Effectiveness - Operating Expense				
	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Culture & Change Management				
Wages & benefits without OPEB		177,773	177,773	0.0%
Other post-employment benefits		0	-	0.0%
Services		60,000	60,000	0.0%
Parts and supplies		6,000	6,000	0.0%
Casualty and liability costs			-	0.0%
Utilities			-	0.0%
Leases and other expense		122,100	122,100	0.0%
Operating expense	**0**	**365,873**	**365,873**	**0.0%**
Training management Development				
Wages & benefits without OPEB		0	-	0.0%
Other post-employment benefits		0	-	0.0%
Services		59,907	59,907	0.0%
Parts and supplies		0	-	0.0%
Casualty and liability costs		0	-	0.0%
Utilities		0	-	0.0%
Leases and other expense		1,685,801	1,685,801	0.0%
Operating expense	**0**	**1,745,708**	**1,745,708**	**0.0%**
Executive VP Organizational Effectiveness				
Wages & benefits without OPEB	341,082	168,398	(172,684)	-50.6%
Other post-employment benefits	1,382	845	(537)	-38.9%
Services	78,000	538,638	460,638	590.6%
Parts and supplies	2,100	1,600	(500)	-23.8%
Casualty and liability costs	0	0	-	0.0%
Utilities	0	0	-	0.0%
Leases and other expense	36,000	278,659	242,659	674.1%
Operating expense	**458,564**	**988,140**	**529,576**	**115.5%**
Executive Vice President - Totals				
Wages & benefits without OPEB	**11,196,230**	**11,273,634**	77,403	**0.7%**
Other post employment benefits	**26,902**	**16,444**	(10,458)	**-38.9%**
Services	**1,597,330**	**2,241,313**	643,983	**40.3%**
Parts and supplies	**62,400**	**194,008**	131,608	**210.9%**
Casualty and liability costs	**8,916,788**	**8,205,862**	(710,926)	**-8.0%**
Utilities	**12,716**	**12,944**	228	**1.8%**
Leases and other expense	**361,710**	**2,431,989**	2,070,279	**572.4%**
Operating expense	**22,174,076**	**24,376,193**	**2,202,117**	**9.9%**

numbers may not sum due to rounding

Real Estate & Meridian - Operating Expense

	Budget 2023	Budget 2024	Bdgt vs Proj $ Change	Bdgt vs Proj % Change
Real Estate & Meridian				
Wages & benefits without OPEB	244,556	259,375	14,819	6.1%
Other post-employment benefits	3,077	1,881	(1,196)	-38.9%
Services	448,702	626,755	178,053	39.7%
Fuel and lubrications	0	0	-	0.0%
Parts and supplies	9,277	9,277	(0)	0.0%
Casualty and liability costs	36,434	46,432	9,998	27.4%
Utilities	95,396	85,634	(9,761)	-10.2%
Leases and other expense	1,739,145	1,557,278	(181,867)	-10.5%
Agency Fees	0	0	0	0.0%
Total operating expense	**2,576,587**	**2,586,632**	**10,045**	**0.4%**

numbers may not sum due to rounding

Finance - Operating Expense

	Budget 2023	Budget 2024	$ Change	% Change
Finance				
Wages & benefits without OPEB	8,842,872	399,583	(8,443,289)	-95.5%
Other post-employment benefits	1,835,967	134,053	(1,701,914)	-92.7%
Services	(2,521,752)	559,200	3,080,952	-122.2%
Fuel and lubrications	44,401	44,400	(1)	0.0%
Parts and supplies	986,729	1,376,945	390,216	39.5%
Casualty and liability costs	-		-	0.0%
Utilities	5,696	5,005	(691)	-12.1%
Leases and other expense	4,168,919	3,905,192	(263,727)	-6.3%
Total operating expense	**13,362,831**	**6,424,378**	**(6,938,453)**	**-51.9%**

numbers may not sum due to rounding

METRO TRANSIT ORGANIZATIONAL UNITS

BU220002

Metro Transit

Operational overview:

Transit Operations manages three modes of public transportation in the St. Louis metropolitan area and associated support functions including the following:

Operations Administration provides overall management of the Metro transit operations functions.

MetroBus includes MetroBus activities related to bus operations management, bus operators and operator training.

MetroLink includes MetroLink activities related to light rail operations management, light rail operators and operator training.

Call-A-Ride includes all Call-A-Ride activities related to paratransit operations management, van operators, operator training, passenger scheduling, and paratransit programs.

Vehicle Maintenance is responsible for Metro's fleet management and transit asset management programs maintenance and cleaning of 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. Responsibilities of Metro Bus' Maintenance of Way include transfer centers, shelters, loops, and bus stops.

Facilities Maintenance is responsible for maintaining and cleaning the DeBaliviere, Brentwood, and Illinois bus operations facilities, paratransit facility and passenger transit centers.

Maintenance of Way is responsible for the inspection, maintenance, and repair of assets along the MetroLink routes. 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.

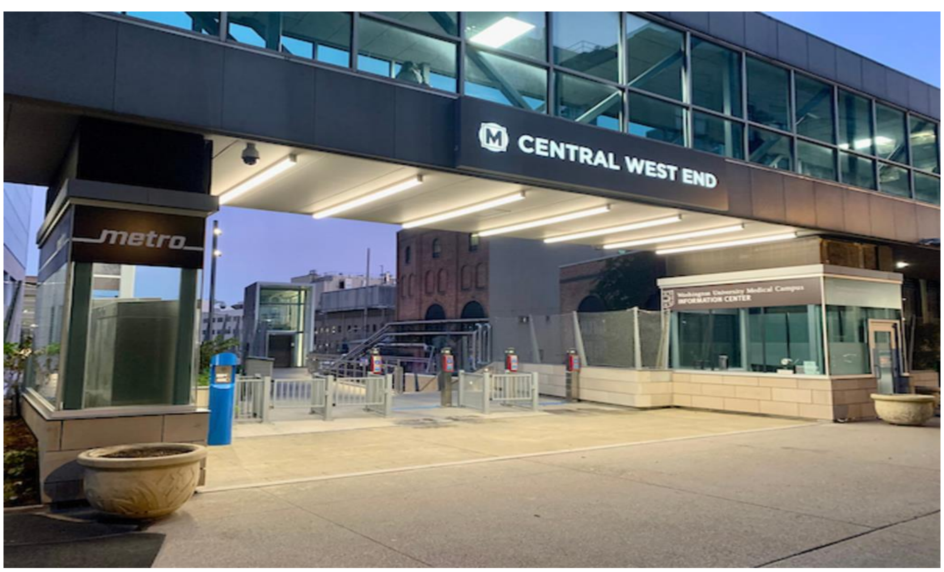
Public Safety is responsible for the safeguarding of Bi-State Development's customers, personnel, and property as well as fare enforcement. Bi-State Development utilizes certain employees, jurisdictional police officers, outside security service guards, and undercover police officers.

Planning & System Development designs fixed route service plans and other efficient and attractive mobility solutions across Metro Transit's service area, including MetroBus, MetroLink, and since FY 2020, microtransit solutions. These service plans are based on detailed analysis of operating schedules, service productivity, and other research regarding opportunities and trends in mobility. Metro's Customer Service Team communicates Metro's service options, provides trip planning assistance to customers, and supports the customer through engaging conversations across multiple media.

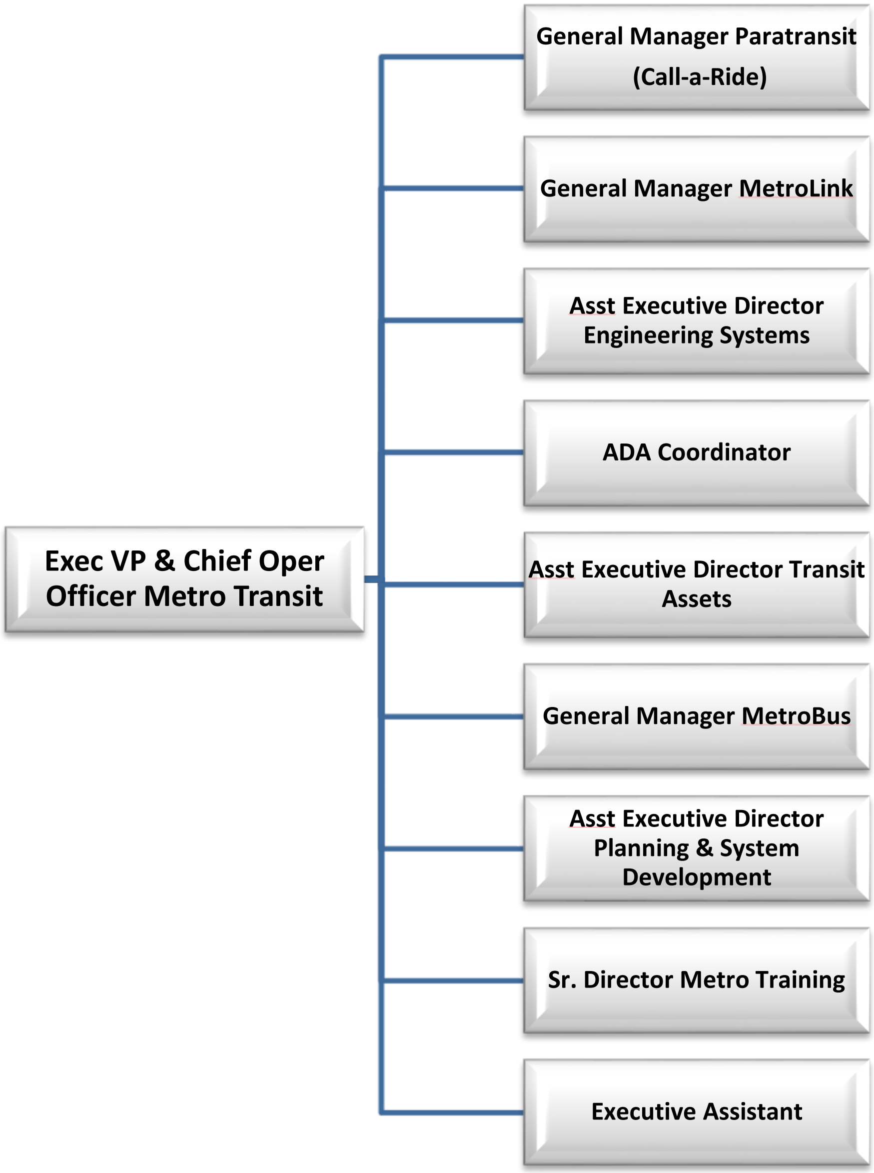
ADA Services administers and oversees compliance with transportation provisions of the Americans with Disabilities Act. The group administers and coordinates the ADA activities related to Metro's services and facilities. This includes certification of customers as eligible for ADA complementary paratransit 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.

Engineering designs, engineers, and constructs capital projects for the rail and bus systems. The Capital Projects Department manages the design and construction of projects that repair, upgrade or expand the MetroBus and MetroLink facilities. Capital projects are typically funded from federal grants. The Project Control Department tracks and monitors project schedules and budgets and provides quality assurance. All project documents are maintained within this department.

In 2022 Transit received an Excellence in Architecture Award from the American Institute of Architects (AIA) Central States Excellence in Design Program for the Central West End MetroLink Station.



Organization:



Performance Indicators – Metro Transit

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 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Bus Transportation:				
On-time performance	91.0%	88.6%	91.0%	88.4%
Accidents per 100,000 vehicle miles	2.3	2.6	2.3	1.2
Passenger injuries per 100,000 boardings	1.3	0.4	1.3	1.0
Rail Transportation:				
On-time performance	98.0%	98.1%	98.0%	97.8%
Accidents per 100,000 vehicle miles	0.1	0.0	0.1	0.0
Passenger injuries per 100,000 boardings	0.5	0.3	0.5	.18
Paratransit Transportation:				
On-time performance	93.0%	92.9%	93.0%	92.4%
Accidents per 100,000 vehicle miles	1.5	9.3	1.5	.68
Passenger injuries per 100,000 boardings	5.0	2.9	5.0	6.6
Vehicle Maintenance:				
Average revenue miles between incidents:				
MetroBus roadcalls	26,000	21,777	24,066	19,984
MetroLink failures	33,000	25,663	23,307	27,821
Call-A-Ride roadcalls	40,000	18,697	17,861	17,894
Maintenance of Way (MOW):				
MOW system reliability (on-time performance)	98.5%	98.5%	98.5%	98.5%
Elevator and escalator availability	98.0%	98.0%	98.0%	98.0%
On-time performance of equipment inspections	97.5%	95.0%	97.5%	97.5%
ADA Services:				
Percent of incoming calls answered	95.0%	96.4%	95.0%	95.0%
Labor Relations:				
Employee/retiree outreach:				
Education events	30	30	30	30
Communications	6	6	6	6
Engineering:				
Permits and agreements secured as required	100%	100%	100%	100%
Managed according to policy and procedure	100%	100%	100%	100%
Monitor compliance to policy	100%	100%	100%	100%
Projects completed within budget	100%	100%	100%	100%
Projected completed on time	90%	85%	90%	90%

Bi-State Development

Administration Division

Organizational overview:

The Administration Division oversees and manages the following administrative functional areas: Administrative Services, Equal Employment Opportunity (EEO), Information Technology, and Procurement, Inventory Management and Supplier Diversity.

Information Technology and Procurement are covered in their own sections in this document.

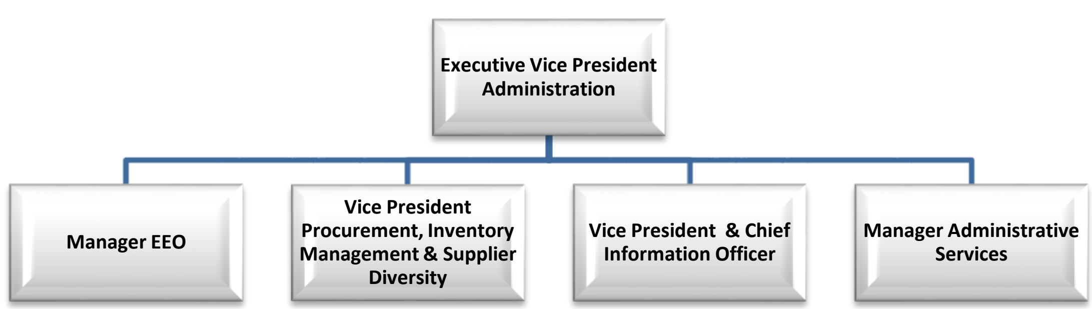
Administrative Services is responsible for providing corporate security, mail delivery, office management, and printing services for the agency.

Equal Employment Opportunity (EEO) is responsible for the ongoing development and implementation, administration, monitoring and ensuring compliance with employment laws. At all times, Bi-State Development provides equal employment opportunity to all persons, and BSD will not discriminate on the basis of race, color, creed, religion, national origin, sex, age, disability, genetic information, veteran status, sexual orientation, gender identity and any other protected class under federal, state and local laws. Bi-State Development implements its commitment to equal employment opportunity and diversity in all of its employment practices, including but not limited to: recruitment, hiring, promotions, discipline, transfers, compensation/rates of pay, training, benefits, terminations and other terms and conditions of employment.

Information Technology is responsible for providing efficient, reliable, cost-effective and secure technology services and dedicated support to all technology users throughout Bi-State Development

Procurement, Inventory Management and Supplier Diversity is responsible for delivering on a timely basis the best value product or service, while maintaining the public's trust and fulfilling public policy goals.

Organization:



Objectives and Strategies Action Plan: Information Technology

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document, which include improving the perception of system safety and the image of the Agency. Information Technology priorities are listed below:

Objective:	**Improve the effectiveness of safety related systems and procedures for Metro Transit.**

Strategy:

- Promote and support technology, process, and infrastructure improvements that allow deployment of systems and equipment that promote safety and public safety initiatives.
- Work with the Public Safety and Operations teams to identify key initiatives. Work together on prioritization and crafting of desired schedules.
- Share information on new technology or approaches that may enhance capabilities and results. Ensure that technology resources and needs are available to meet or exceed agreed on schedules. Assist with reporting of metrics and measures that assist in progressing employee, partner, and customer safety.

Performance Measurement:

- Key needs identified and technology resources are effectively deployed, maintained and operating to support the Agency-wide safety and security initiatives that support the provision of safe services.
- Positive trends on key measures that assess employee and customer perception of safety and security.

Objective:	**Improve the image of Bi-State Development by promoting technology solutions that improve our capabilities and effectiveness as an employer, partner, and supplier of services.**

Strategy:

- Work with our business partners to identify areas where improvements would be most impactful. Together, evaluate the value to the organization and potential impact for employees, partners, and customers.
- Ensure that technology resources are available to meet or exceed agreed on schedules. Ensure stakeholders are included and informed on technology related efforts.
- Continue to upgrade our technology security plans, network design, and infrastructure to ensure we are meeting all relevant security standards and keeping our network and data secure.

Performance Measurement:

- Improvement in public image of BSD to our customers, business partners and stakeholders.
- Appropriate technology solutions are in place and effectively used.
- Successful deployment of technology solutions and infrastructure that improves our network and data security posture.

Objective: Create operational efficiencies by eliminating redundant or outdated processes and procedures.

Strategy:

- Evaluate IT processes and assess them for effectiveness. Evaluate processes and procedures with our business partners. Look for cost reduction opportunities and internal process improvements. Promote changes that can improve efficiency and value. When approved, assist with implementation of changes.
- Review and right size our software licensing and maintenance costs using periodic assessment, evaluation of alternatives, and long term contracts when that makes sense.
- Ensure that we get competitive pricing on all new hardware and software purchases. When feasible, buy licenses or hardware in larger quantities to attain best discounts.

Performance Measurement:

- The cost of information technology related operations becomes more efficient.

Objectives and Strategies Action Plan: Procurement

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Procurement priorities:

Objective: Maximize current in-house automated technology capabilities to most efficiently complete the procure-to-pay process and ensure correct inventory counts.

Strategy:

- Implement the order acknowledgement process to streamline order processing and allow for vendor rating.
- Implement Level 3 reporting for high volume Pro-card business suppliers. The higher visibility increases the potential for negotiating agreements.
- Improve the MRP process within Materials Management in order to improve analysis and accuracy of inventories and streamline the process.
- Remove the requirement for a 10% retention on construction projects which makes it easier for DBE's and Primes to compete.

Performance Measurement:

- Technological functions create more efficient process that allow for more accurate and timely inventory level analysis as well as improved service levels thereby reducing stock outs. Payments to suppliers without retention speeds the process, reduces administrative efforts and allows for timely payment to DBE's. More detail in regards to what is being purchased on Pro-cards allows for spend analysis and contracting opportunities.

Objective: Improved staff skillset through training improves image of the Agency.

Strategy:

- Focus staff training to advance in-house technological expertise; thereby creating a skillset that will utilize financial system capacity to better support all financial activities.

Performance Measurement:

- Staff is well trained. Relationships with vendors improve as professionalism increases.

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 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Inventory Management:				
Accuracy of bus parts inventory	98.0%	98.0%	98.0%	98.07
Accuracy of rail parts inventory	98.0%	97.0%	98.0%	96.25
Bus parts inventory turnover	3.00	1.85	3.00	2.29
Rail parts inventory turnover	2.00	.88	2.00	1.03
Procurement:				
Percent of purchases competitively sourced	90.0%	90.0%	90.0%	90.0%

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 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Information Technology:				
System uptime	98.8%	99.0%	98.8%	99.4%
Information Technology % personnel turnover	<12%	16.7%	<9%	3.3%
Office Services:				
In-house professional print jobs	>120	125	>120	112

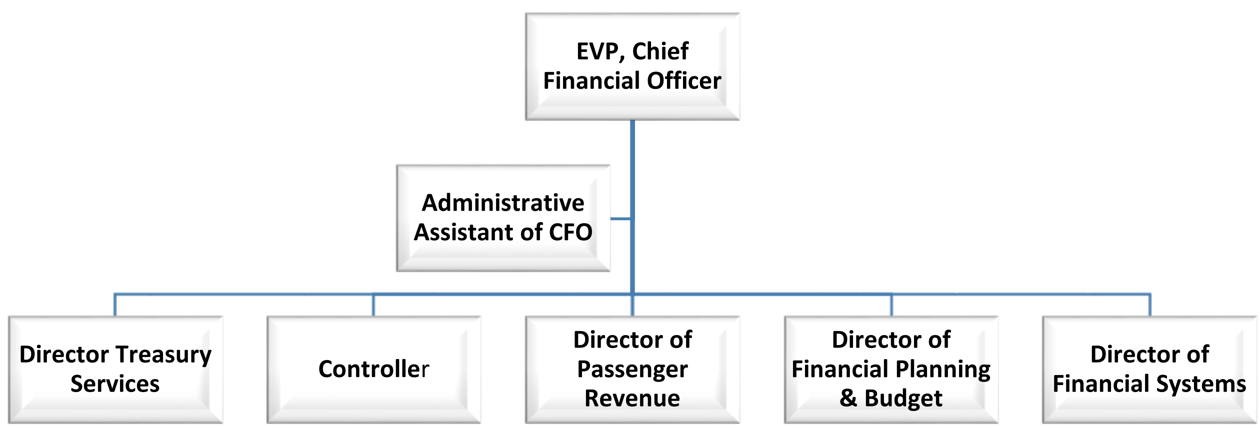
Bi-State Development

Finance Division

Organizational overview:

Finance Division is a diverse operation under the direction of the Chief Financial Officer. Finance is responsible for customary functions such as Treasury, Program Development and Grants, Accounting, Payroll, Accounts Receivable, Accounts Payable and Budgeting. Finance is also responsible for passenger revenue collection, passenger ticket sales and revenue equipment maintenance.

Organization:



Objectives and Strategies Action Plan:

The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Finance priorities:

Objective: Maximize current in-house automated technology capabilities to most efficiently complete accounting and budget functions.

Strategy:

- Focus staff training to advance in-house technological expertise; thereby creating a skillset that will utilize financial system capacity to better support all financial activities.
- Network with other Oracle and Tagetik clients within the public transportation industry or government to understand how they are using these systems to streamline and improve all financial functions including monthly, quarterly and year-end closing and budget activities.

Performance Measurement:

- Staff is well trained. Financial functions become more efficient and department staff find technological advancement that will shorten the time it takes to complete monthly, quarterly and year-end close.

Objective: Evaluate reporting requirements, business units and departmental functions for redundant and unnecessary activities.

Strategy:

- Perform an inventory of all reporting requirements provided from the Finance Division.
- Research the effectiveness of its content and frequency of its distribution.
- Determine if duplicate financial functions are performed elsewhere within BSD.
- Analyze the cost of duplicate functions and the economy of scale by centralizing these functions.
- Identify processes and procedures that have not been evaluated and documented in the prior 5 years.
- Complete a work flow and evaluation of these processes and procedures to better evaluate enhancement opportunities.

Performance Measurement:

- Streamlined Agency better utilizing manpower, technology and time

Objective: Create a succession plan for Finance.

Strategy:

- Work with Human Resources and Organizational Effectiveness to create a successful long-term succession plan for the Finance Division.

- Develop and implement an on boarding plan for all Finance staff which includes job specific and division specific knowledge.
- Cross train staff as well as develop staff skillset for future promotion opportunities.

Performance Measurement:

- Department is more prepared to transition through periods of staff turnover preventing loss of historical knowledge, loss of efficiency and increased cost of inefficiency.

Objective: Develop training materials and train all agency staff how to read and understand basic financial reporting tools.

Strategy:

- Develop the training materials.
- Work with Human Resources and Organizational Effectiveness to create a training plan.
- Schedule and deliver training sessions.

Performance Measurement:

- Workforce that is better trained to understand the financial position of the Agency and their individual departments and divisions.

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 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Treasury:				
Treasury Module closed within one working day after month end	100%	100%	100%	100%
All EFTs timely made without errors	100%	100%	100%	100%
Positive pay issue files transmitted in a timely manner	100%	100%	100%	100%
Monthly Treasurer's Report completed before Board deadline	100%	100%	100%	100%
	FY 2024	**FY 2023**		**FY 2022**
	Target	**Projection**	**Target**	**Actual**
Passenger Revenue:				
Percent of TVM refund claims processed within three days of receipt	100%	99%	100%	99%

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%	99%	100%	99%
Percent of working fund balances reconciled with general ledger	100%	100%	100%	100%
Number of farebox revenue audits performed	12	12	12	12

	FY 2024	FY 2023		FY 2022
	Target	**Projection**	**Target**	**Actual**
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%

	FY 2024	FY 2023		FY 2022
	Target	**Projection**	**Target**	**Actual**
Controller's Group:				
GFOA Certificates of Achievement:				
Comprehensive Annual Financial Report	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%	92.0%
Percent of supplier records to be maintained in supplier master file	100%	99%	100%	99%
Payroll errors as a percent of paychecks	<1%	<1%	<1%	<1%
Percent of employees using direct deposit	99.99%	99.99%	99.99%	99.99%

Bi-State Development

Organizational Effectiveness Division

Organizational overview:

The Organizational Effectiveness Division oversees and manages the following administrative functional areas: Human Resources, Benefits, Risk and Absence Management, Workforce Diversity/EEO and Labor Relations.

Talent Management provides services in the area of talent acquisition, compensation, training, development, and employee relations. The Talent Management Division also provides coaching and consulting in the areas of organizational development and effectiveness. The division endeavors to provide these services and the pursuit of excellence in all employee-oriented programs, while influencing positive management-workforce relationships.

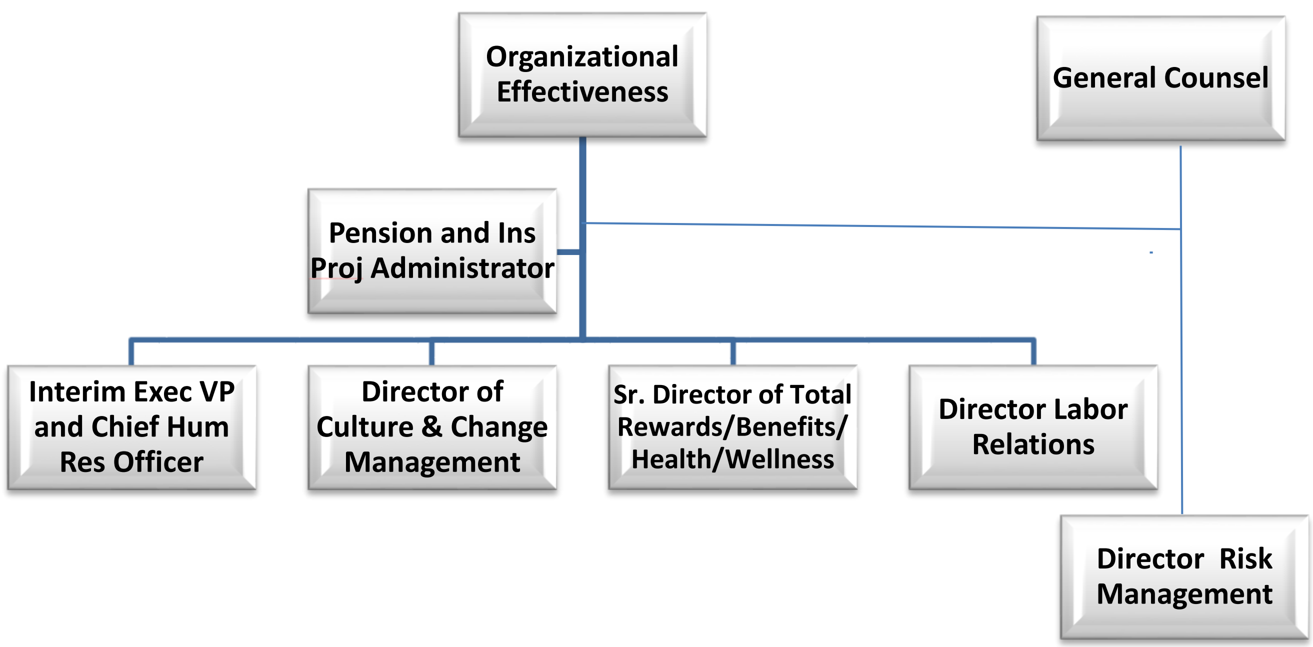
Employee Benefits Department is responsible for health, welfare and retirement programs that support the physical, mental and financial well-being of employees, retirees and their dependents. The department advocates for a range of benefits including a self-funded medical, prescription drug and dental plan; Medicare retiree replacement options and Health Reimbursement Account (HRA) subsidies; Employee assistance plan / behavioral health; vision, health and dependent care, flexible spending accounts; basic and supplemental / dependent life insurance; Accidental Death and Dismemberment (AD&D) insurance; short and long term disability protection; management and technical support for three Defined Benefit (DB) pension plans, and a 401(k) Program.

Risk and Absence Management is responsible for BSD self-insurance and insurance programs as well as the administration of workers' compensation, property and auto liability claims. The department administers federal drug and alcohol programs including random testing and is responsible for the monitoring and management of employee absences.

Labor Relations is responsible for administering all collective bargaining agreements with the various bargaining units; whereby negotiating labor contracts, managing grievance processes, and maintaining data unique to union personnel. The Department also functions in both an advisor and confidant to Metro Transit leaders in the execution of their responsibilities in a manner consistent with those collective bargaining agreements, the agency policies, and applicable laws.

Self-Insurance Funds (SIF) have been established to bring greater visibility and transparency to self-funded health insurance programs, self-funded casualty claims and workers compensation costs. The Health SIF accounts for health plan related expenses such as medical, prescription drug and dental claims along with internal and external service expenses. The Casualty SIF accounts for claims, personal costs, external services and insurance premiums. The Workers Compensation SIF accounts for claims, insurance premiums and other claims related expenses

Organization:



Objectives and Strategies Action Plan: Organizational Effectiveness Division
Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Organizational Effectiveness priorities:

Objective:	**Organization/Department (Culture)/Leadership. Oversee and manage the following functional areas: Benefits, Labor Relations, Risk and Absence Management and Talent Management (Human Resources).**

Strategy:

- Provide talent management services in the pursuit of excellence in all employee-oriented programs, while influencing positive management workforce relationships.
- Provide health, welfare and retirement programs that support the physical, mental and financial well-being of employees, retirees and their dependents.
- Identify and implement solutions to minimize and mitigate risks to protect BSD employees, customers, partners and assets.
- Research, develop and implement policies and procedures to minimize absenteeism.
- Build a diverse and high performing workforce while ensuring compliance with FTA Circular UMTA 4704.1A (Equal Employment Opportunity Guidelines) as well as all applicable laws, regulations and BSD policies and procedures.
- Negotiate and administer labor contracts, manage grievances and maintain data unique to union personnel.
- Administer and report on the BSD Health, Casualty, and Workers Compensation Self-insured Funds.

Performance Measurement:

- Timely, effective and efficient delivery of employee related services. Positive employee morale and relationships.

Objective:	**Compliance (Governance): Ensure compliance with Federal and State laws and regulations and Agency policies and procedures. Manage risks on non-compliance.**

Strategy:

- Improve reporting and transparency.
- Review and ensure proper controls are in place and are being followed.

- Educate and train on their responsibilities under compliance laws, policies and procedures.

Performance Measurement:

- Agency is in compliance with all Federal and State laws and regulations.

Objective:	**Enhance Community Engagement: Align services with the needs and priorities of our customers in the community. Support all Agency customer initiatives that enhance our employee, retiree and dependent community as well as talent recruitment, retention and reward initiatives.**

Strategy:

- Support all transit and company-wide initiatives.
- Serve on boards and participate in community based organization activities that enhance Metro's visibility and supports increased knowledge, builds skills and allows for networking that improves internal performance in role.
- Promote visibility of Metro.
- Create Operational Efficiencies (eliminate redundant or outdated processes & procedures)

Performance Measurement:

- Improved relationships with external organizations and public image.

Objective:	**Leadership (People) Development. Build and nurture a diverse and high-performing workforce. Increase utilization of Talent Management System including creating individual development plans, conducting regular one-on-one meetings and completing performance appraisal process by all deadlines as outlined**.

Strategy:

- Explore, analyze and implement cost efficiencies such as contract reviews, travel/training expenditures, staff analysis/consolidation and streamline core business practices to manage costs and reach financial stability.
- Prepare budget per published timeline.
- Conduct monthly reviews and analysis of cost center, budget and financial reports to manage costs.
- Evaluate and analyze all open positions (determine the need for new hires etc.) prior to filling positions.

Performance Measurement:

- Highly trained workforce delivering excellent service.

Objective:	**Practice Sound Fiscal Stewardship: Practice a high standard of fiscal responsibility, be transparent about budget decisions and investments and prioritize resources. Close budget gap. Review expenses and cost center budgets, and ensure cost effective use of resources to project no growth for FY24 budget from FY23.**

Strategy:

- Explore, analyze and implement cost efficiencies such as contract reviews, travel/training expenditures, staff analysis/consolidation and streamline core business practices to manage costs and reach financial stability.
- Prepare budget per published timeline.
- Conduct monthly reviews and analysis of cost center, budget and financial reports to manage costs.
- Evaluate and analyze all open positions (determine the need for new hires etc.) prior to filling positions.

Performance Measurement:

- Highly efficient use of budget dollars.

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.

Marketing and Communications

Organizational overview:

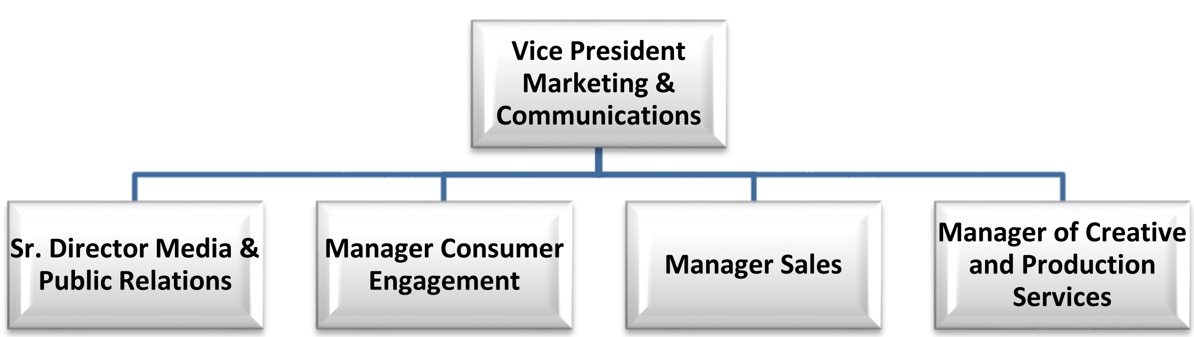
Marketing and Communications is responsible for developing and executing strategic and tactical marketing, sales, community outreach and public relations plans for Bi-State Development and its enterprises to advance understanding of and support for BSD's role in driving economic activity in the region.

Marketing develops and implements marketing, sales and graphic communication strategies and programs to support BSD and all its business units. Marketing is responsible for consumer engagement and consumer insights (a research component) to improve adoption of Metro's mobility services. In addition, Marketing operates MetroStore, BSD's "owned and operated" consignment pass sales location positioned at 8th & Pine to service regular transit users as well as tourism and corporate sales for transit.

Communications is responsible for the development and implementation of BSD messaging, programs, activities, materials, presentations and media relations designed to enhance public employee awareness, understanding and support for BSD's policies, plans, services and initiatives.

Consumer Engagement is influential in elevating public perception and adoption of Metro Transit services. The team executes marketing strategies that engage key consumer (Metro Transit) audiences. Strategies work to grow customer base(s) through programs that target consumer education and improving public adoption of existing / new products, services, and improved transit ridership while building advocacy.

Organization:



Goals and Objectives Action Plan: Marketing and Communication

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Marketing priorities:

Objective:	Improve reputation and perception of safety and security on Metro Transit through driven marketing communications and engagement tactics; consistent messaging, highlight actionable and tangible progress.

Strategy:

- Development of an online public safety dashboard that serves as a central location for all messaging, information and digital material.

Performance Measurement:

- Dashboard complete.
- Research tools or methods designed to provide timely, data-based, actionable insights throughout FY22.
- Measure results of perceived transit environment/customer safety and security with research tools.

Objective:	Increase the amount of positive earned media.

Strategy:

- Assist the internal external adoption of our new safety and security message.
- Create opportunities for "constant communications" with media and partners by soliciting placement of Metro content.
- Build stronger relationships with regional media outlets and partnering organizations to effectively manage communications; and timely responses.
- Plan and execute engagement opportunities that stretch across Metro functions (i.e. Operations & Public Safety) and key rider groups (extra focus on Millennials and Generation Z) as well as stakeholders.

Performance Measurement:

- Number of "wins" for the organization through correcting erroneous news reports with accurate information increases.

Objective:	**Drive and develop new content strategies that promote Metro Transit ridership. Maximize engagement with current and new riders highlighting new transit services and initiatives.**

Strategy:

- Create engaging messaging, by creation of collateral for multiple audiences (riders, general public, elected officials, regional stakeholders, and media) and progress media platforms (digital; print collateral; on-system signage; social media).
- Include ongoing consumer facing promotions that encourage new riders to try the system while also incentivizing existing riders to ride more frequently. Increased digital strategies coupled with consumer engagement and communications plans will promote use of the system.
- Develop and/or strengthen partnerships with organizations that can leverage transit awareness into increased ridership (ex: advisory group) Manage new tech rollouts from internal and external perspectives so outcome is more trust in our system.
- Improve MetroBus wayfinding (bus stop signage) project.
- Concentrate efforts on increasing transit usage of existing pass customers (employers and students).

Performance Measurement:

- Build metrics to determine impact of engagement efforts and increased ridership
- Create a wayfinding system that is user friendly and instills confidence in Metro, thus building ridership
- Provide measurements related to customer / public perception of safety, culture development and code of conduct awareness (Consumer Insights -research).
- Ridership increases.

Objective:	**Improve internal communications to improve stakeholder engagement through broad support for St. Louis Regional Freightway, St. Louis Downtown Airport, Gateway Arch, Riverboats at the Gateway Arch.**

Strategy:

- Build strong relationships with regional media outlets and partner organizations to effectively manage communications; timely responses and updates while creating opportunities for “constant positive media stories” with media and partners by soliciting placement of BSD enterprise content.

Performance Measurement:

- Creation of regional partnerships that provide all-inclusive experiences and pricing, across BSD brands that bring customers to tourism & regional events / activities via public transit.
- Improved attendance and ridership.

Performance Indicators – Marketing and Communications Division

Progress in meeting the goals and objectives are measured through performance indicators. The following is a list of the performance indicators for Marketing and Communications:

	FY 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Develop and execute strategic and tactical marketing and sales plans that meet business targets for transit				
• Advertising Revenue	$1.7M	$1.9M	$1.7M	$1.7M
• MetroStore Concession Sales	$0.6M	$0.7K	$0.5M	$.06M
• U-Pass Sales	$3.8M	$3.5M	$2.8M	$3.2M

METRO TRANSIT IMPROVEMENT PLAN

METRO TRANSIT IMPROVEMENT PLAN

BU220002

Transit Improvement Plan Assumptions

The three-year Transit Improvement Plan reflects known factors to estimate the financial position for BSD through 2026. The three federal legislative acts that provided BSD with $363.5 million will assist with any shortfalls for passenger revenue and sales tax over the next few years. A slow return to ridership and passenger revenue is expected as a result of the pandemic. A strategic plan focused on safety and security, customer service, fiscal responsibility, and an improved company culture will improve the future of the organization. The Secure Platform project and the next generation fare collection project will also improve safety and collection of fares in the years to come.

Operating Revenue

Passenger revenue for FY 2024 - FY 2026 is projected to slowly increase over the next two years.

Paratransit contract revenues are associated with Call-A-Ride operations. A 1% increase is projected.

Other operating revenue consists of advertising on revenue vehicles, shelters and Metro Link stations, property rental, contracted maintenance for St. Clair ATS service, concessions, and miscellaneous other. For FY 2025 - FY 2026 other operating revenues are expected to rise slightly.

Operating Expense

Operating expenses adjusted for newly budgeted projects expected to generate new revenue or funded by grants are projected to remain relatively flat for FY 2024 and be strictly managed to grow modestly towards FY 2026. For FY 2025 - FY 2026 inflationary growth is estimated to be about 1.5%. This represents normal inflationary pressure on wages and benefits, parts, services, insurance, and utilities.

Grants, Sales Tax, and Contractual Revenue

Sales tax receipts remain the vehicle of choice for funding public transportation in the St. Louis region. The importance of public transportation to the St. Louis metropolitan region has been recognized since 1973 with the passage of a ½ cent sales tax in both St. Louis County and City. To introduce light rail to the region and provide for further expansion a ¼ cent sales tax was passed in both St. Louis County and City in 1994. In 1997, the City of St. Louis passed an additional ¼ cent sales tax contingent upon a reciprocal tax in St. Louis County. In 2010, St. Louis County residents passed an additional ½ cent sales tax which allowed collection of both the 2010 ½ cent tax in the County and the 1997 ¼ cent sales tax within the City.

Each year, BSD requests an appropriation sufficient to fund capital improvement and replacements, debt service, and operational costs in excess of passenger revenue. Sales tax revenues are not growing at the rate of inflation. Projected annual growth in sales taxes between FY 2025 - FY 2026 is budgeted to increase 2.5% for St. Louis City and County.

State of Missouri revenue for FY 2025 - FY 2026 is expected to increase and the East-West Gateway Council of Governments reimbursement will remain level over both years.

St. Clair County revenue for FY 2024 budget year will be $900 thousand more than the prior year. Illinois MetroBus is evaluating the current and longer term service levels for fixed route bus service. This projection assumes continuation of this additional service and keeps MetroLink service at current levels. St. Clair County Transit District contracts for and pays 100% of the fully allocated cost of service provided to them by BSD. Resources received by St. Clair Transit District to fund public transportation in their District include a 1981 ¼ cent sales tax, a 1993 ½ cent sales tax and Downstate Illinois Department of Transportation Funding. BSD is committed to control expenses and projects. St. Clair County is currently working to expand the MetroLink to MidAmerica St. Louis Airport.

Federal vehicle maintenance (Federal Formula Funds) is budgeted at $16 million for the period FY 2025 - FY 2026. Using these funds for operations may result in transit deferring capital spending in future years.

Other non-capital projects represents projects that are eligible to be funded with Federal monies but are technically an operating cost per United States Generally Accepted Accounting Principles. An example would be rail maintenance grinding which is a repair but costs millions of dollars. Between FY 2024 - FY 2026 BSD anticipates spending between $4-5 million annually on these type of projects. Federal assistance provides an average of 80% to full funding for these projects.

Non-Operating Revenue (Expense)

Investment income is dependent on the series of rate increases by the Federal Reserve. This line item also includes the revenue portion of the capital lease program which increases annually. Lease interest revenue offsets lease interest expense related to this program.

Interest expenses increase overall because of the Capital lease program. The interest expense portion of the capital lease program grows annually. The capital lease expense is equally offset by capital lease interest revenue which is in investment income. Annual principal payments on bond debt reduce the amount of interest expense related to bond debt annually.

Deficit before Depreciation

Net deficits projected for FY 2024 are non-cash and represent annual unfunded GASB 45 and 68 reporting requirements related to items as OPEB obligations, pension, and amortization of discounts/premiums on debt. FY 2024 – FY 2026 benefit from additional Federal funding from 3 legislative acts resultant from the COVID pandemic. FY 2025 - FY 2026 may differ from these projections due to adverse economic conditions and 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
(in thousands)

	FY 2024 Budget	FY 2025 Projection	FY 2025 Change	FY 2026 Projection	FY 2026 Change
Operating Revenue:					
Passenger Revenue	$ 22,067	$ 22,619	2.5%	$ 23,184	2.5%
Paratransit Contract	1,375	1,388	0.9%	1,402	1.0%
Other transit operating revenue	3,942	4,041	2.5%	4,142	2.5%
Total operating revenues	**27,384**	**28,048**	**2.4%**	**28,728**	**2.4%**
Non-Operating Revenue:					
Total Grants & Assistance	298,006	308,988	3.7%	318,890	3.2%
Investment Income	13,557	13,571	0.1%	13,774	1.5%
Other misc. non-operating revenue	1,103	1,131	2.5%	1,148	1.5%
Total non-operating revenues	**312,666**	**323,690**	**3.5%**	**333,812**	**3.1%**
Total revenues	**340,050**	**351,738**	**3.4%**	**362,540**	**3.1%**
Operating Expense:					
Wages And Benefits	197,140	200,098	1.5%	203,099	1.5%
Services	56,695	57,545	1.5%	58,408	1.5%
Fuel & Lubrications	34,027	34,538	1.5%	35,056	1.5%
Other Expense	27,231	27,640	1.5%	28,054	1.5%
Total operating expenses	**315,093**	**319,820**	**1.5%**	**324,617**	**1.5%**
Non-Operating Expense:					
Interest on debt	22,535	22,873	1.5%	23,216	1.5%
Sheltered workshop	2,438	2,475	1.5%	2,512	1.5%
Other Non-Operating Expense	1,103	1,120	1.5%	1,137	1.5%
Total non-operating expenses	**26,076**	**26,467**	**1.5%**	**26,865**	**1.5%**
Total expenses	**341,169**	**346,287**	**1.5%**	**351,482**	**1.5%**
Net income (deficit) before	**(1,119)**	**5,450**	**-587.2%**	**11,058**	**102.9%**
Depreciation And Amortization	71,538	71,538	0.0%	71,538	0.0%
Net Transfers	4,913	3,200	-34.9%	3,200	0.0%
Net income (deficit)	**$ (77,570)**	**$ (69,288)**	**-10.7%**	**$ (63,680)**	**-8.1%**

Totals may not sum due to rounding.

Metro Transit
Transit Improvement Plan
Three-Year Grants, Sales Tax & Contractual Revenue Detail
(in thousands)

	FY 2024	FY 2025		FY 2026	
	Budget	**Projection**	**Change**	**Projection**	**Change**
Local & State:					
Missouri:					
City of St. Louis 1/2 cent sales tax	$ 21,898	$ 22,446	2.5%	$ 23,007	2.5%
City of St. Louis 1/4 cent sales tax	9,489	9,726	2.5%	9,969	2.5%
City of St. Louis Prop M2 sales tax	5,694	5,836	2.5%	5,982	2.5%
Total City of St. Louis	**37,081**	**38,008**	**2.5%**	**38,958**	**2.5%**
St. Louis County 1/2 cent sales tax	45,160	46,289	2.5%	47,447	2.5%
St. Louis County 1/4 cent sales tax	35,386	36,270	2.5%	37,177	2.5%
St. Louis County Prop A 1/2 cent sales tax	89,919	92,167	2.5%	94,471	2.5%
Total St. Louis County	**170,465**	**174,726**	**2.5%**	**179,095**	**2.5%**
State of Missouri	750	3,000	300.0%	4,000	33.3%
Other local match - MO	450	461	2.4%	473	2.6%
Planning & demonstration reimb.-EWGCOG	160	164	2.5%	168	2.4%
Total Missouri local & state	**208,906**	**216,359**	**3.6%**	**222,694**	**2.9%**
Illinois:					
St. Clair County	60,900	62,423	2.5%	63,983	2.5%
Local Match (IL) Non-Cap Projects	250	256	2.4%	263	2.7%
Total Illinois local & state	**61,150**	**62,679**	**2.5%**	**64,246**	**2.5%**
Total local & state	**270,056**	**279,038**	**3.3%**	**286,940**	**2.8%**
Federal:					
Vehicle maintenance	16,000	16,000	0.0%	16,000	0.0%
Non-capital projects	3,950	3,950	0.0%	3,950	0.0%
Other Federal	8,000	10,000	25.0%	12,000	20.0%
Total Federal	**27,950**	**29,950**	**7.2%**	**31,950**	**6.7%**
Total grants, sales tax, & contractual revenue	**$ 298,006**	**$ 308,988**	**3.7%**	**$ 318,890**	**3.2%**

Totals may not sum due to rounding.

METRO TRANSIT CAPITAL BUDGET

METRO TRANSIT
CAPITAL BUDGET

BU220002

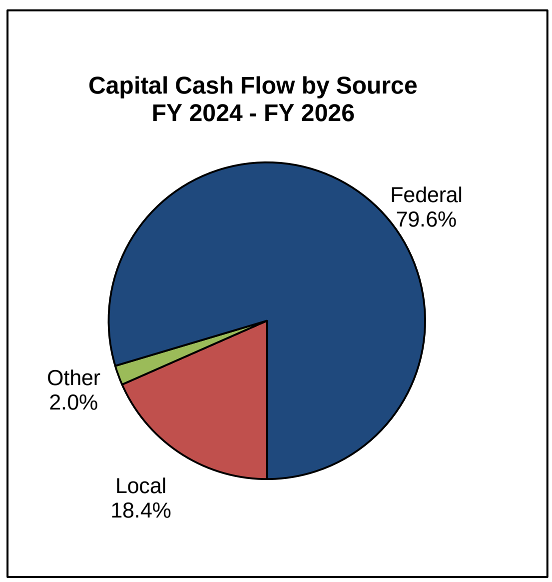
Capital Revenue Assumptions
FY 2024 – FY 2026

Federal Funding

"Infrastructure Investment and Jobs Act" (IIJA)

The IIJA, also known as the Bipartisan Infrastructure Law, is a five year bill signed into law by President Biden on November 15, 2021. The IIJA Act became effective on October 1, 2022. The new transportation law authorizes transit programs for FY 2022 – FY 2026, through September 30, 2026. The IIJA Act provides steady and predictable funding over the next five years and authorizes up to $108 billion for public transportation. The IIJA Act also targets funding increases towards improving state of good repair and the bus program. The IIJA provided an increase in funding for FY22 of 33% or $19M from the FAST Act - FY21.

Under the IIJA, annual authorizations through the Section 5307 Urbanized Area Formula program are expected to increase by approximately 2% each year over FY 2023 authorized amounts. Annual authorizations through the Section 5337 State of Good Repair program are expected to increase by approximately 2% each year over FY 2023 authorized amounts. The Section 5339 Bus and Bus Facility formula program is maintained under the new transportation law and annual authorizations are expected to increase by approximately 2% each year over FY 2023 authorized amounts. Additionally, the IIJA includes discretionary grant opportunities that will advance public transportation through four key properties: Safety, Modernization, Climate and Equity.



Annual capital revenue assumptions over the FY 2024 – FY 2026 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 on the basis of 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.

Capital revenue assumptions in the FY 2024 – FY 2026 capital plan are relatively more stable since the IIJA will be in effect throughout this budget cycle and therefore provides a stable sources of federal formula allocations. Population, population density, and low-income population numbers are subject to change based on the 2020 US census count, which will impact the Agency's federal formula allocations as the funding to date have not used the 2020 census data in apportionment calculations.

Under the FAST Act, the Bus and Bus Facility Discretionary program was re-introduced, and includes a sub-program for technological changes or innovations to modify low or no emission vehicles and facilities. This program continues under the IIJA. The IIJA 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 IIJA also continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program, which is a formula program to improve mobility for seniors and individuals with disabilities by removing barriers to transportation service and expanding transportation mobility options.

Bi-State Development's FY 2024 – FY 2026 capital budget totals $716.5 million. Funding is planned through the IIJA programs mentioned above as well as previously authorized and apportioned programs under Fast Act, 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 IIJA and are planned in this capital program.

"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 $1 billion dollars per year to transit. The FAST Act also targets funding increases towards improving state of good repair and the bus program.

The FAST Act re-introduced a discretionary bus program, which was eliminated under the previous transportation law. In addition, recipients are no longer required to expend 1% of the 5307 funding on associated transit improvements.

"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.

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 2024 – FY 2026 period.

State Funding

Illinois Department of Transportation (IDOT)

Funding to support capital projects will be sought through IDOT as available.

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 1/2 cent and 1/4 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 1/2 cent sales tax receipts will be used for operating purposes for FY 2024 - FY2026.

Funds generated by the 1/4 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 1/2 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 1/4 cent sales tax in the City of St. Louis that voters there approved in 1997.

St. Clair County (Illinois) Transit District

Funding to support capital projects affecting Illinois will be sought through the St. Clair County Transit District as available.

Other Financing

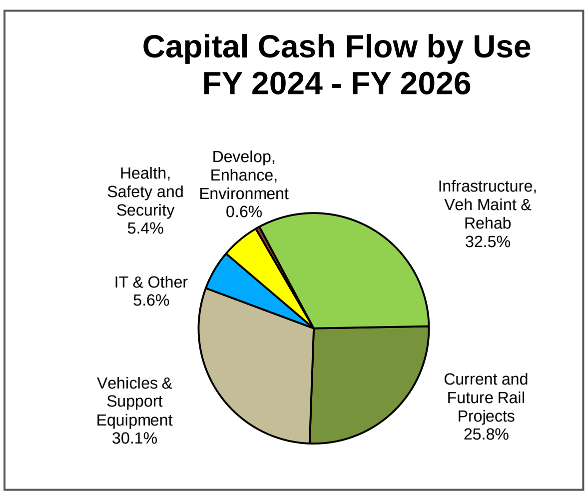
Other financing is made up of operating dollars used to match capital projects such as preventive maintenance of vehicles and facilities. From time to time, funding is also identified from sources other than local sales taxes.

Capital Expenditure Assumptions FY 2024 – FY 2026

Capital Expenditures

The capital expenditure program for FY 2024 – FY 2026 encompasses a wide range of initiatives over the next three years meeting Bi-State Development's (BSD) major capital projects and priorities and incorporates the federal program changes reflected in the current transportation law Infrastructure Investment and Jobs Act (IIJA).

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 2024 is $527.3 million. Total capital expenditures planned for the three-year capital program is $716.5 million. The FY 2024 – FY 2026 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 vehicle replacements; 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 previous transportation law, Fixing America's Surface Transportation Act (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 BSD'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 2024 – FY 2026 capital expenditure program to support transit improvements throughout the system. To support future transit enhancements, other capital funds will be designated for the Arts in Transit Program as directed by Board policy.

In July 2016, the Federal Transit Administration (FTA) issued a final rule requiring FTA grantees to develop management plans for their public transportation assets, including vehicles, facilities, equipment, and other infrastructure. The Transit Asset Management (TAM) final rule requires transit agencies to develop a strategic approach to maintain and improve their capital assets. The FY 2024 - FY 2026 capital and operating budgets contain several funding strategies to ensure Bi-State Development achieves and maintains a state of good repair status for all its assets.

The three-year capital budget assumes approximately $185 million for MetroLink infrastructure projects, $4 million for new development and environmental enhancements, $38.5 million for safety and security enhancements, and $39.8 million for information technology improvements. Vehicles and supporting equipment needs assume $215.5 million; infrastructure and vehicle maintenance needs assume $233 million.

Peripheral equipment is planned to improve operating efficiencies, customer enhancements and support “smart bus” technology which includes automatic passenger counters, an automatic vehicle location system, closed circuit television (CFCTV) systems and collection program modernization. These improvements will meet regional intelligent transportation system architecture requirements.

Security program investments will be accomplished 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 and CCTVs.

Investments at MetroLink stations and bus stops throughout the transit service area will create a more comfortable customer environment, improve the state of repair of customer-facing facilities, and address the American 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 shelters and benches at various bus stop locations throughout the system.

Technology investments in hardware and software are planned throughout the system over the next three years that will support Bi-State Development’s premiere transit operations. A new operating and capital budgeting system and a new enterprise asset management (EAM) system were implemented in FY 2020. The notable benefits of the implementation of these systems include more efficient budget planning, streamlined reporting, and increased asset visibility.

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. All planned projects for the FY 2024 – FY 2026 capital budget are in support of the Federal Transit Administration’s Transit Asset Management and State of Good Repair practices.

Non-Routine Capital Expenditures

There are a number of non-recurring capital expenditures planned in the FY 2024 – FY 2026 capital budget. These non-recurring expenditures are intended to address an immediate capital need within the Metro transit system and may impact the operating budget after initial capitalization. Design and construction work for rehabilitation and repair of various structures along the alignment are planned to keep the system in good repair. Passenger amenity, technology and revenue vehicle replacement projects are budgeted in support of the Metro Reimagined initiative designed to increase customer satisfaction.

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.

Bi-State Development is continuing its commitment to create a more environmentally and economically sustainable transit system through investments in energy efficient lighting and equipment, and alternative propulsion systems. Metro's battery electric bus program is continuing through this capital budget cycle, with plans to purchase additional battery electric buses and necessary infrastructure for charging stations. Additional revenue vehicle replacements include battery electric technology based in part on the success of Metro's pilot programs.

During the FY 2024 – FY 2026 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 2024 - FY 2026.

Under the IIJA, 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 2024 - FY 2026 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. A combined total of $266.4 million in Federal State of Good Repair and Fixed Guideway funds projects are planned over FY 2024 - FY 2026 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 transportation infrastructure and vehicles and to develop a transit asset management database to more efficiently manage all assets.

The three-year capital budget of $716.5 million addresses all major elements of Bi-State Development's Metro transit system improvements. The project types for the work included in the budget are broken out as follows:

Project Type Summary

Item		Amount
Miscellaneous MetroLink Alignment Projects	$	79,150,000
LRV Projects	$	35,450,000
MetroLink Station Projects	$	32,700,000
MetroLink Structures Projects	$	98,400,000
IT and Software Projects	$	27,000,000
Bus Stop and Parking Lot Projects	$	15,950,000
Rail Facilities Projects	$	24,800,000
Bus Facilities Projects	$	26,000,000
Transit Facilities Projects	$	2,800,000
Buses, LRVs and other Vehicles	$	314,200,000
Preventive Maintenance	$	60,000,000
	$	**716,450,000**

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

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 IIJA 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 2024 – FY 2026 program period.

The East-West Gateway Council of Governments (EWGCOG) was identified as the designated recipient for New Freedom funds through SAFETEA-LU. Through a Memorandum of Understanding (MOU), 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 sub-recipient awards and agreements for the “New Freedom” type projects; the State DOTs 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 IIJA 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 Fast Act and MAP-21 authorizations through the FY 2024 – FY 2026 program period. New funding appropriated under the IIJA 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 sub-recipients:

FAST Act Funded Projects
Section 5310 New Freedom Type Projects

Sub-recipient		**Amount**
Challenge Unlimited	$	166,909
City Seniors, Inc.	$	91,882
Community Living, Inc.	$	84,587
Disability Resource Association	$	466,992
Easter Seals Midwest	$	75,023
Illinois Center for Autism	$	222,888
Independence Center	$	155,800
ITN St. Charles	$	40,925
ITN Gateway	$	29,350
Northside Youth and Senior Services	$	65,700
OATS – Jeffco Express	$	168,390
OATS – Covid Relief	$	50,000
OATS – Department of Mental Health	$	25,000
Paraquad	$	201,087
PonyBird Express	$	85,325
Southside Senior Citizens Center	$	84,586
St. Louis Society for the Blind	$	83,740
Total Sub-recipient Grant Administration Agreements	**$**	2,098,184

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 2024 – FY 2026 capital program period and that directly affect the FY 2024 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. The FY 2024 – FY 2026 capital budget plans for $98,000,000 in structural repairs along the alignment, with the key focus on tunnels and retaining walls. A significant investment is also being made to the CCTV and train control systems in anticipation of the MetroLink extension to the MidAmerica St. Louis Airport and the Secure Platform project.

Additional light rail bridge and other structure upgrades are planned through the FY 2024 – FY 2026 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, non-revenue vehicles and paratransit vans currently are budgeted yearly based on the vehicle replacement plans. Light Rail Vehicle (LRV) replacement has a significant impact on the capital budget and the Agency has spent the last several years reserving funds for the first phase of LRV replacement to begin the procurement and assembly of the first order of LRVs. These new LRVs will significantly reduce the annual operating costs through reduced maintenance.

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 project is the result of

FCC regulations requiring changes in technology and operating frequency. The radio system upgrade will incorporate automatic vehicle location (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

Metro is committed to delivering an excellent customer experience through reliable, efficient service and safe, attractive and clean vehicles and facilities. Metro has made considerable investments in passenger facilities in recent years. In the current capital and operating budget cycle, Metro is focusing considerable effort to improve the condition of existing transit facilities and assets. Capital projects included in this budget will improve several original MetroLink stations, introducing crime prevention through environmental design (CPTED), upgraded lighting, stairs, and passenger waiting areas, and use art and design to create unique spaces that are evocative of Metro Transit and the communities we serve. Many stations not scheduled for redesign will receive upgrades and repairs including parking lot resurfacing, new concrete at platform and passenger areas, new electrical systems, lighting and signage. These facilities impact Metro's operating budget by adding costs for cleaning, utilities, maintenance programs and the personnel resources necessary to sustain Metro's tremendous inventory of transit assets in a state of good repair.

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

St. Clair County Transit District is currently designing a light rail extension to the MidAmerica St. Louis Airport, which will require increased local operating support. Metro is also working with partners across the region to explore opportunities for transit investment within the Northside-Southside and other important corridors. Any significant expansion of fixed-guideway transit would require federal capital support and increased local capital and operating support. In 2021, Metro began introducing alternative mobility solutions, including microtransit. It is too soon to estimate the impact of this new service paradigm on Metro's capital budget; however, if Metro adopts microtransit or similar service at a wide scale, Metro's revenue vehicle requirements may diminish some over time.

Federal Programming Needs FY 2024 – FY 2026

To meet the goals identified in the capital budget, adequate federal funding must be secured to support capital programs for the planned three-year fiscal period. This section describes the planned projects and identifies anticipated sources of funding which includes funds from the current transportation law Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law. Any delay or reduction in federal, state or local funding will necessitate modifications to the capital improvements contained in this capital program.

The IIJA, also known as the Bipartisan Infrastructure Law, is a five year bill signed into law by President Biden on November 15, 2021. The IIJA Act became effective on October 1, 2022. The new transportation law authorizes transit programs for FY 2022 – FY 2026, through September 30, 2026. The IIJA Act provides steady and predictable funding over the next five years and authorizes up to $108 billion for public transportation. The IIJA Act also targets funding increases towards improving state of good repair and the bus program.

Programs authorized under the IIJA will continue to address several important goals facing the transportation system today, which includes 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 Fixing America's Surface Transportation Act (FAST Act)

Projects identified in Bi-State Development's FY 2024 – FY 2026 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, but not limited to, Bus and Bus Facility, 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 conducting planning studies that would result in the expansion of high-capacity transit across the St. Louis region. Under the IIJA, Bi-State Development may seek funding under the Capital Investments Grant program, which supports capital transit projects, including new and expanded light rail and bus rapid transit.

Metro Transit
Sources of Funds FY 2024 - FY 2026

Sources of Funds		FY2024		FY2025		FY2026		TOTAL
Federal Formula Funds - New	$	49,577,701	$	40,096,050	$	49,238,950	$	138,912,700
Federal Formula Funds - Carryover	$	107,454,043	$	-	$	-	$	107,454,043
Fixed Guideway Funds - Carryover	$	4,362,299	$	-	$	-	$	4,362,299
State of Good Repair - New	$	46,244,455	$	30,578,472	$	24,827,593	$	101,650,520
State of Good Repair - Carryover	$	111,444,630	$	-	$	-	$	111,444,630
Bus and Bus Facility - New	$	6,434,105	$	3,267,809	$	3,302,121	$	13,004,035
Bus and Bus Facility - Carryover	$	15,804,069	$	-	$	-	$	15,804,069
Approved Federal Discretionary Funds	$	77,880,260	$	-	$	-	$	77,880,260
Missouri Local Match	$	82,252,601	$	11,172,244	$	10,996,855	$	104,421,700
St. Clair County Transit District Funds	$	19,662,972	$	3,313,339	$	4,345,312	$	27,321,623
Other Financing	$	6,200,000	$	4,000,000	$	4,000,000	$	14,200,000
Grand Total	**$**	**527,317,135**	**$**	**92,427,914**	**$**	**96,710,831**	**$**	**716,455,880**

Metro Transit
Capital Programs and Project FY 2024

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$	151,150,781
	$	**151,150,781**
Vehicles and Supporting Equipment		
Peripheral Equipment	$	17,128,909
Peripheral Support	$	7,337,637
Revenue Vehicles	$	120,330,806
Support Vehicles	$	18,505,089
	$	**163,302,441**
New Development, Enhancement, Environmental Projects		
Community Development Projects	$	1,300,000
Enhancement Projects	$	1,031,739
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$	997,350
	$	**3,329,089**
Information Technology Improvements		
Hardware and Software Data Systems	$	18,201,715
Office Equipment	$	99,994
	$	**18,301,710**
Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	$	25,061,367
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$	4,653,926
Preventative Maintenance	$	24,042,317
Vehicle Maintenance, Rehab, Overhaul Programs	$	106,291,652
	$	**160,049,262**
Health, Safety, and Security		
Health, Safety and Security Projects	$	31,183,852
	$	**31,183,852**
Grand Total	**$**	**527,317,135**

Metro Transit
Capital Programs and Projects FY 2024 - FY 2026

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$	184,897,195
	$	**184,897,195**
Vehicles and Supporting Equipment		
Peripheral Equipment	$	19,401,250
Peripheral Support	$	7,337,637
Revenue Vehicles	$	164,169,833
Support Vehicles	$	24,705,089
	$	**215,613,809**
New Development, Enhancement, Environmental Projects		
Community Development Projects	$	1,600,000
Enhancement Projects	$	1,031,739
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$	1,406,700
	$	**4,038,439**
Information Technology Improvements		
Hardware and Software Data Systems	$	39,981,170
Office Equipment	$	99,994
	$	**40,081,165**
Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	$	33,688,149
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$	9,362,373
Preventative Maintenance	$	68,127,078
Vehicle Maintenance, Rehab, Overhaul Programs	$	121,557,973
	$	**232,735,573**
Health, Safety, and Security		
Health, Safety and Security Projects	$	39,089,699
	$	**39,089,699**
Grand Total	**$**	**716,455,880**

Metro Transit
Capital Cash Flow Summary FY 2024 - FY 2026

Uses of Funds	FY2024	FY2025	FY2026	TOTAL
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$ 151,150,781	$ 12,334,381	$ 21,412,033	$ 184,897,195
Peripheral Equipment	$ 17,128,909	$ 2,272,341	$ -	$ 19,401,250
Peripheral Support	$ 7,337,637	$ -	$ -	$ 7,337,637
Revenue Vehicles	$ 120,330,806	$ 27,355,688	$ 16,483,339	$ 164,169,833
Support Vehicles	$ 18,505,089	$ 3,000,000	$ 3,200,000	$ 24,705,089
Community Development Projects	$ 1,300,000	$ 150,000	$ 150,000	$ 1,600,000
Enhancement Projects	$ 1,031,739	$ -	$ -	$ 1,031,739
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$ 997,350	$ 409,350	$ -	$ 1,406,700
Hardware and Software Data Systems	$ 18,201,715	$ 11,019,663	$ 10,759,792	$ 39,981,170
Office Equipment	$ 99,994	$ -	$ -	$ 99,994
Existing Facilities - Maintenance and Rehab	$ 25,061,367	$ 3,871,955	$ 4,754,827	$ 33,688,149
Preventative Maintenance	$ 24,042,317	$ 24,084,761	$ 20,000,000	$ 68,127,078
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$ 4,653,926	$ 1,223,751	$ 3,484,696	$ 9,362,373
Vehicle Maintenance, Rehab, Overhaul Programs	$ 106,291,652	$ -	$ 15,266,321	$ 121,557,973
Health Safety and Security Projects	$ 31,183,852	$ 6,706,024	$ 1,199,823	$ 39,089,699
Grand Total	**$ 527,317,135**	**$ 92,427,914**	**$ 96,710,831**	**$ 716,455,880**

GATEWAY ARCH

GATEWAY ARCH

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Tourism Innovation

Gateway Arch

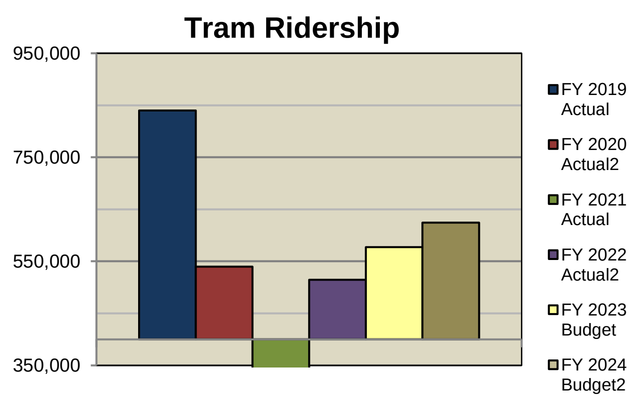
Overview:

In 1962, as the construction of the Gateway Arch was beginning, National Park Service (NPS) 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, BSD has overseen the tram system operation. Today, BSD employees also handle all aspects of ticketing, 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.

The Gateway Arch is a premier tourist destination in the Midwest and one of the most visited monuments in the United States. BSD's focus is to create a sustainable increase in visitation to Gateway Arch National Park and surrounding area through targeted marketing and capital improvements to meet the demands of our visitors. BSD 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 all 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:

Tram Ride to the Top
New exhibits were implemented for both the North and South Trams in FY 2017.



Museum
The former Westward Expansion Museum opened in July 2018.

Tucker Theater
Features the film "Monument to the Dream" documenting construction of the Arch.

Arch Store
The Museum Store closed in 2015 and reopened in Spring 2016 as The Arch Store in the former Odyssey Theatre space.

Also on the St. Louis Riverfront:

Old Courthouse, Riverboats at the Gateway Arch, Helicopter tours, Laclede's Landing MetroLink station

Gateway Arch

Strategic Focus

In partnership with the National Park Service (NPS) and the other Gateway Arch National Park (GANP) partners, the Gateway Arch team remains committed to providing an exceptional visitor experience to visitors from around the country and the world. Despite operational changes during the pandemic, and impacts from the nationwide workforce shortage, the team continues to maintain high guest satisfaction with limited resources. In FY 2024, we will strive to increase tram ridership and maximize revenues and efficiency. Additionally, we will implement new strategies to further enhance the museum's identity as a world-class destination and to increase overall attendance at GANP.

Our strategic focus for FY 2024 centers on:

VISITOR EXPERIENCE

- ✓ From seamless pre-visit planning and wayfinding to valuable post-visit interactions, we are optimizing the Gateway Arch tram and ticketing operations by providing a memorable visitor experience.

FINANCIAL RESPONSIBLILITY

- ✓ We are implementing cost-effective solutions while developing strategies to maximize revenue streams.

SAFETY

- ✓ We continue to identify and implement unique solutions to maximize visitor and team member safety while remaining in compliance with all applicable regulations and guidelines.

TEAM

- ✓ We are motivating and engaging our team members with guest-focused training, rewarding challenges and community outreach opportunities.

Gateway Arch
Statement of Revenue and Expense
FY2022 - FY 2024 Budget

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:				0	0
Arch ticket sales	6,648,910	7,655,198	8,742,098	$ 1,086,900	14.2%
Sales discounts revenue	($10,169)	($11,515)	($13,113)	$ (1,598)	-13.9%
Service/fee revenue	$389,980	$203,432	$422,353	$ 218,921	107.6%
Other operating revenue	$52,419	$22,584	$22,200	$ (384)	-1.7%
Total operating revenues	$7,081,141	$7,869,699	$9,173,538	$ 1,303,839	16.6%
Non-Operating Revenue:					
Interest revenue	$11,934	$10,900	$433,187	$422,287	3874%
Total revenues	$7,093,075	$7,880,599	$9,606,726	$1,726,127	21.9%
Operating Expense:					
Wages and benefits	$2,207,624	$2,971,775	$2,994,867	$23,092	0.8%
Services	$2,200,052	$2,434,104	$2,419,085	$ (15,019)	-0.6%
Fuel, materials and supplies	$493,669	$727,559	$691,296	$ (36,263)	-5.0%
Casualty and liability costs	$19,232	$33,548	$30,525	$ (3,023)	-9.0%
Utilities	$132,927	$159,342	$136,324	$ (23,018)	-14.4%
Leases, other and admin. charges	$1,188,489	$1,469,890	$1,774,748	$ 304,858	20.7%
Total operating expenses	**$6,241,993**	**$7,796,219**	**$8,046,845**	**$ 250,626**	**3.2%**
Non-Operating Expense:					
Interest expense	$711,245	$180,014	$173,893	($6,121)	-3.4%
Contributions to outside entities	$149,482	$160,000	$160,000	$0	0.0%
Other non-operating expense	($122,339)	$0	$0	$0	0.0%
Total expenses	$6,980,382	$8,136,233	$8,380,738	$244,505	3.0%
Net income (Deficit) before depreciation and transfers	$112,693	($255,634)	$1,225,987	$1,481,622	-579.6%
Net transfers	$19,987	$0	$0		
Net income (Deficit)	**$92,706**	**($255,634)**	**$1,225,987**	**$1,481,622**	**-579.6%**

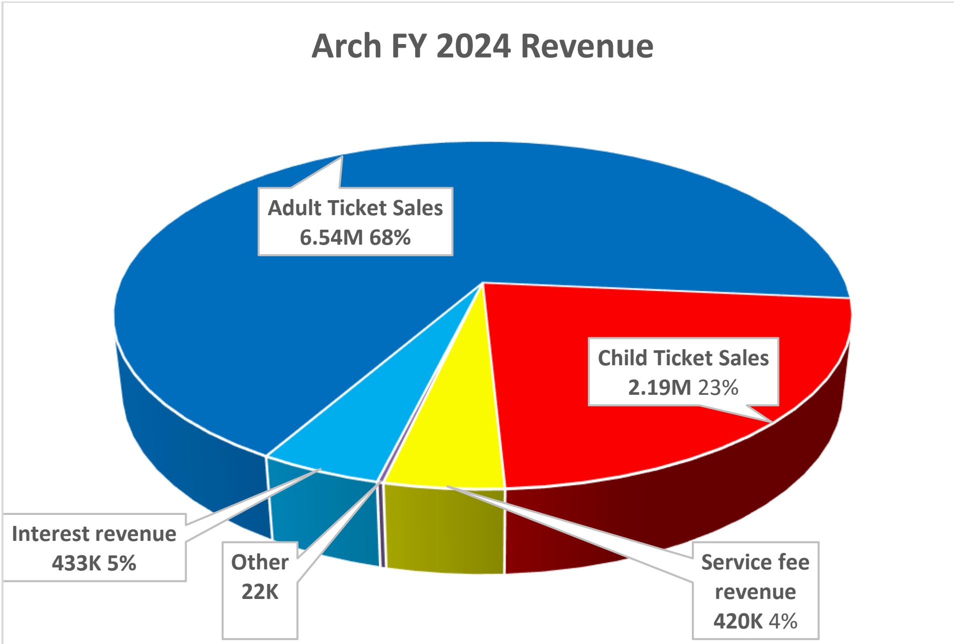
Numbers may not sum due to rounding.

Revenue

Arch ticket sales are projected based on 624,435 tram passengers expected in FY 2024. The projected revenue for ticket sales is $8,742,098, 14.2% higher than in FY 2023 and in line with FY 2019's pre-pandemic actual revenue of $8,693,325. In January 2022, we updated tram ticket pricing in collaboration with the National Park Service to help the operation's revenue return to pre-pandemic levels, while offering a less-crowded observation deck experience. Tram rates range from $15-$19 for adults and $11-$15 for children. A $3 National Park Entrance fee is included in the adult rate.

Site rental and other revenues include tram rental fees for after-hours special events held at the Gateway Arch and convenience fees assessed on call center and online ticket purchases.

Interest Revenue from Investments increased substantially from the prior year due to a much more favorable interest rate environment. FY 2024 interest revenue is $433,187.



Expense

Wages and benefits including OPEB are budgeted in FY 2024 are approximately level, increasing $23,091. This wage and benefit level are a result of maximizing efficiencies in some areas of operation such as ticket center staffing.

Services decreased by .6% from the FY 2023 budget. In FY 2024, the largest expenditure in this category is the committed cost of O & M of $1.1M formerly carried in Contributions to Outside Entities expense. Next is the cost of tram mechanics employed by the National Park Service. Services include the following (in thousands):

Mechanics employed by the National Park Service	$ 971
Credit card fees, banking service charges	210
Legal and consulting	28
Internet web site maintenance and development	44
Maintenance services	62
Other (employment verification)	4
O & M Committed Costs	1,100
	$2,419

Materials and supplies are budgeted at $691,296, which is 5.0% lower than the prior year budget. Amounts are due to parts and materials needed for the Arch trams.

Casualty and liability costs are budgeted 9.0% lower than the FY 2023 budget due to lower premiums.

Utilities are primarily electricity costs that are $133,324 of the overall $136,324 utility budget. Utility costs are influenced to some degree by the severity of the weather although much of the facility is underground.

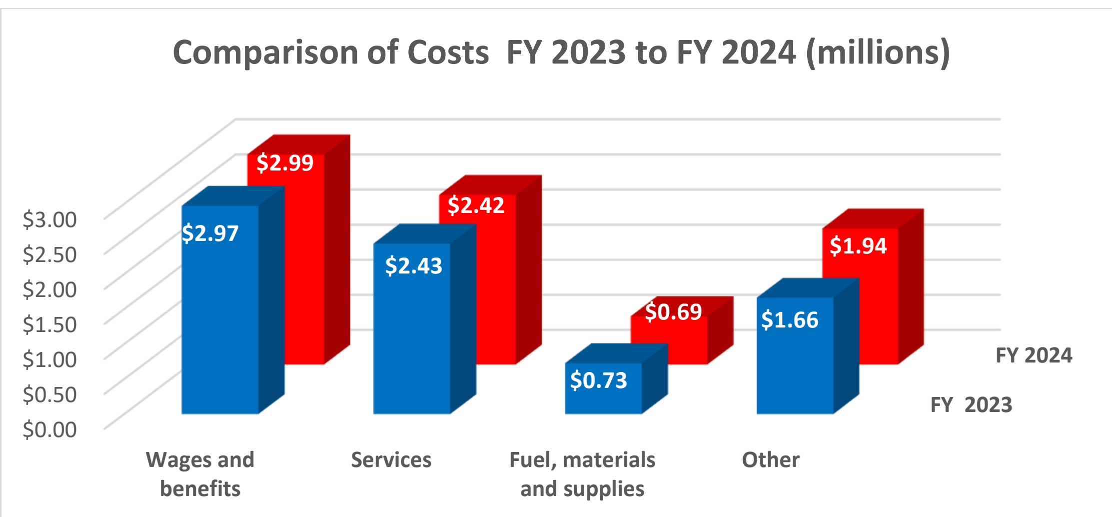
Other expense includes the following (in thousands):

Management fee to Agency	$ 828
Advertising and promotion	823
Dues, Training, Travel and Other	124
	$ 1,775

Other expense is budgeted in FY 2024 to be 20.7% higher primarily due to an increase in management fees earned on increased revenue from ticket sales and a focus returning to Staff Training.

Interest expense is the interest on the $7.5 million Arch Tram Revenue Bonds refunded in August of 2021. The original bond issue funded both the motor generator set replacement project and the Arch Visitor Center roof replacement project.

Contributions to outside are costs associated with project requests from the National Park Service for improvements to Gateway Arch National Park.



Net income before depreciation for FY 2024 is budgeted at $1,225,987, an increase of $1,481,622 from FY 2023's budget.

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Organization:

Total Personnel:

Full-Time - 17
Part-Time - Seasonal employee count varies throughout the year

Objectives and Strategies Action Plan: Gateway Arch

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Gateway Arch priorities:

Objective:	**Effectively manage the Gateway Arch tram and ticketing operations by identifying solutions that ensure a safe, financially responsible and visitor-centric operation.**

Strategy:

- Work in partnership with National Park Service leadership to adjust tram capacities to support COVID-19 protocols and provide a safe and memorable visitor experience.
- Continue to refine, implement, and enforce safety protocols and procedures related to COVID-19 and general employee and visitor safety.
- Further optimize visitor experience by simplifying visitor-facing ticket purchase experience.
- Collaborate with park partners to provide a seamless visitor experience from pre-visit planning to post-visit interactions.
- Highlight "Value" days through digital marketing and communication efforts.

Performance Measurement:

- Post-visit survey results, specifically net promoter score and experience satisfaction ratings.

Objective:	**Stay within appropriations and ensure cost effective use of resources to maintain FY24 Gateway Arch operating budget.**

Strategy:

- Forecast budget changes due to COVID-19 and identify and target potential expense savings while revenue stream is impacted by pandemic.
- Collaborate with park partners to identify unique solutions to maximize visitor experience with less resources.
- Independently and in collaboration with the Budget Department, conduct monthly reviews and analysis of cost center, budget and financial reports to manage costs.

Performance Measurement:

- Remain within operating budget and minimize variances.

Objective:	**Foster staff excitement and ownership of improved visitor experience and customer service philosophy.**

Strategy:

- Empower team members to better address visitor needs by providing training on recovery techniques.

- Engage team members through motivational challenges and contests throughout the year.
- Work with park partners and Gateway Arch Employee Association to create a deeper sense of community among team members and our partner agencies.
- Develop new guest service training and deploy program from operational management to frontline team members.

Performance Measurement:

- Highly motivated and engaged employees as measured through internal surveys.

Performance Indicators – Gateway Arch

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators:

Performance Indicators	FY 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Tram ridership	624,435	614,000	577,191	514,829
Net Income (Deficit) before Depreciation (in thousands)	$1.2M	$.90M	($.26)M	$.13M
Operating Expense Ratio	87.7%	69%	99.1%	87.9%

RIVERFRONT ATTRACTIONS

RIVERFRONT ATTRACTIONS

BU220002

Riverfront Attractions

Overview:

The Riverboats at the Gateway Arch 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 Riverboats at the Gateway Arch are a natural extension of the educational programs currently offered at the Gateway Arch National Park.

The Riverboats offer two primary public cruises. The one-hour sightseeing cruise departs up to seven times a day seasonally, with additional times added as needed to accommodate demand. The evening dinner cruise features dinner, live riverboat jazz-style music, and magnificent views of the St. Louis skyline. In addition, they offer popular Blues cruises, Brunch cruises, Kimmswick cruises, Lock & Dam cruises, Ocktoberfest cruises and many more specialty themed 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 Paddlewheel Café, gift shop, and a public use heliport barge offering helicopter tours.

Number of passengers yearly (FY 2022 Actual):

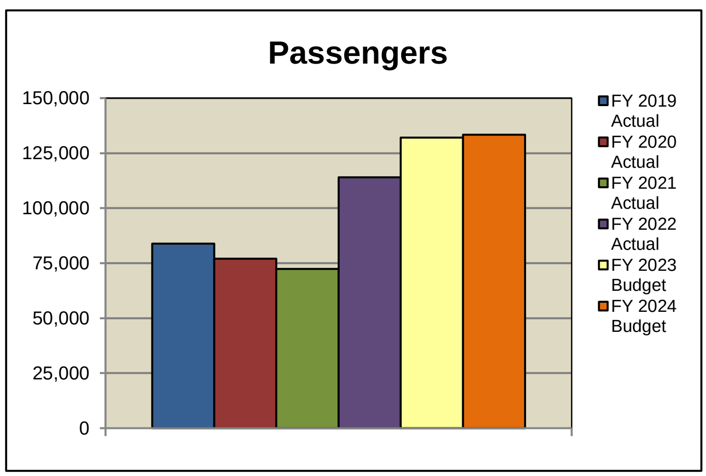
Sightseeing	113,952
Dinner cruise	6,998
Charter/specialty cruise	10,369

Tom Sawyer Riverboat:

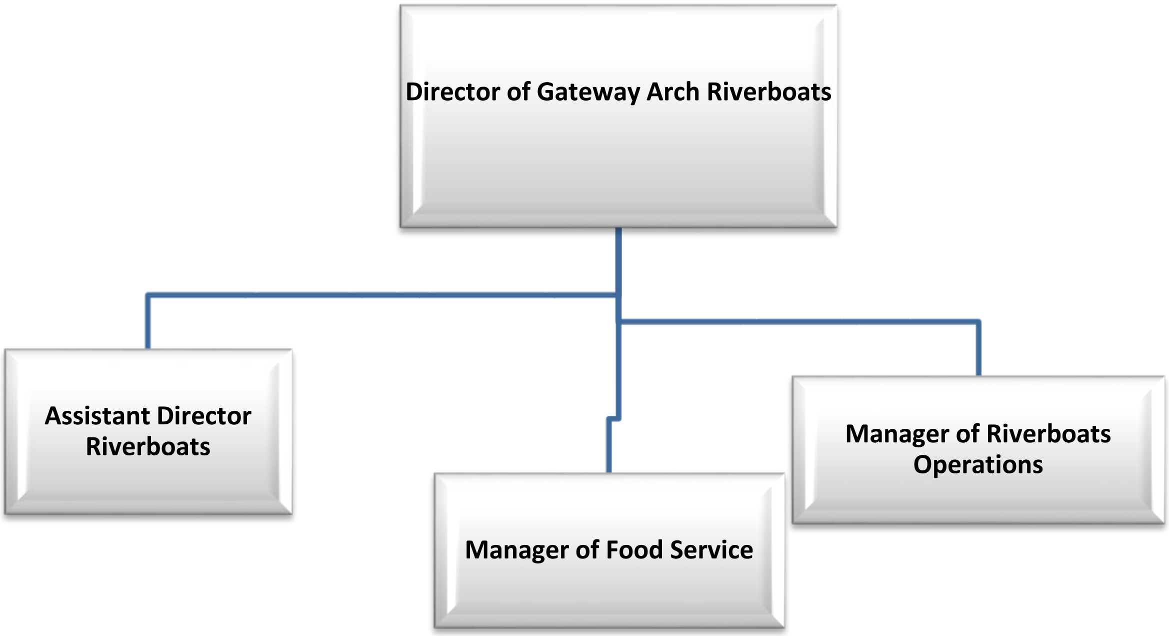
Passenger capacity	350
Year built	1966

Becky Thatcher Riverboat:

Passenger capacity	300
Year built	1963



Organization: Riverfront Attractions



Total Personnel:

Full-Time - 11

Part-Time - Seasonal employee count varies throughout the year

Tourism Innovation

Riverfront Attractions

Strategic Focus

BSD Riverfront Attractions, include Riverboats at the Gateway Arch and one of the only inland waterways public use heliports in the United States. Our scenic helicopter tour provider along with riverboats cruises, gift shop, and Paddlewheel Café, provide a complete riverfront destination for locals and tourist. Taken together with cross promotion to Gateway Arch visitors, we seek to extend overall visit time along with increase per capita spending by visitors to the St. Louis Riverfront. We strive to meet or exceed a CSAT (Customer Satisfaction) rating of 85% for each of the following categories – Food Service, Overall Experience, and Team Performance.

Our strategic focus for FY 2024 centers on:

PROMOTIONS & GUEST EXPERIENCE

- ✓ We are creating cross-promotional marketing opportunities which leverage 'combo pricing' with Arch tram tickets, improving cruise itineraries and events focused on increasing local engagement, partner buy-in and repeat clientele experiences.

- ✓ We continue to improve marketing and communication efforts that promote a safe and memorable experience for our guests. We are dedicated to executing a seamless experience from pre-visit planning to post-visit interactions, including enhanced digital feedback methods.

TEAM DEVELOPMENT

- ✓ We are focused on educating team members on efficiency, communication, resources and safety, while developing skills that promote cross-functional teams, improving communication and conflict management skills.

FISCAL RESPONSIBILITY

- ✓ Our focus on increasing Riverboat ticket sales and Paddlewheel Café revenue includes effectively managing costs and identifying potential expense savings while balancing operational challenges and leveraging key partnerships and earned media for increased exposure.

SAFETY & SECURITY

- ✓ Together with United States Coast Guard requirements, Passenger Vessel Association recommendations, and direct support from BSD Public Safety, our safety and security plan includes proactive measures focused on protecting team members and guests. In partnership to Gateway Arch National Park Alliance partners, we strive to improve the overall visitor experience to the St. Louis Riverfront while at the same time deterring unwanted activities.

Riverfront Attractions
Statement of Revenue & Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
Cruise revenue	$ 2,612,352	$ 2,365,699	$ 2,661,425	$ 295,726	
Food and beverage revenue	898,441	959,450	951,105	$ (8,345)	
Retail revenue	104,818	131,323	109,888	$ (21,435)	
Sales discounts revenue	447	(34,789)	-	$ 34,789	
Other operating revenue	211,757	131,477	145,560	$ 14,083	
Total operating revenues	3,827,815	3,553,160	3,867,978	314,818	8.9%
Non-Operating Revenue:					
Total revenues	3,827,815	3,553,160	3,867,978	314,818	8.9%
Operating Expense:					
Wages and benefits	1,322,052	1,885,192	1,661,903	(223,289)	
Services	572,692	420,842	600,939	180,097	
Fuel, materials and supplies	605,872	642,230	785,595	143,365	
Casualty and liability costs	181,306	244,802	265,852	21,050	
Utilities	87,067	91,029	86,225	(4,804)	
Leases, other and admin. charges	145,261	169,281	206,795	37,514	
Total operating expenses	**2,914,250**	**3,453,376**	**3,607,309**	**153,933**	**4.5%**
Non-Operating Expense:	(167)				
Total expenses	2,914,083	3,453,376	3,607,309	153,933	4.5%
Net income (deficit) before depreciation and transfers	**913,732**	**99,784**	**260,669**	**160,885**	**161.2%**
Depreciation and amortization	239,627	203,177	255,010	51,834	
Net Transfers	-				
Net income (deficit)	**$ 674,105**	**$ (103,393)**	**$ 5,659**	**$ 109,051**	**-105.5%**

Numbers may not sum due to rounding.

Revenue

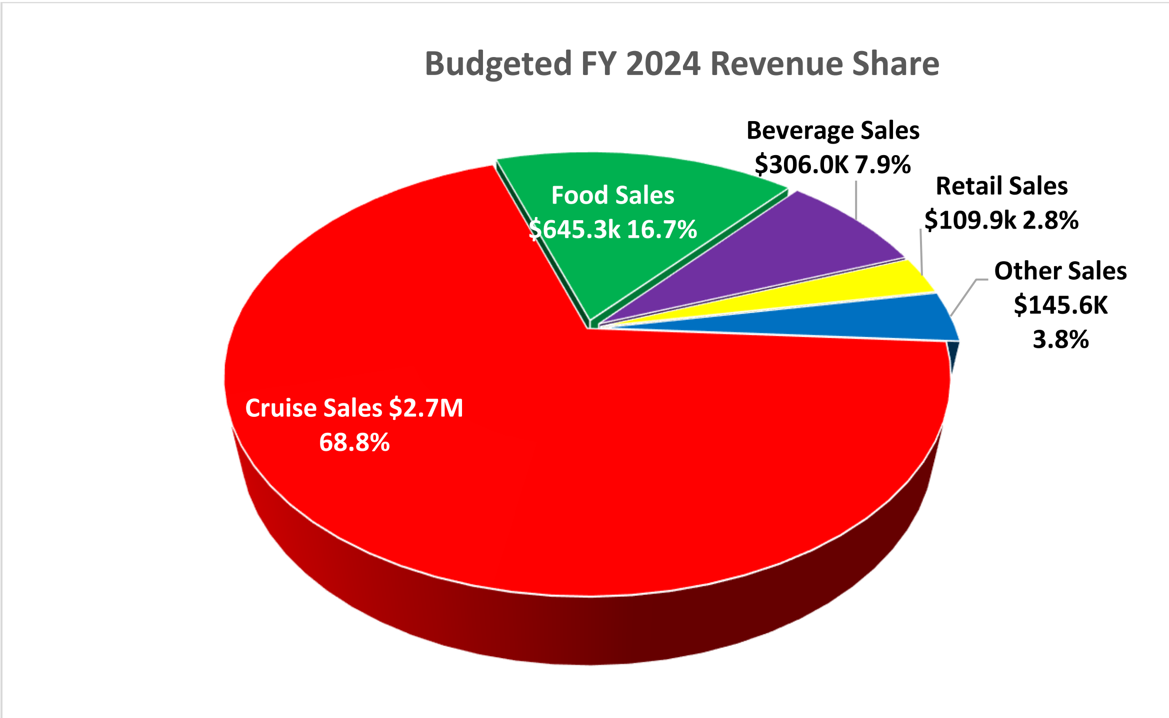
Cruise revenue is based on the FY 2024 budget of 133,379 passengers. Cruise revenue is projected at $2,661,425 which is 12.5% higher than the FY 2023 budget. In conjunction with the Gateway Arch, the riverboats offer variable pricing, with an adult sightseeing ticket starting at $24 and a child ticket starting at $14. A base dinner cruise ticket is $54.

Food revenue includes food sold on dinner dance cruises, on board concessions and at the Paddlewheel Café. Food revenue is budgeted to increase 11.1% from the FY 2023 projection.

Beverage revenue is generated from beverage sales on the various types of cruises and from the Paddlewheel Café. Beverage revenue is budgeted to decrease 19.3%.

Retail revenue is generated from gift shop sales. These revenues are lower by 16.3% from the FY 2023 budget.

Other miscellaneous revenue includes revenues from helicopter tours and concessions and a contracted passenger cruise photography service.



Expense

Wages and benefits including OPEB decreased 11.8% in the FY 2024 budget.

Services are budgeted to increase 42.8% from the prior year budget. This increase is primarily due to an increase in maintenance services and consulting fees.

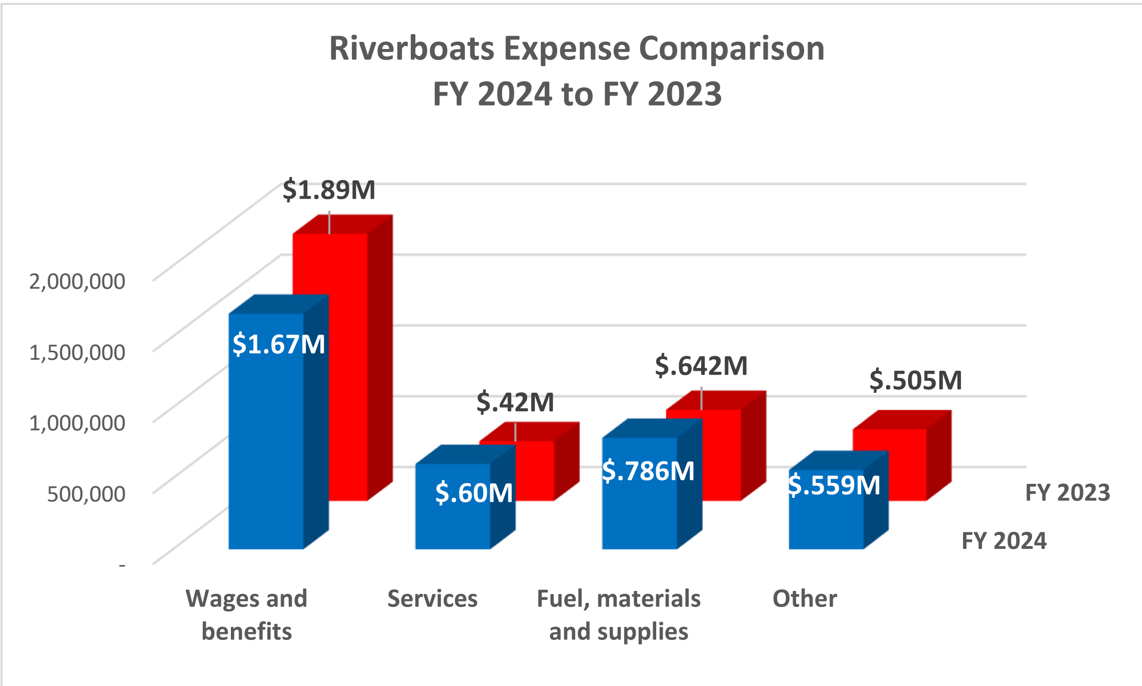
Materials and supplies are budgeted 22.3% higher than the previous budget. The FY 2024 budget for materials and supplies is a reflection of the expected change in revenue components related to the anticipated number of cruises and patrons.

Fuel and lubrications expense is budgeted to increase 22.3% over FY 2023 in line with the higher Cruise Revenue.

Casualty and liability costs are 8.6% more than budgeted costs in FY 2023 due to increases in premiums.

Utilities are comprised of $51,711 for electricity, $3,141 for telephone, $8,094 for natural gas, $10,344 for waste removal, and $12,935 for water and sewer. Utilities are significantly impacted by the severity of weather, level of service, and days of operation.

Other expense is 22.2% higher than the prior year. Over the last two years advertising costs have been modified to match the necessary level of business and to strengthen awareness of new programs and cruise themes available to the public. Advertising is budgeted at approximately $90,000 or 25.0% less than FY 2023 in an effort to maintain the current level of revenue streams.



Net income before depreciation is budgeted at $260,669.

Objectives and Strategies Action Plan: Riverboats

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Riverboats' priorities:

Objective:	**Practice a high standard of fiscal responsibility, be transparent about budget decisions and investments and prioritize.**

Strategy:

- Forecast budget changes due to COVID-19. Identify and target potential expense savings while revenue stream is impacted due to COVID-19.
- Conduct monthly reviews and analysis of cost centers financial reports to verify and manage costs.
- Collaborate with Finance/Budget Department to address riverboat expense challenges.

Performance Measurement:

- Stay within budget, minimize variances and maximize revenue growth.

Objective:	**Cultivate a high performance culture of accountability and inclusion. Develop clear organization strategic goals that maximize Tourism Innovation resources and Riverboat team members within COVID-19 capacity constraints in FY23.**

Strategy:

- Lead team members to focus on Riverboat efficiency, communication, resources and sales that achieve Riverboat ticket sales goals.
- Develop management and team member skill sets that create cross-functional teams to improve productivity, communication and conflict management.
- Create and institute new cruise itineraries and events that increase local engagement, partner buy-in and repeat clientele.

Performance Measurement:

- Sales results, meeting/exceeding deadlines, leadership program attendance, Talent Management System reports.

Objective:	**Implement and integrate efforts that enhance safety and security practices and engage in and promote a safety culture.**

Strategy:

- Regularly educate team members on their role in safety responsibilities and compliance.
- All new hires receive safety training pertinent to their individual departments.. Minimize risks that harm will come to team members or guests.

- Ensure Standard Operating Procedures are up-to-date and enforced. Update COVID-19 policies as conditions change.
- Review and ensure that proper cash/credit controls are in place and followed.
- Oversee a security plan that includes proactive measures to prevent illegal or unwanted actions with the safe, proper and intended operation of Riverboat facility equipment and protection for team members and guests.

Performance Measurement:

- Training attendance and comprehension; customer satisfaction regarding safety and security; # of audit findings (Safety), inspection and incident results, internal and external survey results.

Objective:	**Develop a culture of hospitality by providing excellent internal and external service. Effectively manage Riverboat team members by identifying solutions that ensure a safe, financially responsible and visitor centric operation. Increase revenue through Riverboat ticket sales and Paddlewheel Café.**

Strategy:

- Work in partnership with Bi-State Development, regional leaders and Tourism Innovation team members to execute COVID-19 marketing and communication protocols that provide a safe and memorable experience.
- Collaborate with marketing, city and regional tourism partners to address visitor experience challenges and provide a seamless experience from pre-visit planning to post-visit interactions including simplified parking purchases and improved security.
- Enhance digital communication to guests and seek out guest feedback, by implementing online visitor surveys for each cruise (in tandem with Marketing), to make continued improvements.
- Develop refined manager and guest service training and deploy program from operational management to frontline team members. Strive to meet or exceed a CSAT rating of 85% for each of the following categories - Food Service, Overall Experience, COVID-19 Health & Safety Measures and Staff Performance.

Performance Measurement:

External surveys, revenue growth, guest engagement.

Performance Indicators – Riverfront Attractions

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators

Gateway Arch Riverfront Attractions: Performance Indicators				
	FY 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
Passengers	133,379	119,535	121,700	131,258
Cruises	1,250	1,141	1,222	1,193
Days of operation	288	272	288	268
Passengers per Cruise	100	105	100	110
Revenue per Passenger	$29.00	$22.53	$29.20	$29.16
City health inspection score				
Becky Thatcher boat	100	100	100	100
Tom Sawyer boat	100	100	100	100
Main Galley	100	100	100	100

Tourism Innovation

Riverboats At The Gateway Arch
FY 2024 - 2026 Capital Projects Summary

Sources of Funds:	FY 2024	FY 2025	FY 2026	Total
Riverboats Unrestricted Cash	$ 500,000	$ -	$ -	$ 500,000
Total Sources of Funds	**$ 500,000**	**$ -**	**$ -**	**$ 500,000**

Uses of Funds:	FY 2024	FY 2025	FY 2026	Total
Coast Guard mandated Dry Dock inspection	500,000	-	-	500,000
Total Uses of Funds	**$ 500,000**	**$ -**	**$ -**	**$ 500,000**

ST. LOUIS DOWNTOWN AIRPORT

ST. LOUIS DOWNTOWN AIRPORT

BU220002

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 St. Louis 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 annually.

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.

The Airports' 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.

Its primary goals are safety and security, infrastructure preservation and enhancement, and organizational excellence. These 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. 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 2022):

Location of Flight Training Dept. of St. Louis University

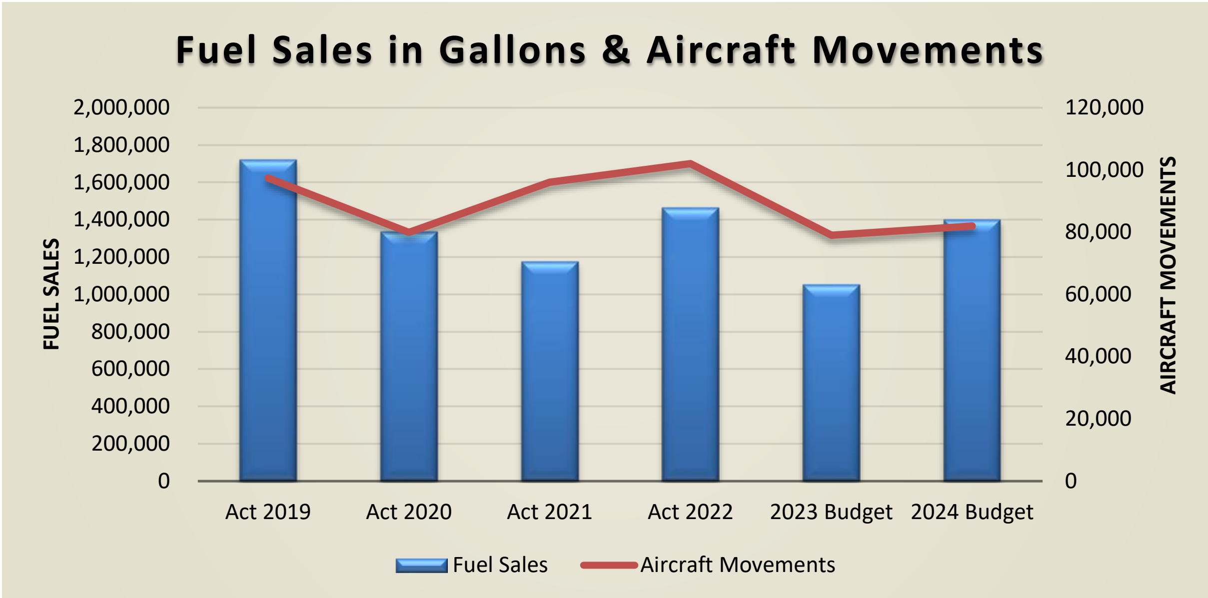
Gallons of Fuel Sold	1,462,868
Aircraft Movements	102,008
Based Aircraft (Mo. Avg.)	925

Facilities:

Small Hangars	95
Mid Size Hangars	42
Large Hangars	21
Property Size	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



Given its strategic location just east of downtown St. Louis, the airport serves as a Gateway to the Metropolitan area and tourist attractions and amenities that landed St. Louis a spot on the list of World's Greatest Places of 2021 by *TIME Magazine*. Recognizing the wealth of attractions and destinations within a 15-mile radius of its terminal, St. Louis Downtown Airport offers a Visitors Guide. The guide provides suggestions for different types of places to visit, ranging from museums, parks and stadiums to casinos, breweries and a host of other unique attractions. It also includes a handy list of hotels in the heart of the city and a map to see at a glance where everything is located in relation to St. Louis Downtown Airport.

St. Louis Downtown Airport

Strategic Focus

The airport team continues to market the land and services of our tenants as a way to increase our presence in the St. Louis region and bring more attention to the airport from the flying public. In FY22 activity at and around the St. Louis Downtown Airport was impacted by travel restrictions and the large decrease in public events during COVID-19. We are positioning our operations as an airport users and potential tenants as a trusted location that is well organized, safe, efficient, and professional.

Our strategic focus for FY 2024 centers on:

OPERATIONAL EFFICIENCY

- ✓ Keeping the airport properties leased and occupied, improving management of airport services through new training programs, and reducing ineffective short-term fixes by better utilization of FAA codes.

FISCAL RESPONSIBILITY

- ✓ We are collaborating with IDOT, FAA and local agency safety personnel to maximize funding opportunities, support capital improvements.
- ✓ Our focus balances staff hours, and identifies potential cost savings while revenue streams are impacted by the pandemic.

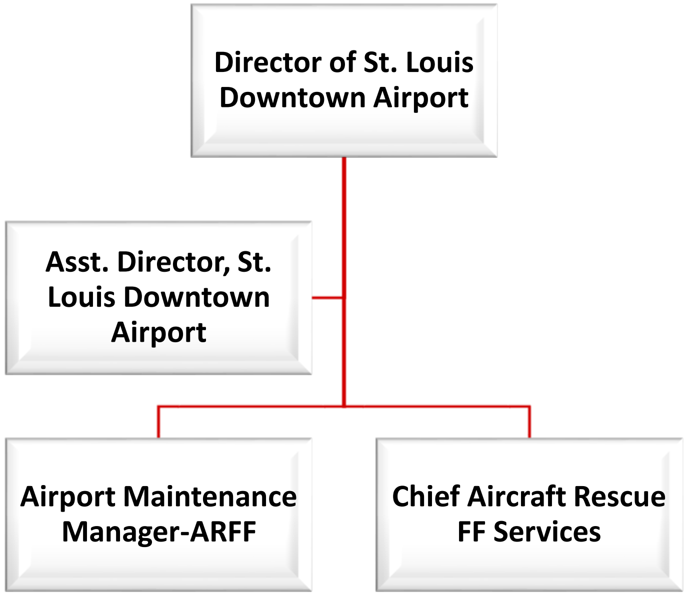
SAFETY

- ✓ We are refining team member and visitor safety in line with pandemic regulations, and implementing quarterly training sessions that reflect the changing landscape of safety protocols.

PROMOTION & ENGAGEMENT

- ✓ We continue to foster a culture of staff ownership for improving airport services and a customer centric service philosophy.
- ✓ We are leveraging our tenant relationship with Jet Aviation and other national and regional partnerships to build market awareness, attract more aircraft, and collaborate on marketing efforts for the airport.

Organization:



Total Personnel:

Full-Time - 10
Part-Time - 0

St. Louis Downtown Airport
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
Aircraft parking	123,500	159,715	140,599	(19,116)	-12.0%
Leased acreage	723,365	725,692	840,912	115,220	15.9%
Hangar rental	259,270	616,960	589,596	(27,364)	-4.4%
Aviation sale flowage fee	114,008	140,016	137,496	(2,520)	-1.8%
Airport concessions	117,019	120,058	116,448	(3,610)	-3.0%
Other operating revenue	157,343	125,920	190,200	64,280	51.0%
Total operating revenues	1,494,505	1,888,361	2,015,251	62,610	0.0%
Total grants & assistance	201,013		135,000	135,000	-
Interest revenue	2,073	1,250		(1,250)	-100.0%
Total revenues	**1,697,591**	**1,889,611**	**2,150,251**	**196,360**	**-89.6%**
Operating Expenses:					
Wages and benefits	988,101	999,480	1,060,130	60,650	6.1%
Services	184,888	144,600	193,628	49,028	33.9%
Fuel, materials and supplies	59,007	128,100	86,116	(41,984)	-32.8%
Casualty and liability costs	80,005	108,378	146,135	37,757	34.8%
Utilities	239,594	201,100	209,508	8,408	4.2%
Leases, other and admin. chai	68,513	144,899	181,997	37,098	25.6%
Total operating expenses	**1,620,108**	**1,726,557**	**1,877,514**	**150,957**	**-91.3%**
				-	-
Gain (loss) on disposition of as	(1,925)			-	-
Other non-operating expense	(650,109)			-	-
Total expenses	**968,074**	**1,726,557**	**1,877,514**	**150,957**	**8.7%**
Net income (Deficit) befor	**729,517**	**163,054**	**272,738**	**45,403**	**27.8%**
Depreciation and ammortizatic	$ 1,439,072	$ 1,178,072	$ 1,260,175	82,103	7.0%
Net transfers	**(1,274,741)**			**-**	**-**
Net income (Deficit)	**$ 565,185**	**$ (1,015,018)**	**$ (987,437)**	**$ 27,581**	-2.7%

Numbers may not sum due to rounding.

Revenue

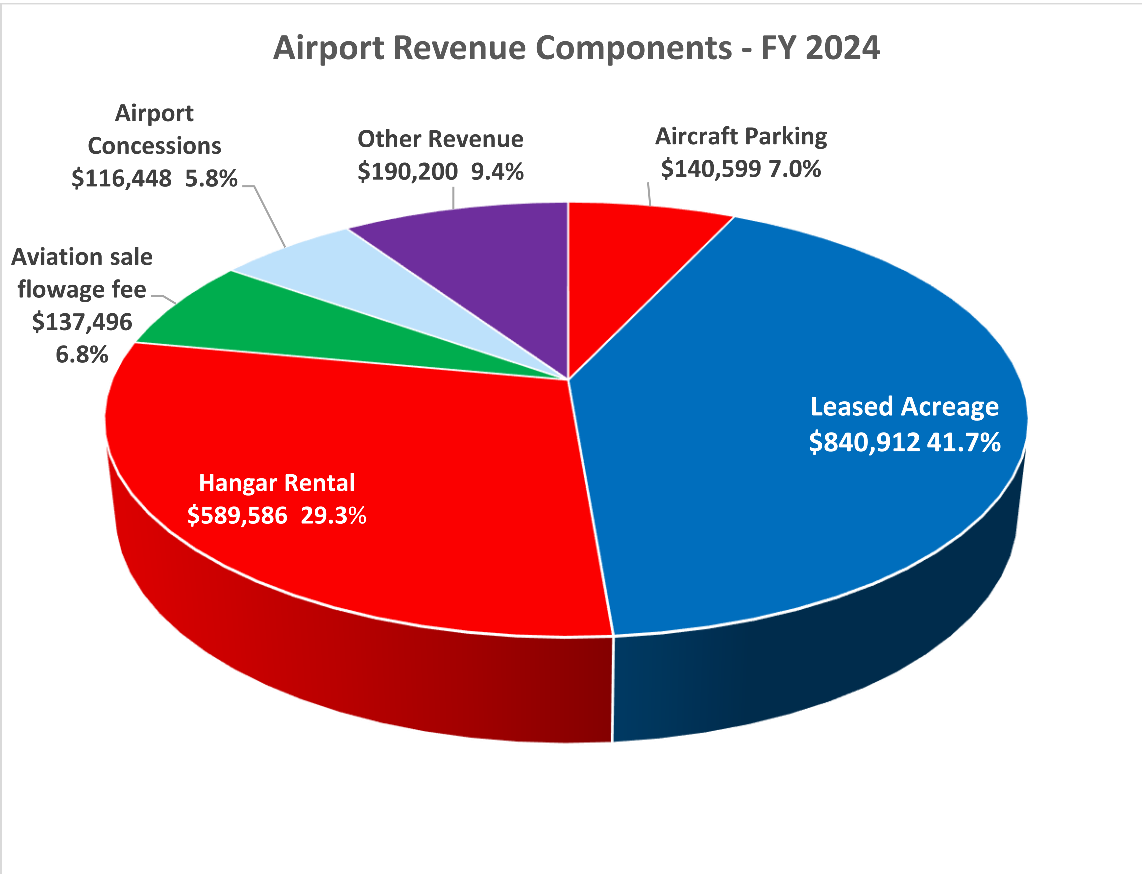
Aircraft parking revenue for FY 2024 is budgeted at $140,599, 12.0% lower than the FY 2023 budget.

Leased acreage revenue is airport land leased for private investment. Revenue is expected to be $840,912. This is a 15.9% increase from the previous year.

Hangar rentals are leased property for airframes and tenants. The projected revenue for FY 2024 is $589,596.

Aviation fuel sale-flowage fee revenues are budgeted in FY 2024 at $137,496. This is 1.8% lower than expected revenues from FY 2023.

Concession fees include crop income and rentals for the concourse. The FY 2024 budget is $116,448. This is a 3.0% decrease from FY 2023 budget.



Expense

Wages and benefits including OPEB are $61K up 6.1% from the FY 2023 budget.

Services include the following (in thousands):

Legal and consultants fees	$	95
Contract maintenance		80

Other	19
	$ 194

Services are budgeted in FY 2024 to be 33.9% higher than FY 2023. The FY 2024 budget includes legal, consulting, and contracted maintenance fees. Legal uses include lease review, risk mitigation, and ensuring free and fair access and competition at the airport. Consulting services include general engineering, surveys, plots, airspace studies, and concurrent use agreements. Contracted maintenance services include elevator and extinguisher maintenance, fire alarm maintenance, the emergency phone system, firefighting truck inspection and maintenance, and HVAC controls system support. Increases are primarily due to increased costs and needs.

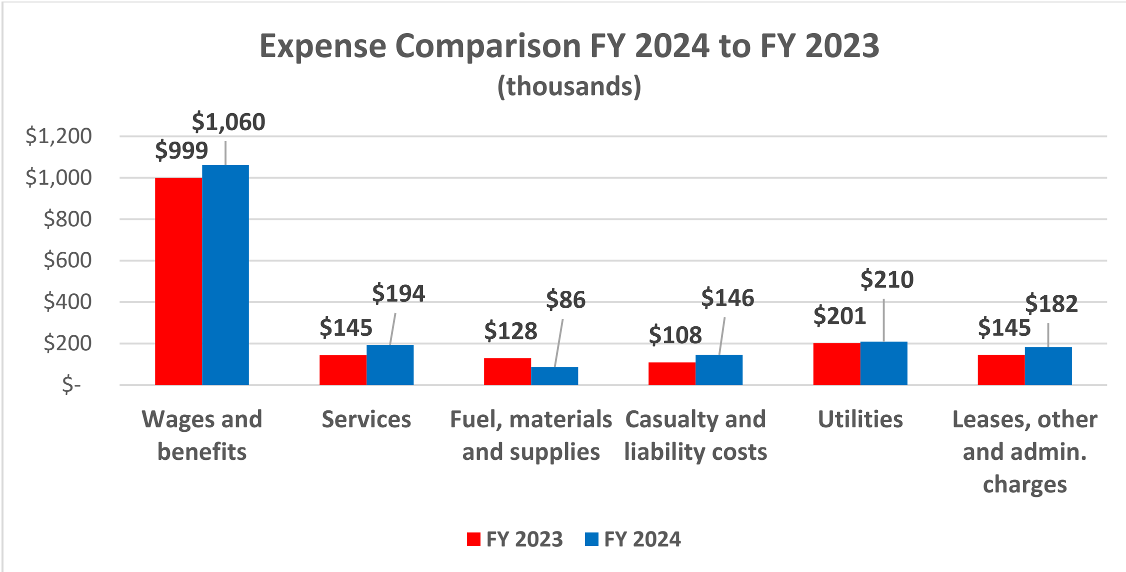
Parts and Supplies are budgeted in FY 2024 to be 32.8% less than FY 2023. These overall costs are for maintenance for consisting of Aircraft Rescue and Firefighting (ARFF) fire tools and equipment.

Casualty and liability costs are budgeted to increase 34.8% over FY2023 budgeted expenses due to increases in premium rates resulting from a difficult insurance market.

Utilities include electricity, gas, telephone, waste removal and water and are budgeted in FY 2024 to be 4.2% higher than the FY 2023 budget primarily from rate increases.

Other expense includes the following (in thousands):

Management fees to the Agency	$ 101
Travel, training, meetings, and dues	36
Other (including advertising)	45
	$ 182



Income

Net income before depreciation is projected to be $272,738 for FY 2024.

Objectives and Strategies Action Plan: St. Louis Downtown Airport

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. St. Louis Downtown Airport priorities:

Objective:	**Continue to keep airport properties leased and occupied to accomplish financial objectives. Schedule expenditures to ensure budget compliance.**

Strategy:

- Coordinate quarterly marketing conference call meeting with Jet Aviation to focus on advertising campaigns, local venue contacts, and how to collectively attract more aircraft into the airport. This will help build market awareness, foster positive relationships between Jet Aviation, the airport and airport users, and generate additional fuel flow fees.
- Collaborate with other airports in the nation that serve our market niche to build more Originating and Departing traffic.
- Continue to refine, implement, and enforce safety protocols and procedures related to COVID-19 and general employee and visitor safety

- Engage with airport stakeholders in airport operations through one on one meetings to improve communication to encourage marketing efforts with their industry partners.

Performance Measurement:

- Increase revenue.

Objective:	**Optimize Airport operations to ensure a safe and efficient airport operating environment for the traveling public.**

Strategy:

- Develop new training and deploy programs that improve the operational management of airport services. This will help present the airport as well organized, professional, and as an organization our airport users can trust.
- Continue to minimize overtime costs with balanced staff hours while meeting our regulatory requirements and providing excellent customer service.
- Continue to provide Airport Rescue and Fire Fighting services for large commercial airline service.
- Decrease operational costs and reduce temporary, ineffective short-term fixes by better utilizing mandatory reports for United States Code of 14 Code Federal Regulations Part 139: Airport Certification as enforced by the Federal Aviation Administration
- Collaborate with IDOT, FAA and local agency safety personnel to maximize funding opportunities to support capital improvements.
- Forecast budget changes due to COVID-19 and identify and target potential expense savings while revenue stream is impacted by pandemic

Performance Measurement:

- Decrease costs, while improving safety, security, and customer service of the airport.

Objective:	**Foster staff ownership of improved airport services and customer service philosophy.**

Strategy:

- Host quarterly meetings with tenants, community leaders and Airport employees to develop and implement tasks to improve airport efficiency thereby creating a sense of community among team members and our partner agencies. The goal of this strategy is to increase regional partnerships and engagement in the airport and build awareness.
- Improve airport efficiency, response and safety by having staff participate in quarterly planning, training and implementation meetings.
- Empower airport employees to review best business practices related to COVID impact

on airport operations and continuously refine how to achieve the best possible health and safety for airport employees.

Performance Measurement:

- Improved relationships and morale with Airport staff.

Performance Indicators – St. Louis Downtown Airport

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators:

St. Louis Downtown Airport:				
	FY 2024	**FY 2023**		**FY 2022**
	Target	**Projection**	**Target**	**Actual**
Net income (deficit) before depreciation (in thousands)	$272.7	$(259.1)	$163.1	$.729M
Fuel sales in gallons (in thousands)	1,400	1,600	1,050	1,463
Aircraft movement	79,000	90,000	79,000	102,008

St. Louis Downtown Airport
FY 2024 - 2026 Capital Projects Summary

Sources of Funds:	FY 2024	FY 2025	FY 2026	Total
Federal Grants	$ 5,824,026	$7,200,000	$7,200,000	$ 20,224,026
State and Local	$ 380,968	$ 400,000	$ 400,000	$ 1,180,968
Airport & Other Funds	$ 2,230,368	$ 420,000	$ 400,000	$ 3,050,368
Total Sources of Funds	**$ 8,435,362**	**$8,020,000**	**$8,000,000**	**$ 24,455,362**

Uses of Funds:	Projects by Year			
	FY 2024	FY 2025	FY 2026	Total
Construction:				
Taxiway B Drainage Improvements	$ 1,000,000			$ 1,000,000
Reconstruct Curtiss Steinberg Drive	$ 1,615,000			$ 1,615,000
Reconstruct Taxiway B Phase 2: EAST		$8,000,000		$ 8,000,000
Reconstruct Taxiway B Phase 3: CENTER			$8,000,000	$ 8,000,000
Resurface Vector Dr from Curtis Steinberg Dr to Airflite Dr	$ 750,000			$ 750,000
Equipment and Facilities Replacements:				
Terminal: Reconstruction	$ 4,000,000			$ 4,000,000
Lite Utility Vehicle	$ 25,000			$ 25,000
Scissor Lift		$ 20,000		$ 20,000
Acquire snow removal equipment				$ -
Airport Rescue and Fire Fighting Truck (Index B)				$ -
Land and Land Improvements:				
Taxiway Bravo Relocation Preliminary Engineering	$ 105,362	$ -	$ -	$ 105,362
Taxiway Bravo Relocation Final Design	$ 500,000	$ -	$ -	$ 500,000
Airport Layout Plan (ALP)	$ 400,000	$ -	$ -	$ 400,000
Hangar 1/2 Structural & Registery Evaluation	$ 40,000	$ -	$ -	$ 40,000
Wildlife Hazard Management Plan	$ -	$ -	$ -	$ -
Total Use of Funds	**$ 8,435,362**	**$8,020,000**	**$8,000,000**	**$ 24,455,362**

ST. LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL FREIGHTWAY

BU220002

St Louis Regional Freightway

Strategic Focus

The St. Louis Regional Freightway (Freightway) optimizes the region's freight transportation network through public and private partnerships and advances the bi-state's position as a global logistics hub. The Freightway works to enhance the region's freight network and strengthen modal flexibility, support workforce development initiatives that build the talent supply chain, and raise awareness about the St. Louis region's global connectivity that makes it a great location to establish or grow a business

***Our strategic focus for FY 2024 centers on*:**

AWARENESS

- ✓ Create platforms and initiate conversations to engage thought leaders in the freight and logistics industry that leads to economic development. Bring civic, public and private partners together focusing on regional prosperity and lending their expertise to help advance the region's status as a global logistics hub.

INFRASTRUCTURE FUNDING & MULTIMODAL CAPABILITIES

- ✓ Develop and build consensus with uniting governments, all modes of transportation, manufacturing/logistics industries and other stakeholders in regional freight around priority projects that modernize the region's network of freight infrastructure. Foster cross-sector partnerships that lead to increased regional competitiveness for funding that benefits freight mobility and economic development.

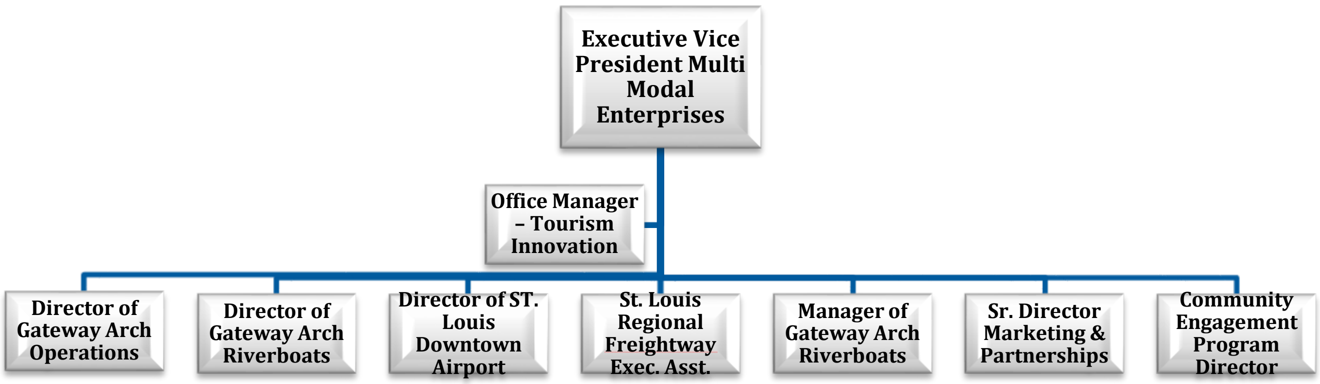
PROMOTING INDUSTRIAL REAL ESTATE

- ✓ Continue to gain recognition as a global logistics hub. Generate and garner publicity in local, national and international media outlets for the efforts and accomplishments undertaken with regional, national and international partnerships.

RELEVANCE

- ✓ We will continue linking to larger national freight-related conversations, such as the impact of COVID-19 on the freight industry and US infrastructure improvement plans, and driving this relevant content through targeted stories directed to regional media outlets and national industry publications.

Organization for all Agency, Multi-Modal Enterprises:



Total Personnel:

Full - Time - 1

St. Louis Regional Freightway
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
Other operating revenue	11,250			-	-
Regional freight fees	300,000	500,000	400,000	(100,000)	-20.0%
Total operating revenues	311,250	500,000	400,000	(100,000)	-20.0%
Total revenues	311,250	500,000	400,000	(100,000)	-20.0%
Operating Expenses:					
Wages and benefits	158,530	250,271	139,523	(110,748)	-44.3%
Services	204,547	344,000	325,000	(19,000)	-5.5%
Fuel, materials and supplies	979	3,500	3,500	(0)	0.0%
Leases, other and admin. charg	18,987	44,000	36,000	(8,000)	-18.2%
Total operating expenses	**383,042**	**641,771**	**504,023**	**(137,748)**	**-21.5%**
				-	-
Total expenses	383,042	641,771	504,023	(137,748)	0.0%
Net income (Deficit) before dep	(71,792)	(141,771)	(104,023)	37,748	0.0%
Net income (Deficit)	**$ (71,792)**	**$(141,771)**	**$ (104,023)**	**$ 37,748**	0.0%

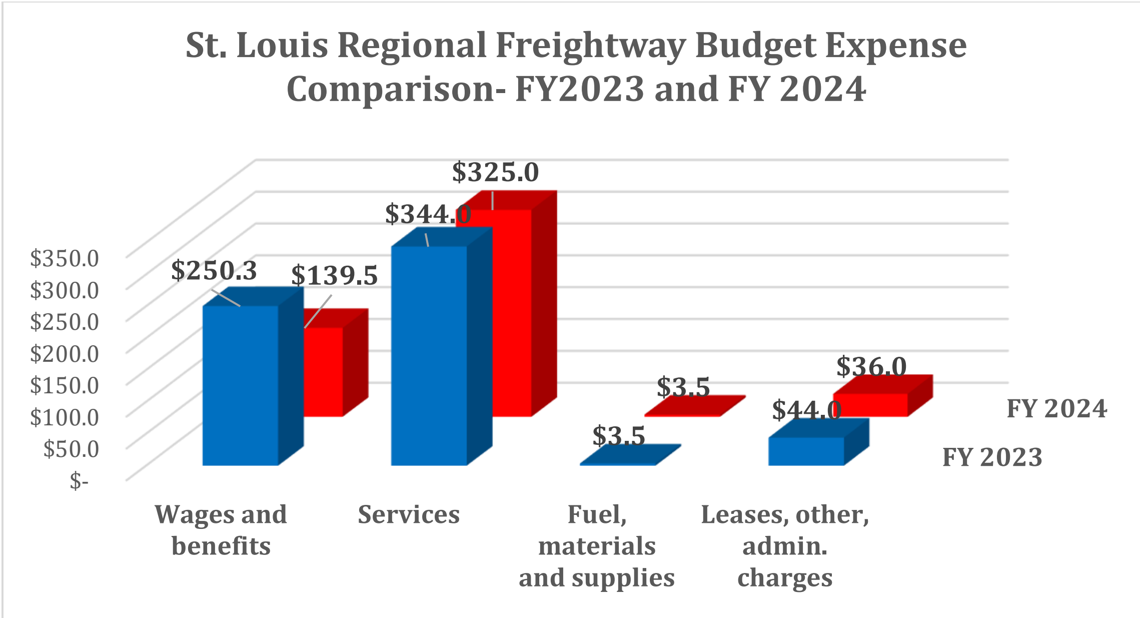
Numbers may not sum due to rounding.

Revenue

In FY 2024, contributions and fees for service provided are expected to generate $400,000 in operating revenue.

Expense

Total FY 2024 operating expense is expected to be $504,023, resulting in a net loss of $104,023. The majority of operating expense is for consulting services, compensation, and benefits.



Net loss before depreciation for FY 2024 is budgeted at $104,023.

Objectives and Strategies Action Plan: St. Louis Regional Freightway

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. St. Louis Regional Freightway priorities:

Objective:	**Increase national and global awareness of the St. Louis region's world class logistics hub.**

Strategy:

- Build strategic alliances and new partnerships with shippers and carriers that support existing freight businesses and help attract new businesses.
- Develop and leverage regional success stories and promote regional assets.
- Actively build regional ambassadors-a network of engagement, reciprocity and create a sense of "community" within the region.

Performance Measurement:

- Secured relationships with industry and regional stakeholders.

Objective: **Maximize infrastructure funding opportunities through public-private partnerships and improve multimodal capabilities.**

Strategy:

- Develop and build consensus for a regional list of multimodal transportation and infrastructure projects with the East-West Gateway Council of Governments Board of Directors, Missouri and Illinois Departments of Transportation, all modes of transportation and manufacturing/logistics industries.
- Develop and help coordinate infrastructure funding strategies and advocacy plans with public and private sector leaders.

Performance Measurement:

- Coordinated regional and national infrastructure investment and support for priority project.

Objective: **Promote industrial user real estate site and streamline the site selection process to help increase jobs in the manufacturing and logistics industries.**

Strategy:

- Develop and maintain TheFreightway.com website in a manner that continues to experience increased usage by the industrial real estate industry.
- Build strategic alliances and new partnerships with the local and national industrial real estate industry leaders.
- Develop and promote regional success stories and promote the region's industrial real estate market.
- Actively build and inform regional ambassadors of the region's industrial real estate market – a network of engagement, reciprocity, creating a sense of "community" within the region.

Performance Measurement:

- Secured bi-partisan and federal support for the region's multimodal infrastructure.

Objective: **Manage the Freightway in a productive and cost-effective manner.**

Strategy:

- Greater awareness that supports and expands the St. Louis region's manufacturing and logistics industries and elevates the region's profile as a World Class Logistics Hub.
- Bring relevance to the region's freight efforts by linking to larger national freight related conversations such as the impact of COVID-19 on the freight industry and US infrastructure improvement plans.
- Drive content through targeted stories to regional media outlets, national industry publications.

Performance Measurement:

- Secure Freightway funding with Madison, St. Clair and Monroe Counties in Illinois, St. Louis City, Missouri and Franklin, Jefferson, St. Charles and St. Louis Counties in Missouri and other funding resources.

Performance Indicators – St. Louis Regional Freightway

Progress in meeting the goals and objectives are measured through performance indicators. Following is a list of the performance indicators for St. Louis Regional Freightway

	FY 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
St. Louis Regional Freightway				
Brand strategy roll-out	100%	On Target	100%	Met
Committee, Industry Forum and Freight Summit attendees	100%	80%	80%	100%
Develop relationships with industry and regional stakeholders	100%	On Target	100%	Met
Execute infrastructure funding strategies and secure regional consensus for infrastructure priority list of projects	100%	On Target	100%	Met

EXECUTIVE SERVICES

EXECUTIVE SERVICES

BU220002

Executive Services

Strategic Focus

The President and Chief Executive Officer leads Executive Services. Executive Services is a service enterprise that provides support to Bi-State Development business operating units. These services are provided by executive management, in addition to services from, the legal department, real estate and economic development department, tourism innovation administration, and the internal audit department.

Organization

Executive Services
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
Admin Fees - Transit	3,324,423	4,147,786	3,384,655	(763,131)	-18.4%
Admin Fees - Arch	664,059	659,531	827,729	168,198	25.5%
Admin Fees - Airport	94,201	94,480	101,208	6,728	7.1%
Admin Fees - Riverboats	-	-	-	-	0.0%
Admin Fee - National Park Svc	274,682	264,645	327,657	63,012	23.8%
Total operating revenues	4,357,364	5,166,442	4,641,249	(525,193)	
Non-Operating Revenue:					
Interest revenue	1,178	1,500	8,812,500	8,811,000	n/m/%
Total revenues	4,358,542	5,167,942	13,453,749	8,285,807	160.3%
Operating Expense:					
Wages and benefits	2,500,387	2,758,273	2,879,167	120,894	4.4%
Services	793,449	1,694,516	1,411,588	(282,928)	-16.7%
Fuel, materials and supplies	9,964	22,795	24,697	1,902	8.3%
Casualty and liability costs	85,107	48,000	-	(48,000)	-100.0%
Utilities	1,601	4,650	3,250	(1,400)	-30.1%
Leases, other and admin. charges	400,782	384,855	532,146	147,291	38.3%
Total operating expenses	**3,791,290**	**4,913,090**	**4,850,848**	**(62,242)**	**-1.3%**
Non-Operating Expense:					
Other non-operating expense	86,613	0	0		
Total expenses	3,877,903	4,913,090	4,850,848	(62,242)	-1.3%
Net income (Deficit) before depreciation and transfers	480,639	254,852	8,602,901	8,348,049	n/m/%
Net transfers	(25,883)	0	0		
Net income (Deficit)	**506,522**	**254,852**	**8,602,901**	**8,348,049**	n/m/%

Numbers may not sum due to rounding.

Revenue

The Metro administration fee provides a significant portion of the revenue for Executive Service. Transit represents 72.9% of the revenue before interest revenue.

The Gateway Arch administration fee is calculated based on a formula negotiated with the National Park Service including 7% of Arch gross receipts and 10% of the net receipts less operating costs. The Gateway Arch management fee is $827,729, 25.5% more than FY 2023, reflecting a modest return of Arch revenue and activity post-COVID.

The St. Louis Downtown Airport administration fee is calculated at 5% of the Downtown Airport operating revenue and interest income. The St. Louis Downtown Airport administration fee is $101,208.

The Riverfront Attractions administration fee is calculated at 5% of Riverfront Attractions operating revenue. The management fee for FY 2023 will not be assessed due to lower anticipated revenue and ridership.

The National Park Service fees are calculated at 20% of the Arch entrance fees and movie admissions. The National Park Service charges a $3 entrance fee per adult ticket. Children 15 years old and younger and educational groups are exempt from the fee. The National Park Service administration fee is $327,657, higher by 23.8% due to an anticipated increase in admissions for FY 2024.

The St. Louis Regional Freightway and Arts In Transit, Inc. will not be assessed a management fee in FY 2023.

Interest Revenue represents earnings on invested funds. The current budgeted interest revenue is $8.8 million resulting from a favorable rate environment.

Expense

Wages and benefits are higher due to salary and benefit increases, restructures, and one additional position added within internal audit. This addition is needed to support audit requirements from the Federal Transit Administration and to support additional consulting needs throughout the organization.

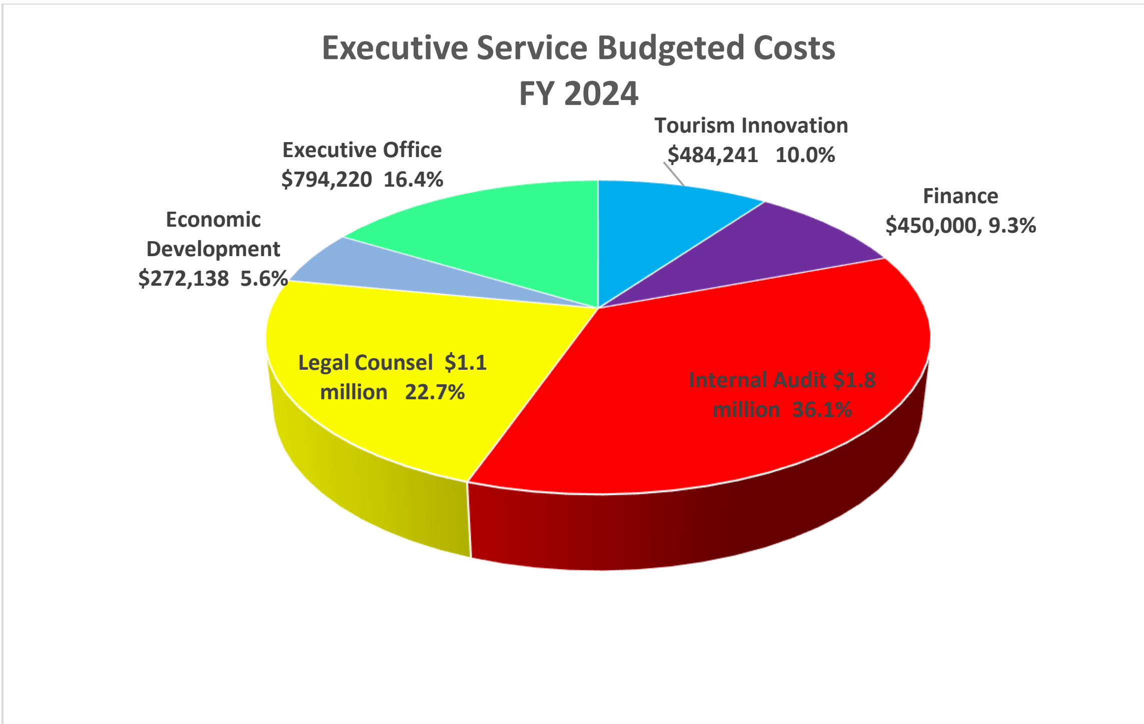
Services consist of fees for outside consultants, auditors, lawyers, and lobbyists and also services for establishing strategic partnerships and investment in Washington DC, Missouri and Illinois. In FY 2024 Executive Service will reduce spending by $282,928 for legal and consulting services.

Parts and supplies include office supplies and equipment, training materials, and data processing supplies. The FY 2024 budget for office and data processing supplies increased by 8.3%.

Utilities consist of mobile device and tablet usage. These expenditures decreased by $1,400.

Other expense includes employee and commissioner travel, employee training and dues for regional, state, and national transportation and economic organizations. Travel, training, and subscriptions are expected to be 38.3% higher in FY 2024.

Expense by Department



Income

Net income before depreciation is projected at $8,602,901**.**

The following section displays operating costs for the departments that reside within Executive Services. The departments that encompass Executive Services are the Executive Office, Internal Audit, General Counsel, Economic Development, Tourism Innovation, and other Financial expenses.

Executive Services - Operating Expense - Summary

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
By type of expense:				
Wages & benefits without OPEB	2,739,873	2,868,082	128,209	4.7%
Other post-employment benefits	18,400	11,085	(7,315)	-39.8%
Services	1,694,516	1,411,588	(282,928)	-16.7%
Parts and supplies	22,795	24,697	1,902	8.3%
Casualty and liability costs	48,000	0	(48,000)	-100.0%
Utilities	4,650	3,250	(1,400)	-30.1%
Leases and other expense	384,855	532,146	147,291	38.3%
Operating expense	**4,913,090**	**4,850,848**	**(62,242)**	**-1.3%**
By function:				
Executive Office	880,913	794,520	(86,393)	-9.8%
Internal Audit	2,117,098	1,751,451	(365,647)	-17.3%
General Counsel	892,346	1,099,498	207,152	23.2%
Economic Development	264,844	271,138	6,294	2.4%
Tourism Innovation	423,889	484,241	60,352	14.2%
Financial Expenses	334,000	450,000	116,000	34.7%
Operating expense	**4,913,090**	**4,850,848**	**(62,242)**	**-1.3%**

Executive Services - Operating Expense by Functional Area

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Executive Office				
Wages & benefits without OPEB	474,443	513,127	38,684	8.2%
Other post-employment benefits	4,400	2,651	(1,749)	-39.8%
Services	163,200	116,100	(47,100)	-28.9%
Parts and supplies	2,100	2,796	696	33.1%
Casualty and liability costs	0	0	-	0.0%
Utilities	750	750	-	0.0%
Leases and other expense	236,020	159,096	(76,924)	-32.6%
Operating expense	**880,913**	**794,520**	**(86,393)**	**-9.8%**
Internal Audit				
Wages & benefits without OPEB	986,457	882,404	(104,053)	-10.5%
Other post-employment benefits	5,417	3,264	(2,154)	-39.8%
Services	998,552	725,000	(273,552)	-27.4%
Parts and supplies	11,875	11,876	1	0.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	600	0	(600)	-100.0%
Leases and other expense	114,197	128,908	14,711	12.9%
Operating expense	**2,117,098**	**1,751,451**	**(365,647)**	**-17.3%**
General Counsel			-	0.0%
Wages & benefits without OPEB	673,802	796,010	122,208	18.1%
Other post-employment benefits	3,840	2,313	(1,527)	-39.8%
Services	191,284	266,008	74,724	39.1%
Parts and supplies	4,320	5,525	1,205	27.9%
Casualty and liability costs	0	0	-	0.0%
Utilities	0	0	-	0.0%
Leases and other expense	19,100	29,642	10,542	55.2%
Operating expense	**892,346**	**1,099,498**	**207,152**	**23.2%**
Economic Development			-	0.0%
Wages & benefits without OPEB	198,668	208,539	9,871	5.0%
Other post-employment benefits	1,857	1,119	(738)	-39.8%
Services	55,480	54,480	(1,000)	-1.8%
Parts and supplies	1,000	1,000	-	0.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	1,800	1,000	(800)	-44.4%
Leases and other expense	6,038	5,000	(1,038)	-17.2%
Operating expense	**264,844**	**271,138**	**6,294**	**2.4%**

Executive Services - Operating Expense by Functional Area

	Budget 2023	Budget 2024	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Tourism Innovation Administration			-	0.0%
Wages & benefits without OPEB	406,503	468,002	61,499	15.1%
Other post-employment benefits	2,886	1,739	(1,147)	-39.8%
Services	0	0	-	0.0%
Parts and supplies	3,500	3,500	(0)	0.0%
Casualty and liability costs	0	0	-	0.0%
Utilities	1,500	1,500	-	0.0%
Leases and other expense	9,500	9,500	(0)	0.0%
Operating expense	**423,889**	**484,241**	**60,352**	**14.2%**
Financial Expenses			-	0.0%
Wages & benefits without OPEB	0	0	-	0.0%
Other post-employment benefits	0	0	-	0.0%
Services	286,000	250,000	(36,000)	-12.6%
Parts and supplies	0	0	-	0.0%
Casualty and liability costs	48,000	0	(48,000)	-100.0%
Utilities	0	0	-	0.0%
Leases and other expense	0	200,000	200,000	0.0%
Operating expense	**334,000**	**450,000**	**116,000**	**34.7%**
	4,913,090	**4,850,848**	(62,242)	**-1.3%**

Objectives and Strategies Action Plan: Internal Audit

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Internal Audit's priorities:

Objective: Improve Safety and Security.

Strategy:

- Continuously educate team members on their role in safety responsibilities and compliance.
- Measure process safety improvements (PPE compliance etc.) that reduce injuries while staff conduct audits.
- Educate staff to be on the look-out for unsafe practices and speak up if something is unsafe during audits.
- Using existing safety data, identify future potential hazards and key risks that can be incorporated into the IAD's annual audit plan.
- Assess and suggest adjustments of safety and security processes and procedures through IAD's SSO and other audits.

Performance Measurement:

- Audit feedback results from safety and security audits.
- Internal Audit safety training attendance.
- Safety and security internal audit results and findings.
- Follow-up and monitor Correction Action Plans.

Objective: Improve fiscal responsibility and operational efficiencies.

Strategy:

- Perform an Agency-wide Risk Assessment of 120 (+) auditable units. An auditable unit is defined as any particular topic, subject, project, department, division, process, and/or function that is deemed to be worthy of an audit.
- Develop an Annual Audit Work Plan that identifies key auditable units that will be the focus of an audit during the fiscal year from the results of the Agency-wide Risk Assessment.
- Track Management's progress made towards implementing audit recommendations that have been designed to improve operational efficiencies.
- Annually update the Agency-wide Risk Assessment with new/updated risks.
- Explore, analyze and monitor implementation of cost efficiencies such as; ProCard Audits, Finance Department Consultations, audit reviews, expenditures.
- Provide solid recommends to audit customers' ways to streamline core business practices to manage costs and reallocate resources.

Performance Measurement:

- Annually completed audits identified in the Annual Audit Work Plan.

- Successfully track and follow-up on operational inefficiencies identified in the audits to ensure implementation and goals achieved.

Objectives and Strategies Action Plan: Economic Development and Real Estate

Each department and enterprise has developed objectives and strategies to engage in the success of the Agency. The following action steps are designed to further the achievement of Bi-State Development's goals as outlined in the Strategic Plan section of this document which include improving the perception of system safety and the image of the Agency. Economic Development and Real Estate priorities:

Objective:	**Fiscally responsible management of all related real estate and economic development activities and projects.**

Strategy:

- Manage the collective department's expenditures in a fiscally responsible manner while focusing on increasing revenues from BSD real estate assets.
- Achieve savings on non-salary, foreseeable departmental expenses, year over year for budgets and actuals, and pro-actively manage in a fiscally responsible manner the cost centers for HQ, Brentwood Meridian Garage, Real Estate and Economic Development.
- Sale/lease/license non-revenue producing BSD real estate assets when and where possible, including the disposition of excess property for Transit Oriented Development (TOD) use creating some $700,000 in sales for BSD in conjunction with the proposed North Hanley and DeBaliviere TODs.
- Work with community partners on revenue producing and cost containment initiatives, such as the $90,000 available annually to BSD for the next 40-years for bus stop and other transit upgrades that the City of St. Ann adopted via a city-wide St. Ann TDD.

Performance Measurement:

- Fiscally responsible management of cost centers and BSD real estate assets.

Objective:	**Delivery of Transit Oriented Development (TOD).**

Strategy:

- Support and collaborate with private developers to gain TOD investment at BSD MetroLink stations resulting in additional revenue, ridership and rider security.
- Continue supporting the DeBaliviere and North Hanley TOD projects through their approval and development process, and collaborate with developers on property adjacent to BSD MetroLink stations, including for additional TOD at Swansea and new TOD at Delmar, both of which benefit increased ridership and rider security.
- Prepare and market TOD opportunities with and through public and private partners.

Performance Measurement:

- Transit Oriented Development projects which create socioeconomic benefits around BSD station areas and along the MetroLink alignment.

Objective: Successful management of property and property disposition.

Strategy:

- Work with public and private partners to create and complete capital events for BSD asset disposition.
- Manage BSD Board's annual excess property declarations, and dispose of excess properties where and when there is a viable buyer creating revenues in excess of disposition expenses.
- Update Chapter 40 of the BSD Board policies to streamline the property disposition process.
- Support FTA's on-going and triennial review requirements related to real estate disposition.
- Actively manage the Brentwood Meridian Garage, including specific review of budgets and expenditure items.
- Interface with regional utilities for easements, etc., across BSD properties, many of which produce a source of BSD revenue.
- Interface with BSD Accounts Payable for prompt payment of BSD real estate bills, and with BSD Accounts Receivable for prompt collections related to BSD's real estate assets.

Performance Measurement:

- Accurate excess property inventory on annual Surplus Property list.
- Well managed Meridian Garage.
- Produce BSD income through sales, leases, easements and license agreements.

Objective: Ensure successful external collaboration to create income and ridership.

Strategy:

- Support and collaborate with other BSD Departments and community partners on projects and programs for BSD's rider centric direction.
- Leadership and support of BSD efforts for increased ridership and security through TOD projects, bus stop and shelter improvements and future transit services, such as NS/SS.
- Represent BSD in community engagement in support of regional transit successes.
- Pursue and create revenue opportunities with private partners to make on-going use of BSD assets, such as the $50,000 annual contract with T-Mobile to put cellular services in our train tunnels, and the $18,000 annual contract with T-Mobile for antennas at the Civic Center MetroLink station.
- Support GRG's Brickline effort as it benefits transit ridership and improves modality.

Performance Measurement:

- Ridership increases.
- Produce additional income through property dispositions and fee for use agreements.

Objective: **Provide economic development and real estate services support to all BSD Enterprises to maximize efficiencies of operation.**

Strategy:

- Provide focused, experienced economic development and real estate services that save BSD considerable time, legal and consultant fees, and avoid having to "reinvent the wheel" on a routine basis.
- Provide specific real estate focused review of St. Louis Freightways marketing materials.
- Actively manage St. Louis Downtown Airport's real estate lease and sale needs.
- Support BSD Engineering's project property acquisition needs.
- Support BSD Operations and MOW's real estate requirements, in particular, involving easements.
- Support BSD Planning's bus shelter related real estate needs.
- Support St. Clair County Transit District's real estate needs.
- Support Metro Transit's vendor and concessionaire real estate and lease needs.

Performance Measurement:

- Support all BSD Enterprises and Departments in a manner that they successfully contribute to the region's well-being.

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 2024	FY 2023		FY 2022
	Target	Projection	Target	Actual
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%
Internal Audit:				
Internal & State Safety Audits:				
Internal Audits Planned	15	15	15	12
Internal Audits Completed	15	10	15	11
Internal Audit Recom Accepted Management	100	90	100	77
Audit Recom. Implemented	80	60	80	21
State Safety Audits Planned	10	10	10	6
State Safety Audits Completed	10	7	10	6
State Safety Audits Recom Accept	20	23	20	23
State Safety Audit Recom Implmtd	15	14	15	20
Economic Development:				
Transit Oriented Development (TOD) project efforts at 38 stations	100%	100%	100%	100%
Support BSD departmental requirements	Yes	Yes	Yes	Yes
Grow regional project/funding partnerships	Yes	Yes	Yes	Yes
Create opportunities for use of Bi-State compact	Yes	Yes	Yes	Yes
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%	98%
BSD real estate accounts payable current	100%	100%	100%	100%
Manage BSD real estate assets to maximize value	Yes	Yes	Yes	Yes

SELF-INSURANCE FUNDS

BU220002

Health Self-Insurance Fund

Strategic Focus

Providing management with greater visibility and enhanced financial reporting for $39.4 million self-funded health and welfare insurance activities. Guidance and management is provided for benefits and enrollment, monitoring claims, managing third party health related contracts, proposing cost controlling measures, and the in-house wellness program. The wellness program is an active part of BSD's cost control environment.

Health Self Insurance ISF
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
Employee health	7,252,928	7,692,399	6,817,968	(874,431)	-11.4%
Employer health	29,610,486	33,743,555	32,571,409	(1,172,146)	-3.5%
Total operating revenues	36,863,414	41,435,954	39,389,377	(2,046,577)	-4.9%
Interest revenue	216	6,800		(6,800)	-100.0%
Total revenues	36,863,630	41,442,754	39,389,377	(2,053,377)	-100.0%
Operating Expenses:					
Wages and benefits	825,565	823,477	891,227	67,749	8.2%
Services	226,106	352,240	523,440	171,200	48.6%
Fuel, materials and supplies	3,610	32,595	27,730	(4,865)	-14.9%
Utilities	2,924	4,550	4,560	10	0.2%
Leases, other and admin. charges	104,145	71,835	128,635	56,800	79.1%
Health and welfare self-insurance	36,835,074	40,158,057	37,812,985	(2,345,072)	-5.8%
Total operating expenses	**37,997,423**	**41,442,754**	**39,388,577**	**(2,054,178)**	**-5.0%**
Contributions to outside entities			800	800	-
Total expenses	37,997,423	41,442,754	39,389,377	(2,054,178)	-5.0%
Net income (Deficit) before depreciation and transfers	(1,133,793)	0	0		
Net income (Deficit)	**(1,133,793)**	**0**	**0**	**0**	

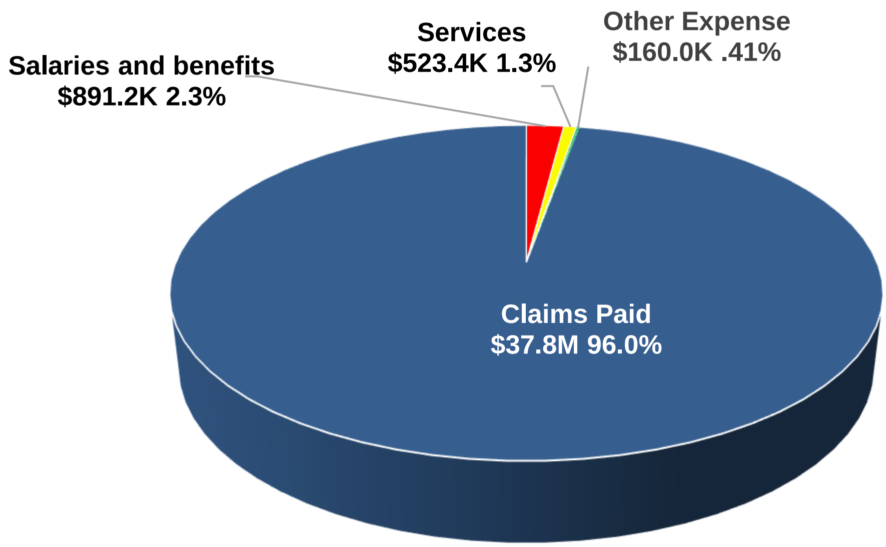
Numbers may not sum due to rounding.

Revenue

Revenue for the Health SIF is generated by charges for services provided to other business units within BSD and to related parties. The majority of revenue is remitted from BSD business units who pay for the company portion of health plan costs for each units' respective employees. Other funding comes from the employee and pensioner contributed portion of health related benefits and represent approximately 17.3% of the revenue provided by the fund.

Expense

The majority of total operating expense for the Health SIF consists of claims paid for medical, prescription and dental. Other operating expenses include: compensation for staff to operate the programs, consultant fees, third party administrator fees, and premiums for excess insurance coverage. Claims paid are the largest single expense for the self-insurance fund and represent claims paid on a cash basis. Claims paid in FY 2024 are expected to decrease by $2.3 million or 5.8%. A number of company sponsored wellness offerings are available throughout the year.



Casualty Self-Insurance Funds

Strategic Focus

BSD's Casualty Self-Insurance Fund (SIF) focuses on managing premiums, reporting claims, and controlling cost while providing greater visibility and financial reporting for the $7.6 million in self- funded risk activities.

Casualty Self Insurance ISF
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
ISF-Casualty insurance revenue	2,935,275	4,475,749	3,816,405	(659,344)	-14.7%
Total operating revenues	2,935,275	4,475,749	3,816,405	(659,344)	-14.7%
Interest revenue	0	9,250		(9,250)	-100.0%
Total revenues	2,935,275	4,484,999	3,816,405	(668,594)	-14.9%
Operating Expenses:					
Wages and benefits	262,286	153,359	132,203	(21,156)	-13.8%
Services	854,048	73,500	402,000	328,500	446.9%
Fuel, materials and supplies	209	100		(100)	-100.0%
Casualty and liability costs	3,984,063	5,324,238	4,022,000	(1,302,238)	-24.5%
Utilities	12	-		-	-
Leases, other and admin. charges	135	-	600	600	-
Casualty self-insurance	2,543,939	3,161,328	3,001,000	(160,328)	-5.1%
Total operating expenses	**7,644,691**	**8,712,525**	**7,557,803**	**(1,154,722)**	**-13.3%**
				0	-
Total expenses	7,644,691	8,712,525	7,557,803	(1,154,722)	-13.3%
Net income (Deficit) before depreciation and transfers	**(4,709,416)**	**(4,227,526)**	**(3,741,398)**	**486,128**	**-11.5%**
Net transfers	(5,095,875)	(4,227,526)	(3,741,398)	486,128	
Net income (Deficit)	**386,459**	**-**	**-**	**-**	

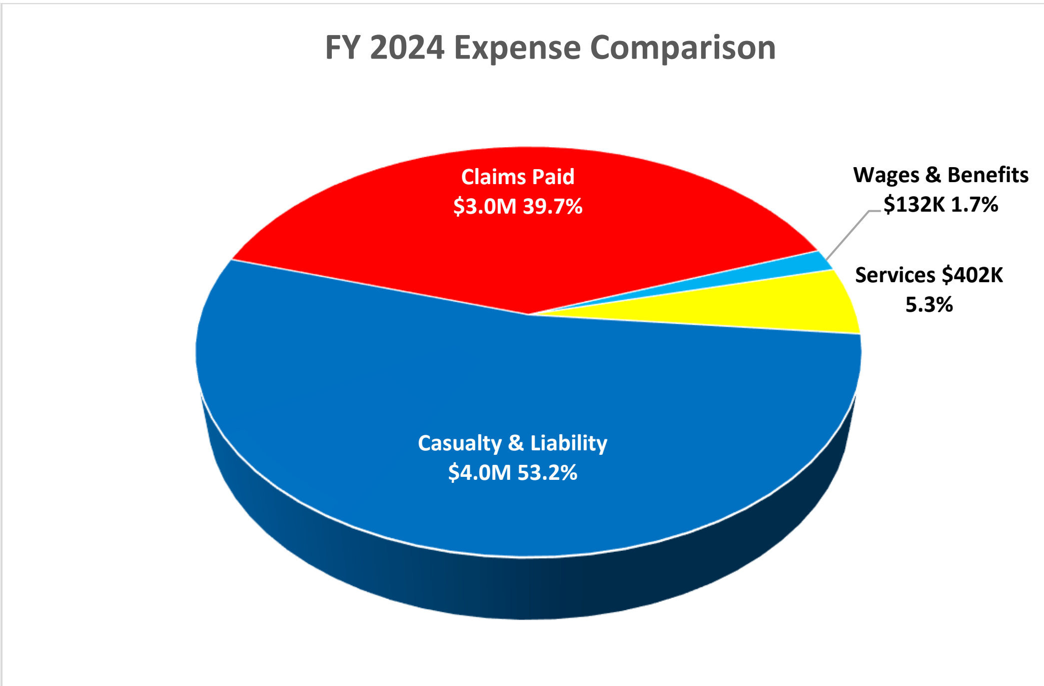
Numbers may not sum due to rounding.

Revenue

Revenue for the SIF is generated by charges for services provided to other business units within BSD. As insurance claims are incurred, the affected business unit within BSD is charged for the incurred claim and offsetting revenue is generated within the SIF. The incurred amount charged to each business unit represents the claim amount and insurance premiums. There is a secondary charge to the business units for administrative services provided. The secondary fee covers personnel compensation and general office expenses to operate the fund.

Expense

Total operating expense for the self-insurance fund consists of compensation for staff, consultant fees, premiums for excess insurance coverage, office supplies, and claims paid. Claims paid are the largest single expense for the self-insurance fund and represents claims paid on a cash basis. Claims paid are expected to decrease in FY 2024 by $160,328 or 5.1%.



Workers Compensation Self-Insurance Fund

Strategic Focus

The Workers' Compensation Self-Insurance Fund (SIF) is focused on managing premiums, reporting claims, and controlling cost. The SIF provides greater visibility and financial reporting for BSD's $7.9 million in self- funded activities.

Workers Comp Self Insurance ISF
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
ISF-Workers comp revenue	11,396,650	6,229,499	6,820,672	591,173	9.5%
Total operating revenues	11,396,650	6,229,499	6,820,672	591,173	9.5%
Interest revenue	1,405	12,700		(12,700)	-100.0%
Total revenues	11,398,055	6,242,199	6,820,672	578,473	9.3%
Operating Expenses:					
Wages and benefits	257,275	138,865	153,944	15,079	10.9%
Services	572,153	12,350	356,500	344,150	2786.6%
Fuel, materials and supplies	1,012	100		(100)	-100.0%
Casualty and liability costs	399,754	235,000	281,000	46,000	19.6%
Utilities	4	-		-	-
Leases, other and admin. charges	539,855	750,850	401,500	(349,350)	-46.5%
Workers comp self-insurance	7,699,313	6,242,576	6,800,000	557,424	8.9%
Total operating expenses	**9,469,366**	**7,379,741**	**7,992,944**	**613,203**	**8.3%**
Total expenses	9,469,366	7,379,741	7,992,944	613,203	0.0%
Net income (Deficit) before depreciation and transfers	**1,928,689**	**(1,137,542)**	**(1,172,272)**	**(34,730)**	**0**
Net transfers	(1,617,092)	(1,137,542)	(1,172,272)	(34,730)	3.1%
Net income (Deficit)	**3,545,781**	**-**	**-**	**-**	**0.0%**

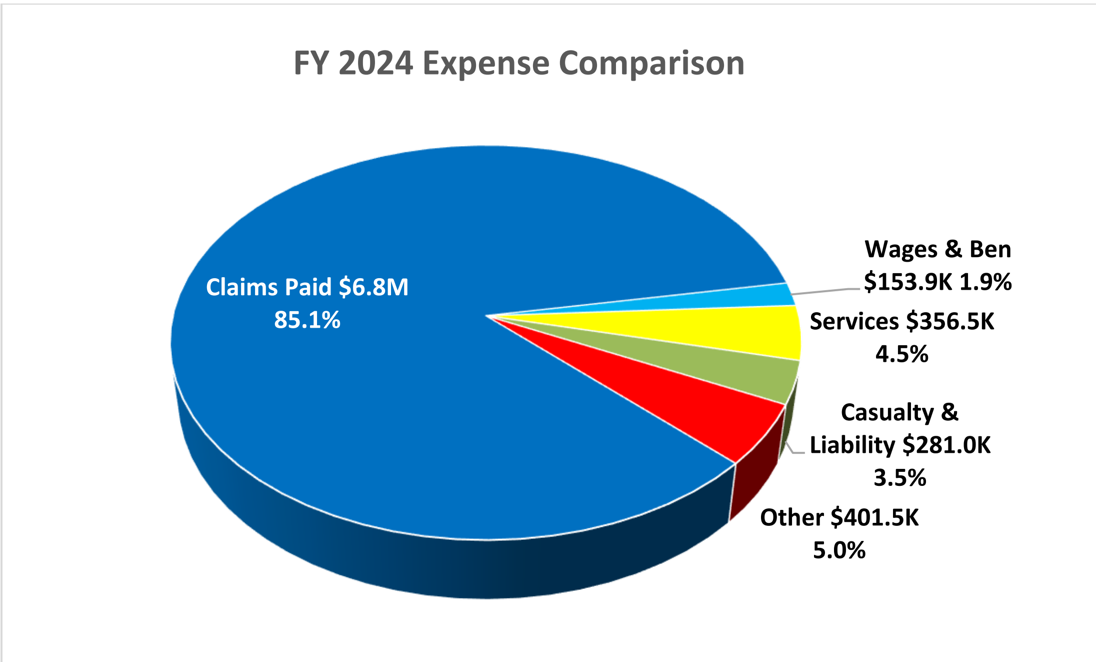
Numbers may not sum due to rounding.

Revenue

Revenue for the SIF is generated by charges for services provided to other business units within BSD. As insurance claims are incurred, the affected business unit within BSD is charged for the incurred claim and an offsetting revenue is generated within the SIF. The incurred amount charged to each business unit represents the claim amount and insurance premiums. There is a secondary charge to the business units for administrative services provided. The secondary fee covers personnel compensation and general office expenses to operate the fund.

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 self-insurance fund and represents claims paid on a cash basis. Claims paid in FY 2024 are expected to be up $557 thousand or 8.9%.



NON-PROFIT ARTS IN TRANSIT, INC.

NON-PROFIT
ARTS IN TRANSIT, INC.

BU220574

Arts In Transit, Inc.

Strategic focus

Arts in Transit, Inc. (AIT) facilitates community engagement public art programs and projects that enhance the transit experience through creative place making and wayfinding.

Our strategic focus for FY2024 centers on:

FISCAL RESPONSIBILITY

- ✓ We engage with nationally recognized currators to repair and restore the collection of art installations across the Metro Transit System resulting from deterioriation and abuse. Condition assessments assist in prioritizing installations which require preservation.

CUSTOMER EXPERIENCE

- ✓ Improve consumer engagement and ridership across the Metro system through creative initiatives that allow our team to engage with families, community groups, and constituents through are projects that can be integrated into our facilities and rolling fleet.

- ✓ Improve the perception of Metro Transit services through reinvigorated AIT engagement programs such as MetroLines (Poetry), MetroScapes (Visual), and Art in Motion (Bus Painting) geared toward education.

Arts In Transit (AIT)
Statement of Revenue and Expense
FY 2022 - FY 2024

	Actual 2022	Budget 2023	Budget 2024	$ Change	% Change
Operating Revenue:					
In-Kind Donations (501c3)	20,734	88,329	51,950	(36,379)	-41.2%
AIT Awards	-	-	-	-	0.0%
Contributions- NFP	21	0	0	-	0.0%
Awards- RAC and MAC	0	0	0	-	0
Total operating revenues	20,755	88,329	51,950	(36,379)	-41.2%
Non-Operating Revenue:					
Total revenues	20,755	88,329	51,950	(36,379)	-41.2%
Operating Expense:					
Wages and benefits	2,261	16,139	-	(16,139)	-100.0%
Services	17,485	58,188	50,000	(8,188)	-14.1%
Fuel, materials and supplies	11	6,000	1,700	(4,300)	-71.7%
Utilities	1	650	0	(650)	-100.0%
Leases, other and admin. char	(4,513)	7,352	250	(7,102)	-96.6%
Total operating expenses	**15,245**	**88,329**	**51,950**	**(36,379)**	**-41.2%**
Non-Operating Expense:					
Total expenses	15,245	88,329	51,950	(36,379)	-41.2%
				0	**0**
Net income (Deficit) before de	**5,510**	**0**	**0**	**0**	**0**
Net income (Deficit)	5,510	0	0	0	0

Numbers may not sum due to rounding.

Revenue

Arts in Transit revenue for FY 2024 is expected to be $51,950. In-Kind Contributions are provided through the expertise and service contributions from BSD staff.

Expense

Arts in Transit incurs expense from salaries and benefits, consulting fees, the use of outside services to assist in various art projects, and art materials and supplies. In FY 2024 operating expenses are projected to decrease $36,379 or 41.2% due to decreased spending for materials and supplies.

BUDGET PROCESS

BU220002

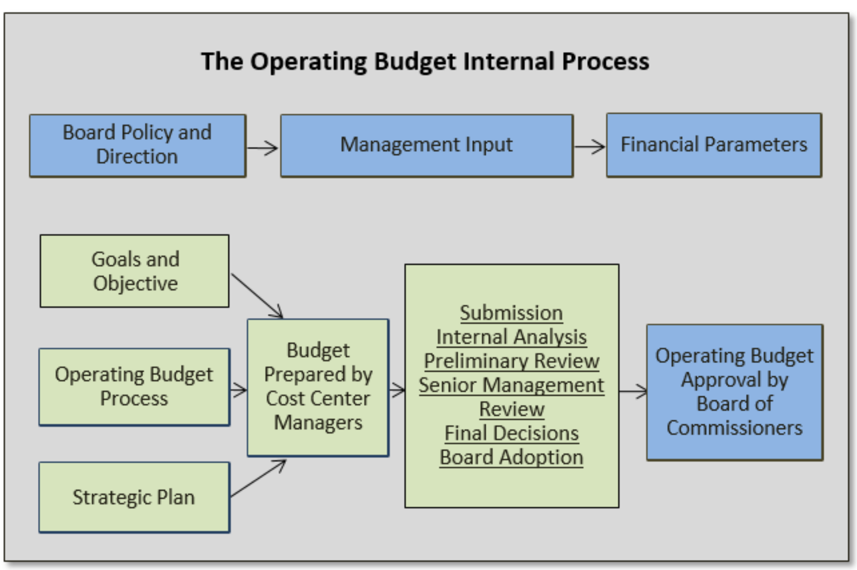
The Budget Process

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. Non-cash expenditures per United States Generally Accepted Accounting Principles (US GAAP) or Government Accounting Standards Boards (GASB) Pronouncements are not required to be funded to balance the budget. These expenditures include Other Post-Employment Benefits, pension adjustments in net pension liability per GASB 68 and depreciation and amortization of assets. 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 BSD's Strategic Plan.

The preparation and eventual approval of the three-year operating and 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. Included in the message is the state of Bi-State Development's expected financial condition for the coming year and details of procedures to follow in preparation of the budget.



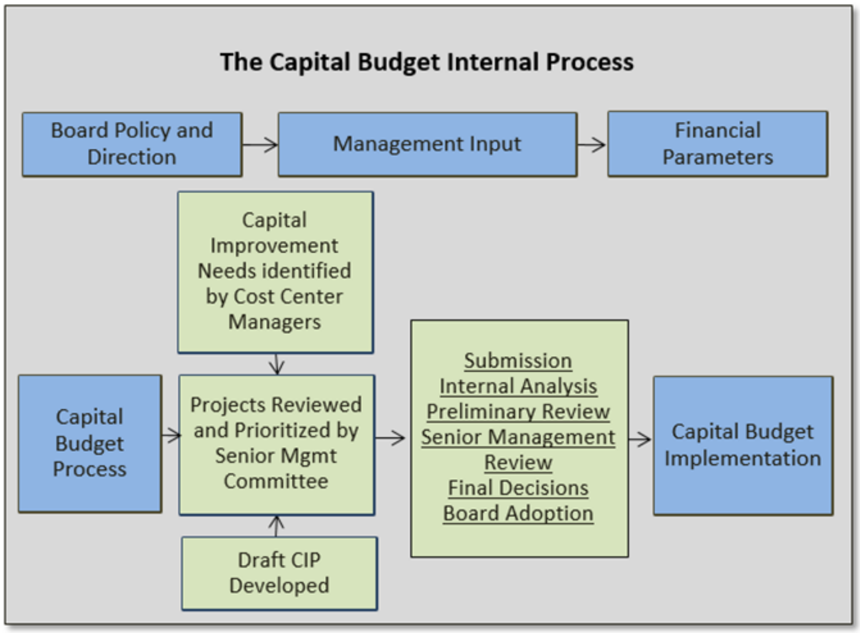
The cost center managers submit operating requests to the budget department using an online application. Bi-State Development's senior management reviews the preliminary operating budgets and sets parameters for the coming year. Through a series of meetings, cost center managers refine their preliminary operating budget requests per management's parameters, goals and objectives. Final decisions are then made by Bi-State Development's President and Chief Executive Officer, 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. Budgets for the Bi-State Development Research Institute and Arts In Transit, Inc. are approved by their respective boards. The Gateway Arch, BSD personnel and the National Park Service work together to prepare a budget that is approved by the National Park Service.

Capital Budget Internal Preparation

The preparation and eventual approval of the three year capital budget is both an internal and external process. Each year the capital budget process begins with a meeting of Bi-State Development's 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 BSD's cost center managers is communicated regarding the capital improvement objectives for the upcoming capital budget cycle. Projects for all enterprises 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. Projects sponsored by the FAA for the Airport and National Park Service for the Arch are also 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.

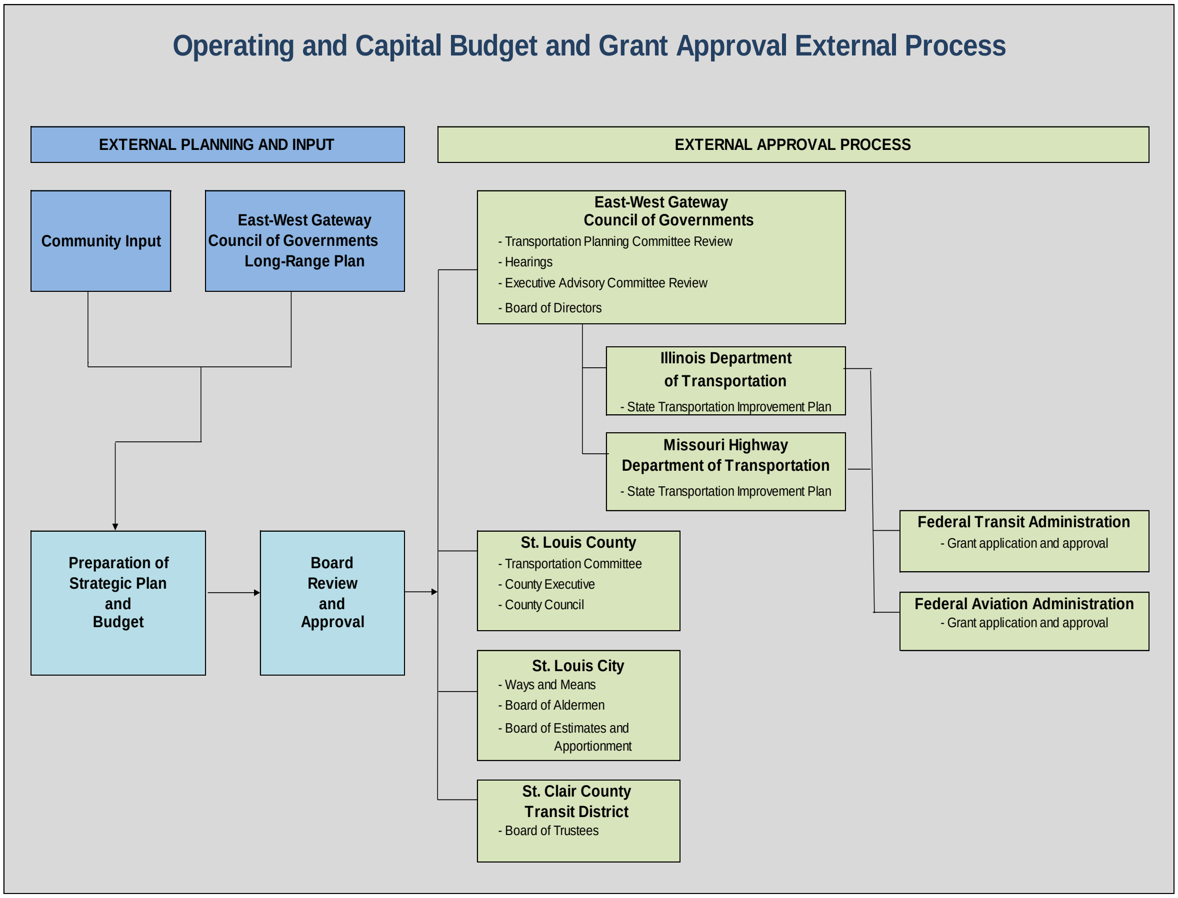


Cost center managers submit capital requests to the budget department. Senior management reviews these preliminary budgets and parameters are set for the coming year. Through a series of meetings with cost center managers, capital budget requests are refined and prioritized. Final decisions are then made by BSD's President and Chief Executive Officer and senior management 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. Budgets for the Bi-State Development Research Institute and Arts In Transit, Inc. are approved by their respective boards. The National Park Service approves the Arch budget and the FAA approves related capital projects for the Airport.

East-West Gateway has a rigorous review process for the TIP, an important part of BSD'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 of 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. Overall, there will be no changes, deletions or additions to total revenue, expense or net income (deficit) 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.

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FY 2024 Operating Budget Calendar

September 2022	• Ready budget system • Review expense and revenue drivers
October 2022	• Division leaders submit goals and objectives • Prepare baseline budget • Budget "kick-off" information released • Budget system opened to management
November 2022	• Miles, hours, passengers and operator manpower received • Position change forms received from division leaders • Organizational leaders submit strategies, action steps and performance measures • Managers submit and vice presidents approve budget requests
December 2022	• Budget team reviews budget input at detail level • Team leaders submit FY 2022 target performance indicator measures • Reports prepared and transit overview discussed with President
January 2023	• Bi-State Development budget reports discussed with President and Vice Presidents • Budget changes made in the system by Budget Team • Updated budget communicated to President and senior staff
February 2023	• Review and analyze budget documents • Transit Improvement Plan created • Approved budget reports and documents prepared
March 2023	• Budget book prepared • PowerPoint budget presentation created • Budget documents printed and sent to Board of Commissioners • Budget presented to the Audit, Finance, and Administration Committee
April 2023	• Budget presented to the Board of Commissioners for approval
May/June 2023	• Complete the external budget approval process St. Louis County • Complete the external budget approval process St. Louis City • Completed the external budget approval process St. Clair County Transit • Complete the exteral budget approval process EWGCG

ORGANIZATION & COMMUNITY PROFILE

ORGANIZATION & COMMUNITY PROFILE

BU220002

Bi-State Development Profile

Organizational History and Enterprise Overview

Bi-State Development was established on September 20, 1949, by an interstate compact passed by the state legislatures in Illinois and Missouri, and then approved by the governors of the two states. The Compact, approved by the United States Congress and signed by President Harry S. Truman on August 31, 1950, created an organization that has broad powers in seven counties (St. Louis City, St. Louis, St. Charles and Jefferson Counties in Missouri and St. Clair, Madison and Monroe Counties in Illinois). The Compact gives BSD 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. Funding is received from local, state and federal sources through grant, contract and sales tax revenue. BSD does not have taxing authority but is authorized to collect fees from the operation of its facilities. For nearly seven decades, BSD has been uniquely empowered to initiate and realize regional economic development.

Today, BSD is organized as a one parent organization with five business enterprises: Metro Transit, Gateway Arch, Riverfront Attractions, St. Louis Downtown Airport, and St. Louis Regional Freightway. BSD maintains

History	
1949	Bi-State Development Agency was created.
1950	Interstate Compact approved by U.S. Congress and President Truman.
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 (trams) opened (Arch opened in 1965).
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.
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 line opened.
2010	St. Louis County approved Prop A ½ cent sales tax.
2013	Missouri voters passed Proposition P, a 3/16 cent sales tax to fund improvements for trails and parks in the region as well as additional funding to the Gateway Arch grounds.
2014	Bi-State Research Institute was formed. BSD tasked to lead the Regional Freight District. Gateway Arch Parking Facility discontinued operations.
2016	St. Louis Regional Freightway was launched and the Historic Eads Bridge rehabilitation project was completed.
2018	Gateway Arch renovation project completed
2021	First battery electric buses put into service
2022	Secure Platform Program Began

three self-insurance funds designed to highlight the significant business activity and expense associated with health, casualty and worker's compensation self-insurance.

Regional Infrastructure Development

One of Bi-State Development's first projects was the 1953 construction of a 600-foot wharf in Granite City, Illinois. BSD 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. BSD contracted with Granite City Terminals Company to run the southern end of the wharf. The port was sold to America's Central Port (formerly Tri-City Regional Port) on April 15, 1975 for $730,000. In the early 1960's, BSD participated in an exhaustive study of the St. Louis County sewer problem that contributed to creation of the Metropolitan St. Louis Sewer District. In 2016, BSD celebrated the completion of the first full-scale rehabilitation of the historic Eads Bridge. The 142-year-old structure is the oldest bridge still in operation across the Mississippi River and the $48 million comprehensive rehabilitation project was necessary to extend the life of the bridge for another 75 years so it can continue to carry vehicles, pedestrians and MetroLink trains across the river, providing a critical link between downtown St. Louis, Missouri, and East St. Louis, Illinois. It is the only connection for MetroLink between the two states, carrying 300 MetroLink trains each day.

The Department of Economic Development is currently concluding (2022) a community related Transit Oriented Development (TOD) proposed project. The Forest Park/DeBaliviere TOD project is a $90 million, 285-unit, 24,000 square feet retail, apartment development that includes 363 parking spaces. The project includes investment on Bi-State's parking lot and kiss-n-ride properties as well as an adjacent private property along DeBaliviere. A North Hanley TOD proposes a 55-unit workforces housing development at an underutilize portion of the southwest corner of the North Hanley MetroLink parking lot.

In addition, staff is working with the Armory project developers for station connectivity and TOD improvements around the Grand Avenue Metrolink station in conjunction with that development, and with Great Rivers Greenway's Brickline installation, which is also adjacent to the station area.

St. Louis Downtown Airport

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 BSD 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. Today, St. Louis Downtown Airport, is the third busiest airport in Illinois and second busiest in the St. Louis region. It generates more than 3,700 jobs and provides a regional economic impact of $584 million.

Tourism Innovation: Gateway Arch and Riverfront Attractions

October 2015 marked the 50th Anniversary of the completion of the Gateway Arch and of BSD's partnership with the National Park Service. In the early 1960's, BSD was asked to fund and operate the Gateway Arch tram system that would carry visitors to the top of the Gateway Arch. A $3.3 million revenue bond issue was completed in July 1962, and a unique partnership with the Gateway Arch and National Park Service began. Today, BSD continues to operate the trams and other services as a cooperative effort with the National Park Service. Renewing the agreement with the National Park Service in 2014 allowed BSD to move forward with other important capital projects at the Arch. BSD issued $7.6 million in bonds to replace the tram system motor generator sets and a portion of the Visitor's Center/Museum roof completed in 2017. In 2018, the National Park Service announced the decision to officially change the name of the Jefferson National Expansion Memorial to simply the Gateway Arch. The public opening of the renovated national park in July 2018 unveiled a new museum and concessions operated by BSD.

Bi-State Development extended its presence on the St. Louis riverfront at the foot of the Jefferson National Expansion Memorial in July 2001 when it 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. BSD 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 around the region.

Metro Transit

Metro was founded in 1963 when BSD purchased and consolidated 15 privately owned transit operations by using a $26.5 million bond issue to sustain efficient and reliable bus service in the region. Today, BSD provides three modes of public transportation services in the St. Louis region: MetroBus, bus operations; MetroLink, light rail operations; and Metro Call-A-Ride, paratransit operations.

BSD 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 on the Blue Line through Clayton south to Shrewsbury, Missouri. The MetroLink light rail system operates 66 vehicles over 46 miles of track, serving 38 stations and 27 Park and Ride lots.

In 1987, Metro Call-A-Ride began demand response service to fill a need for alternative transportation service to customers with physical or cognitive disabilities who are unable to independently use regular fixed route bus or light rail service. BSD 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. The Metro Call-A-Ride fleet has 123 vans which primarily provide curb-to-curb van service for Americans with Disabilities Act (ADA) eligible customers.

Today, East-West Gateway Council of Governments, the region's metropolitan planning organization, is involved in consideration of several MetroLink expansion options for the future while Metro Transit continues to implement its long-range plan with projects like the North County Transit Center (completed 2016), the Civic Center Transit Center expansion (completed 2017) and construction of a new MetroLink station to serve the Cortex Innovation Community (completed 2018). Metro Transit launched a new system redesign in September 2019, Metro Reimagined, to improve frequency delivering shorter waits faster trips and better connections.

St. Louis Regional Freightway

In 2014, BSD was selected by the region's elected leadership to lead a new regional freight district partnership aimed at optimizing the region's freight transportation infrastructure in BSD's seven county region and Franklin County. The St. Louis Regional Freightway is a public-private partnership to optimize the region's freight transportation network. The cooperative effort will determine how the region manages the movement of freight on the roads, rails, rivers, airport and pipelines. Freightway activities will boost the St. Louis region's competitive position among its peer cities 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.

The Freightway has produced a list of priority infrastructure projects in support of regional goals that has been unanimously approved by the chief elected officials of the region including the replacement of the Merchants Bridge; has launched a website that serves as the point of contact regarding regional logistics capabilities and site selection for potential employers and developers; and hosted numerous regional meetings on critical freight and logistics opportunities engaging local partners and potential partners throughout the Midwest and into the Gulf of Mexico. In May 2019, the Freightway in partnership with Inland Marine Expo and the Institute for Trade and Transportation Studies held St. Louis Freight Week, showcasing the region's freight assets, raising St. Louis' profile as a global freight hub and introducing St. Louis' assets to shippers and carriers. The St. Louis Regional Freightway welcomed John Trent of the Georgia Ports Authority as keynote speaker for its spring Freight Industry Forum, which highlighted the new partnership being developed between The Freightway and the Port of Savannah. Currently, the Freightway is positioning the St. Louis region to be a key inland market and distribution center as nation-wide growth in the global container market continues.

Community Profile

The St. Louis bi-state region (the region) is a Midwestern leader in the start-up economy, educational institutions, freight movement and tourism and home to more than 2.8 million residents. Located at the confluence of the Mississippi and Missouri Rivers, St. Louis is recognized globally by the iconic image of the Gateway Arch on the downtown riverfront.

St. Louis Region Population by County			
Region	**2010**	**2020**	**% Change**
St. Louis City	319,294	301,578	-5.55%
St. Louis County	998,954	1,004,125	0.52%
St. Charles County	360,485	405,262	12.42%
Jefferson County	218,728	226,739	3.66%
Franklin County	101,491	104,682	3.14%
St. Clair County	270,056	257,400	-4.69%
Madison County	269,282	265,859	-1.27%
Monroe County	32,957	34,962	6.08%
Total	**2,571,247**	**2,600,607**	**1.14%**
United States	**308,745,538**	**331,449,281**	**7.35%**

www.census.gov

Centrally located, the St. Louis region is a convenient destination from anywhere in the country. Transportation access includes four major interstates, St. Louis Lambert International Airport, several regional airports, Greyhound Bus and Amtrak. The St. Louis region is a global logistics hub and the largest freight hub among comparably sized Midwestern cities totaling 383 million tons of freight annually. The region is home to the second largest inland port, third largest rail hub at the crossroads of six Class I railroads, four interstates and two international cargo airports.

The region has much to offer including urban, suburban and rural communities at one of the lowest costs of living levels among the largest cities in the United States, diverse housing stock, and great cultural, academic and recreational amenities.

St. Louis' Forest Park, site of the 1904 World's Fair, is home to many of the region's cultural and educational institutions including the St. Louis Art Museum, St. Louis Zoo, St. Louis Science Center and Missouri History Museum. Additionally, the park houses the 12,000-seat outdoor Municipal Amphitheatre (the MUNY), America's oldest and largest outdoor musical theater. Opening day for the new St. Louis Aquarium at Union Station was Christmas Day 2019. The region also boasts five state parks and hundreds of county and municipal parks. Grand Center is now the center of a thriving arts district, and two professional sports teams, St. Louis Cardinals baseball and St. Louis Blues hockey, play in downtown St. Louis. The St. Louis MLS team is a Major League Soccer expansion franchise that is expected to begin play in 2023. The Gateway Arch just completed major renovations inside and outside the iconic landmark. The premier tourist destination in the Midwest, The Arch attracts over 2 million visitors annually.

Bi-State Development is the transportation and economic development agency for the St. Louis Region. The City of St. Louis, St. Louis County, and St. Clair County in Illinois are served by BSD's MetroBus, MetroLink and Metro Call-A-Ride operations. Residents from Madison County, Illinois enjoy the benefits of the Metro transit system through coordinated services with Madison

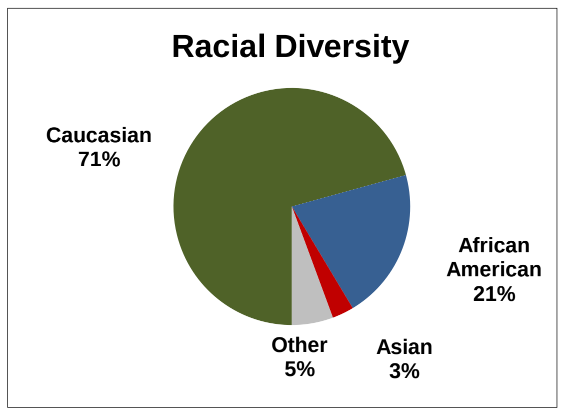
County Transit. Other communities such as St. Charles and Jefferson Counties in Missouri may access Metro Transit Centers and park-and-ride lots near the borders of these communities. The bi-state region also boasts a robust greenway system and miles of on-road dedicated bike lanes supporting those who choose to bike to work or simply for recreation or exercise.

Demographics and Workforce

Long known for its educational excellence, the St. Louis region is home to some of the top educational institutions in the world. More than 12 universities and four-year colleges, including Washington University, Saint Louis University and the University of Missouri - St. Louis are in the St. Louis region. Additionally, 18 two-year and community colleges enhance the quality and skills of the regional workforce and enrich its intellectual creativity and strength.

The region ranks highly in the rate of people earning associate degrees, bachelor's degrees, and advanced degrees. This trend in educational attainment positions the region to attract businesses and improve economic outcomes. The bi-state region has one of the highest proportions of its population engaged in the workforce at 76.3%, ranking 16th out of 50 US cities. The region also has the 10th largest proportion of middle-class jobs in the US. 59.2% of jobs earn between two-thirds and two times the national median wage (EWG WWS, 2019).

Ninety-two percent of the region's residents are either Caucasian (71%) or African American (21%), while persons of Asian and other origin each make up about three percent (3.0%) of the region's population. Per the U.S. Census Bureau, the Hispanic population can identify with any race and therefore are included in any of the racial categories shown on the chart. The population in the bi-state area can be described as slow-growth. A notable exception is an increase in the foreign-born population. Immigrants make up 4.9 percent of the region's population.



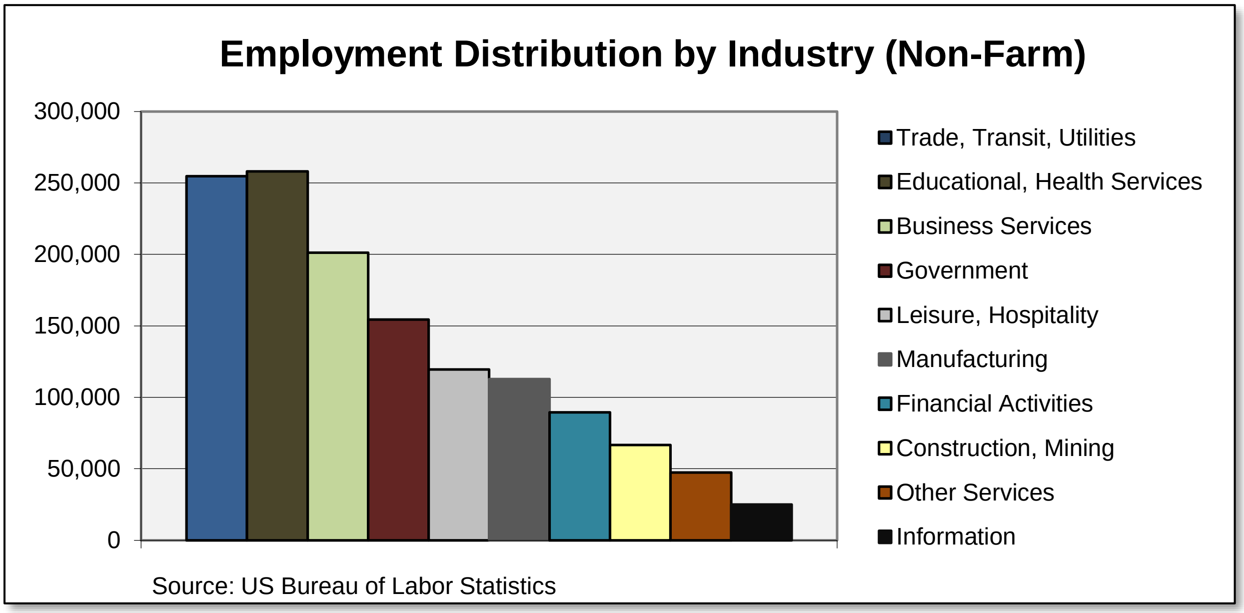
Seniors, age 65 and over, comprise 15.7% of the region's population. The "greying" of the regional workforce is a demographic challenge that policymakers and planners are working to address along with other workforce issues, such as the need to decrease racial disparity through increased access to quality education, workforce development and job opportunities.

Regional Economy and Workforce

St. Louis' $161 billion-dollar regional economy includes more than 103,700 businesses employing more than 1.4 million people. Fifteen Fortune 1000 companies and some of the largest private firms in the nation, and an increasing number of small-to-medium enterprises and startups are located throughout the region. The current median household income is approximately $62,790

per year, and according to the State of Missouri, the gross domestic product of the region is $169.8 billion.
The region ranks fifth in the Midwest for start-up businesses, spurred by growth in the Cortex Innovation Community and several other innovation and start-up hubs throughout the region. Venture capital investment is amongst the highest in the Midwest, with over $800 million last year.

The St. Louis region is home to a diverse industrial base. The area boasts more than 254 million

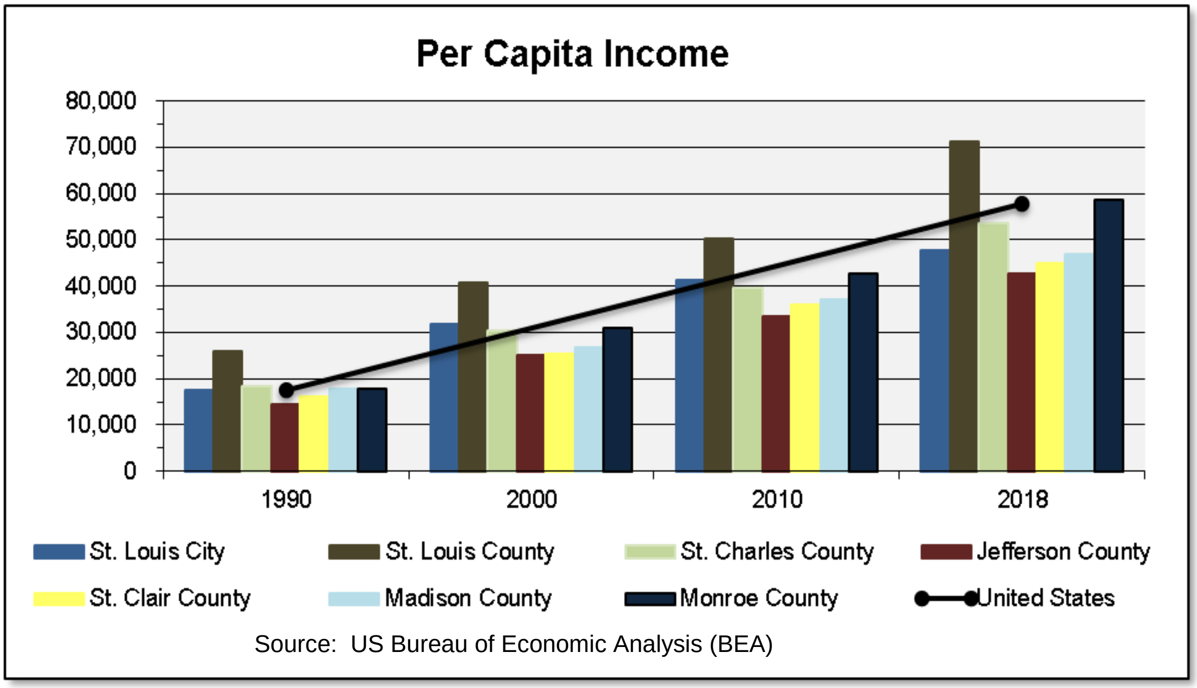


square feet of distribution and manufacturing space, as well as room for growth and expansion. More than 75 companies operate distribution facilities with over 250,000 square feet including some with 1 million square feet. Total non-farm employment is over 1.3 million. The trades, transit and utilities group remain the top employment producer with educational and health services close behind. The largest employers in the region include BJC HealthCare, Wal-Mart Stores Inc., Washington University, SSM Healthcare, Mercy Healthcare, Boeing Defense Space & Security, Scott Air Force Base and Schnucks.

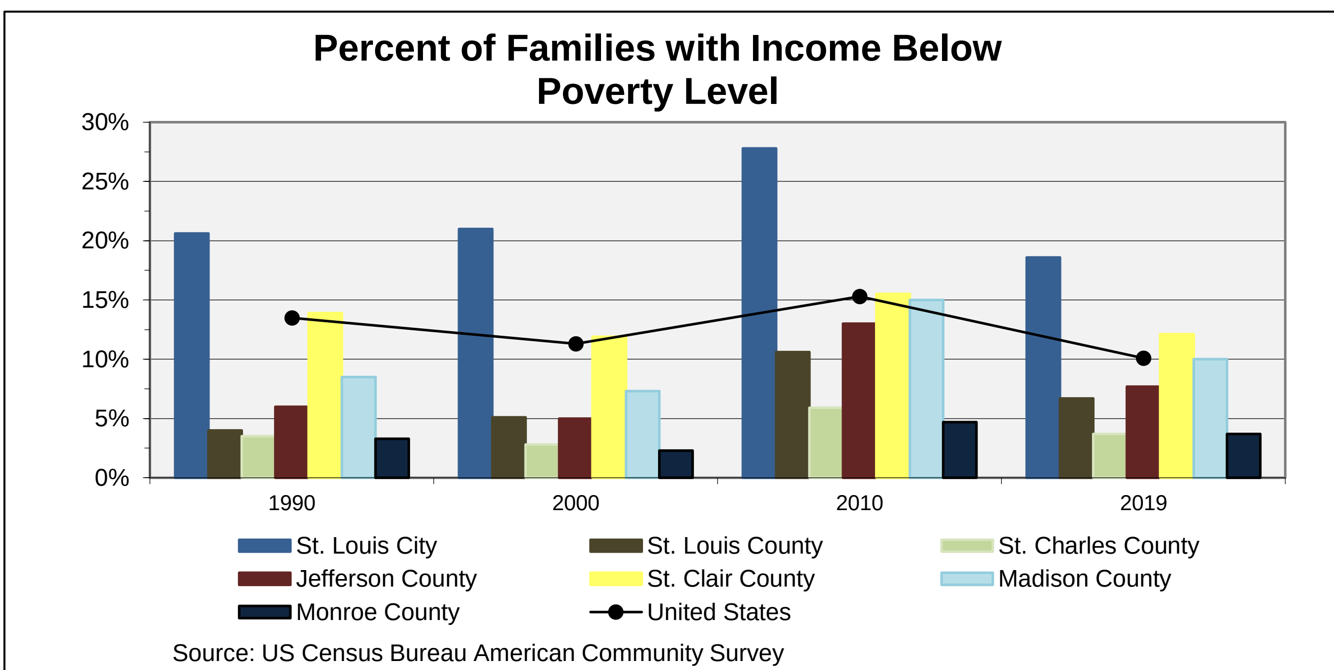
The region is ranked 10th highest in purchasing power in the country (EWG WWS, 2018) as a result of experiencing good real estate development prospects, benefiting from a low cost of doing business as well as living costs. St. Louis scored 3.62 out of 5.0 on perceived development and redevelopment opportunity. Source: 2020 Urban Land Institute Emerging Trends in Real Estate.

Regional Income and Poverty

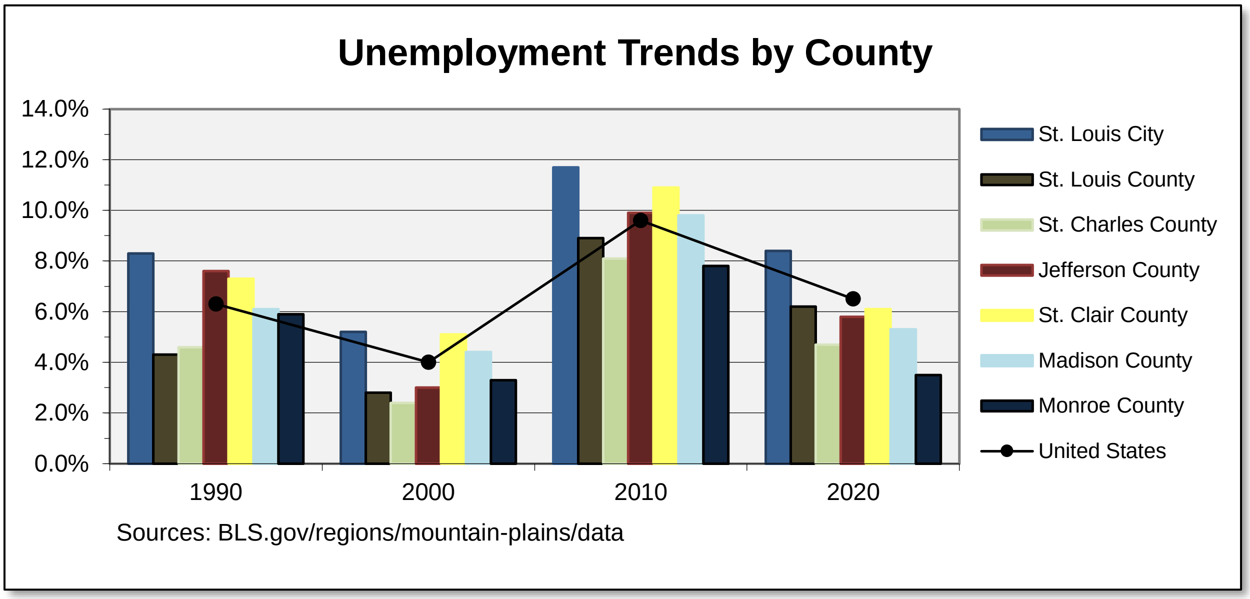
Income levels are relevant to BSD enterprises especially as it relates to public transit ridership. Public transit provides access to work and school for many low-income residents who cannot afford to own or maintain a car. Per capita income is derived by dividing the total income of all people, age 16 and over, in a geographic area by the total population in that area.



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 2018 U.S. Census Bureau, the national average of families living below the poverty level was 11.8%. The following chart depicts that the BSD region includes poverty level trends and economic disparities that are both better and worse than the national average. These trends may be influenced by socio-economic factors relating to environment and education and the lasting effects of long-term fluctuating unemployment rates.



In December 2020, the U.S Bureau of Labor Statistics reported the national average unemployment rate was 6.9%. Within the bi-state area, the average unemployment rate was 5.9%. But as the graph below displays unemployment rates do vary by county.



Mobility

Ease of mobility is a key factor to the success of any community. Excellent transportation access to work, school, sporting venues, entertainment, and medical centers attract business, people and visitors to the region. Once here, public transit provides MetroBus, MetroLink and demand response service. Bike commuting has increased through a dockless bike / e-scooter share program in the City as well as neighboring County municipalities.

Metro Transit is ranked 23rd out of the 50 urbanized areas with the most transit travel (ranked by unlinked passenger trips) providing an alternative to the automobile. Additionally, public transportation provides a rich service for the elderly and disadvantaged by improving their mobility and quality of life. Seniors account for over 15.7% of the region's population. The City of St. Louis has more than 24.2% of its population living below the poverty level. Public transit is the most common mode of travel for households after single occupancy vehicles.

YEAR IN REVIEW

YEAR IN REVIEW

BU220002

FY 2022 & FY 2023 Overview and Highlights

Bi-State Development continued to be an economic development driving force in the bi-state region during FY 2022. BSD promotes and develops opportunities to make the St. Louis region more prosperous and livable for those who call the region home.

Business Events

Metro Transit

The COVID-19 pandemic continued to have a significant impact on transit operations in the St. Louis region. Throughout the fiscal year, Metro Transit was committed to providing safe, reliable transportation services for everyone in the bi-state area, while managing changing travel patterns as restrictions were increased or reduced, adjusting policies and procedures to reflect the latest health recommendations and guidelines, and mitigating workforce resource issues. Metro Transit sustained the vast majority of the changes implemented in FY 2021 in response to COVID-19, including ongoing rider education, the use of antimicrobial technology and other disinfectants to sanitize transit vehicles and facilities, temporary suspension of physical fare media, and employee temperature screenings. New developments in FY 2022 include Metro Transit providing masks for customers on all transit vehicles, supported by a donation of more than one million masks from the Urban League of Metropolitan St. Louis; extension of mask requirements on transit vehicles and facilities in compliance with guidelines from the Transportation Security Agency; and four service changes to match available workforce resources to rider demand and changing travel patterns.

While the Metro Transit team continued to deal with the unique and unprecedented challenges of operating during a global pandemic, they also continued making progress on important capital projects, new technology, and economic development work throughout the region.

Metro Transit started the fiscal year with the launch of a new electric bus fleet, including 14 60-foot electric articulated buses and four 40-foot electric buses – providing tremendous cost savings and environmental benefits for the bi-state area. Over the year, Metro would grow their fleet with six additional 40-foot buses. Metro Transit was also awarded a $4 million grant to expand the electric bus program, which includes the construction of new charging equipment at the DeBaliviere MetroBus facility. Currently, electric buses are only able to charge overnight at the Brentwood MetroBus facility.

Safety and security continues to be a top priority for Metro Transit. In support of those efforts, more off-duty law enforcement officers were added as patrols to the Metro Transit system. Metro Transit Security Specialists received training and equipment for naloxone, also known as NARCAN, to be able render aid quickly in the event someone is experiencing an opioid overdose. A new partnership was also launched with Chestnut Health Systems that places behavioral health providers on MetroLink and MetroBus vehicles to provide assistance and support to individuals who may be dealing with substance abuse or mental health conditions.

Near the end of the fiscal year, Metro Transit also announced the launch of a new Secure Platform Plan, which will improve customer convenience and the transit experience by creating centralized, secure entrances at all 38 MetroLink stations – including new fare media, state-of-the-art camera system, and fare collection gates.

Metro also improved the customer experience the last fiscal year by completing the installation of free Wi-Fi services on all Metro Transit vehicles. Customers using MetroLink light rail, MetroBus or Metro Call-A-Ride paratransit services can now take advantage of free Wi-Fi while they ride.

New designs were introduced to two MetroLink stations during FY 2022. In partnership with a local transit advocacy organization, Citizens for Modern Transit, a transformation took place at the Emerson Park Transit Center that changed a gray concrete area into a colorful, interactive space with new canopies, murals, landscaping and seating. Metro Transit also completed a $7.5 million enhancement project at the Central West End MetroLink Station, the busiest light rail station in the system, which brought new amenities for customers, including a new elevator and staircase, new welcome center and plaza, new lighting, new canopies and other platform improvements. This project was funded by the Washington University School of Medicine and BJC Healthcare.

A workforce shortage at Metro Transit, specifically for operators, mechanics and electricians, made recruitment a major focus for the fiscal year. Retention bonuses, signing bonuses and referral bonuses were developed to strengthen workforce numbers and attract qualified candidates. Recruitment used both traditional and digital tactics, including print, radio, billboards, job fairs, organic and targeted/paid social media.

In December 2022, Metro Transit announced Charles Stewart as its new Executive Vice President & Chief Operating Officer.

St. Louis Regional Freightway

The Freightway continued its work of supporting the region's freight and logistics industries, and promoting the Bi-State area as an international freight hub. The Freightway joined partners Jefferson County, American Patriot Holdings, and APM Terminals at the Jefferson County Port Authority, to announce the development of a new container-on-vessel port facility in Jefferson County. This facility would allow for a connection between the Gulf of Mexico and the heart of the nation, using innovative container-on-vessel technology, which provides efficient, cost-effective freight solutions to the congestion at coastal ports, with direct connections to rail and trucking. The Jefferson County Port Authority received a $25 million state grant to support this new facility.

The Freightway also hosted a special riverboat tour to highlight the progress of the Merchants Bridge Replacement Project. Local officials, business leaders, regional partners and media were invited to see the second truss of the Merchants Bridge being replaced, with the third and final truss installation scheduled for FY 2023. The Merchants Bridge is a critical rail bridge for the nation's freight network, and this project will expand the speed limit and capacity of the bridge to provide stronger freight movement that matches the evolving logistics needs of the region and the country.

The Freightway hosted the fourth annual FreightWeekSTL, a multi-day conference that brings together industry leaders and experts throughout the country for discussions and presentations on the latest developments and innovations in the nation's freight industry. Virtual sessions were held due to the COVID-19 pandemic, including sessions on infrastructure investment and innovation, new partnerships with the Port of Virginia, and multi-state agricultural corridors, as well as the release of the annual Priority Projects Report - compiled by The Freightway to highlight the most critical regional infrastructure projects in the works and general local, state and federal support.

St. Louis Downtown Airport

St. Louis Downtown Airport was named the 2020 Reliever Airport of the year from the Illinois Department of Transportation. This award recognizes the accomplishments made by the airport over the previous two years, with a focus on cooperation and coordination with the state, safety, maintenance of the facilities, and promotion of aviation and aviation education.

The airport was also awarded $5 million in state funding for a Ground Engine Run-Up project, which will benefit aircraft maintenance providers and support more than 450 aerospace manufacturing jobs at the airport, by improving production safety, reliability and efficiency.

The Illinois Department of Transportation released a study highlighting St. Louis Downtown Airport's contribution to the regional economy. Including on-airport activity, visitor spending and other factors, the study determined that St. Louis Downtown Airport contributes more than $422 million in economic impact to the bi-state region, and remains a major employer in the area contributing to 1,522 full-time and part-time jobs.

In February 2022, St. Louis Downtown Airport announced Sandra Shore as its new Airport Director.

Gateway Arch/Gateway Arch Riverboats

The COVID-19 pandemic continued to impact the operations of both the Gateway Arch and Gateway Arch Riverboats. Both enterprises were able to remain open to visitors and customer during the fiscal year, but took special care in providing safe, sanitized spaces for visitors through on-going cleaning, education and enforcement of health guidelines, and adjusting mask requirements based on local and federal guidelines.

The nationally recognized workforce shortage was also a consideration for the Gateway Arch and the Riverboats to staff the visitor center, restaurants, cruises, museums and other facilities. As such, recruitment was an important focus for the enterprises during the fiscal year, employing traditional and digital recruitment methods, backed by a signing bonus for new team members.

Community Engagement

Metro Transit participated in a number of community events including food truck fairs, St. Louis Earth Day Festival and neighborhood celebrations, and also hosted a number of events, including two MetroFest events. MetroFest, hosted at Metro Transit centers, invited customers and the public to a festival featuring free food and drinks, family activities, contests, and an opportunity to engage local businesses and partnerships for information, prizes and giveaways.

Metro Transit partnered with the Betty Jean Kerr People's Health Center to bring their mobile health unit to select Metro Transit locations in underserved communities to provide free healthcare resources to riders and residents, including blood pressure screenings, COVID-19 testing and other basic health assessments. Metro also partnered with the St. Louis Area Foodbank to host its mobile food pantry at the Rock Road Transit Center, which serves an underserved community, on a monthly basis. The mobile pantry provides free healthy and nutritious food to visitors and transit riders.

The Gateway Arch joined other national parks for the National Park Service Wellness Challenge. This program introduces a new way to experience Missouri's national parks through nine wellness activities focused on physical wellness, learning wellness and mental wellness.

St. Louis Downtown Airport hosted Aviation Summer Academy, where high school students from around the country participated in a weeklong camp to learn more about aviation and aviation careers. Educators enjoyed their own special time at the airport through Aviation Day for Educators. The airport partnered with the Illinois Mathematics and Science Academy and Saint Louis University to host educators from six school districts in Illinois to show creative, hands-on ways to incorporate aviation into STEM curriculum.

APPENDIX

Bi-State Development Funds, Sources and Uses

The FY 2024 budget sources and uses of cash report is detailed by operating business unit. The report shows the beginning balances, sources and uses of those funds and the final ending balances. The report includes the dollar and percent change in balances from the beginning to the end of the period. On the following page is combined Operating and Capital report. Below is a discussion of the changes in cash by business unit.

Metro Transit

Metro transit funds are expected to decrease by approximately $1.8 million or .4%. This decrease is primarily related to increases in services and capital projects payments. The capital projects planned for Metro transit are extensive and 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 will an additional $8.8 million in investment income on cash. A favorable interest rate environment is expected to be favorable in the short term. Any available funds in Executive Services are used at the direction of the President and Chief Executive Officer and the Board of Commissioners. There is no capital activity planned for the Executive Services in FY 2024.

Gateway Arch

The Gateway Arch Tram is expected to operate at a positive cash flow of $1.2 million or 10.2% increase. The increase in funds can be attributed to higher operating revenue from increased activity and budgeting a modest 3% increase in total expenses.

Riverfront Attractions

The Riverfront Attractions is budgeted to have an operating profit and a $860k positive cash flow in FY 2024. Revenue has begun to increase subsequent to the completion of the riverfront and Arch grounds construction and resumption of business after Covid.

St. Louis Downtown Airport

The St. Louis Downtown Airport is expected to operate with a positive cash flow. The federal source of funds, state, local and the airport funds will provide funding for the capital expenditures. Capital projects for FY 2024 are expected to total $8.4 million to include initial phased in outlays for Taxiway reconstruction, road improvements and terminal reconstruction projects.

St. Louis Regional Freightway

St. Louis Regional Freightway continues to move forward. Still in the building stage, a negative cash flow of $102 thousand is projected for FY 2024. The President and Chief Executive Officer of Bi-State Development and the Executive Director of St. Louis Regional Freightway will pursue regional support to fund the deficit through private sector partners. There is no capital spending in the FY 2024 budget.

Self-Insurance Funds

The three Self-Insurance Funds have a combined source of funds of $50.0 million. The source of funds for Health, Casualty and Workers' Compensation funds are $39.4 million, $3.8 million and $6.8 million respectively. The use of funds for the Health Insurance Fund is equal to the source of funds resulting in a breakeven operating cash flow. For the Casualty and Workers Compensation Funds costs for administration will utilize funds set aside in anticipation of these costs. There is no Self-Insurance Funds capital spending in the FY 2024 budget.

Bi-State Development Component Units

The one remaining BSD component unit, Arts In Transit, Inc. has minimal impact on BSD's overall cash flow activities. Arts in Transit , Inc. will create a negative cash flow of approximately $52,000.

Bi-State Development

Capital and Operating Budget

Projected Sources and Uses of Funds

Fiscal Year 2024

(in thousands)

	Metro Transit	Executive Services	Gateway Arch Tram	Riverfront Attractions	St. Louis Downtown Airport	St. Louis Regional Freightway	Arts In Transit, Inc.	Health Self-Insurance Fund	Casualty Self-Insurance Fund	Workers Comp Self-Insurance Fund	Total
Beginning available funds*	**$ 476,187**	**$ 1,792**	**$ 12,068**	**$ 325**	**$ 1,296**	**$ 14**	**$ 78**	**$ 1,342**	**$ 9,614**	**$ 15,265**	**$ 517,981**
Sources of funds:											
Operating revenue	27,384	4,641	9,174	4,294	4,245	-	-	-	-	-	49,738
State and local assistance	371,379	-	-	-	381	-	-	-	-	-	371,760
Federal assistance	447,152	-	-	-	5,824	-	-	-	-	-	452,976
Investment Income **	13,557	8,812	433	-	-	-	-	-	-	-	22,802
Other	6,200	-	-	500	-	400	-	39,389	3,816	6,821	57,126
Total Sources	**865,672**	**13,453**	**9,607**	**4,794**	**10,450**	**400**	**-**	**39,389**	**3,816**	**6,821**	**954,402**
Uses of funds:											
Wages and benefits ***	193,770	2,879	2,995	1,662	1,060	140	-	891	132	154	203,683
Services	56,695	1,412	2,419	488	194	325	50	523	402	357	62,865
Materials and supplies	34,027	25	691	746	86	4	2	28	-	-	35,609
Utilities and fuel	8,830	3	136	86	210	-	-	5	-	-	9,270
Casualty and liability costs	8,274	-	31	266	146	-	-	-	4,022	281	13,020
Other	10,127	532	1,775	186	182	36	-	37,942	3,002	7,202	60,984
Contributions to Others	2,438	-	160	-	-	-	-	-	-	-	2,598
Capital Projects - Metrolink	151,269	-	-	-	-	-	-	-	-	-	151,269
New revenue & support vehicles	163,169	-	-	-	-	-	-	-	-	-	163,169
Facilities new and rehab	160,302	-	-	-	4,000	-	-	-	-	-	164,302
Construction - land improvement	997	-	-	-	4,410	-	-	-	-	-	5,407
Capital projects, equipment,	50,988	-	-	-	-	-	-	-	-	-	50,988
and other capital	-	-	-	500	25	-	-	-	-	-	525
Debt service (interest and principal) **	26,625	-	174	-	-	-	-	-	-	-	26,799
Total Uses	**867,511**	**4,851**	**8,381**	**3,934**	**10,313**	**505**	**52**	**39,389**	**7,558**	**7,994**	**950,488**
Ending available funds	**$ 474,348**	**$ 10,395**	**$ 13,294**	**$ 1,185**	**$ 1,434**	**$ (90)**	**$ 26**	**$ 1,342**	**$ 5,873**	**$ 14,093**	**$ 521,900**
Change in Balance	**$ (1,839)**	**$ 8,603**	**$ 1,226**	**$ 860**	**$ 138**	**$ (104)**	**$ (52)**	**$ -**	**$ (3,741)**	**$ (1,172)**	**$ 3,919**
Percent Change	**-0.4%**	**480.1%**	**10.2%**	**> 100%**	**10.6%**	**<100%**	**-66.7%**	**-**	**-38.9%**	**-7.7%**	**0.8%**

* Beginning balances are from the January 31, 2023 balance sheet for each enterprise.
** Excludes capital lease-leaseback activities.
*** Excludes non-cash pension and OPEB activity.

Metro Transit Peer Performance Comparison

Peer Groups

The following analysis compares Metro's transit performance to a select group of peers. This peer group includes transit agencies with similar service characteristics including regional demographics, system size and modes of transportation.

The BSD's transit peer group includes the follow systems:

Buffalo	Niagara Frontier Transportation Authority (NFT Metro)
Cleveland	The Greater Cleveland Regional Transit Authority (GCRTA)
Dallas	Dallas Area Rapid Transit (DART)
Pittsburgh	Port Authority of Allegheny County (Port Authority)
Portland	Tri-County Metropolitan Transportation District of Oregon (Tri-Met)
San Diego	San Diego Metropolitan Transit System (MTS)
San Jose	Santa Clara Valley Transportation Authority (VTA)

Performance Indicators

Performance was measured against six performance criteria as reported by the Federal Transportation Administration (FTA) in their National Transit Database (NTD) for 2021. The following performance measures were reviewed:

Service Efficiency

- Operating Expense per Revenue Hour
- Operating Expense per Revenue Mile

Cost Effectiveness

- Operating Expense per Passenger
- Operating Expense per Passenger Mile

Service Effectiveness

- Passengers per Revenue Hour

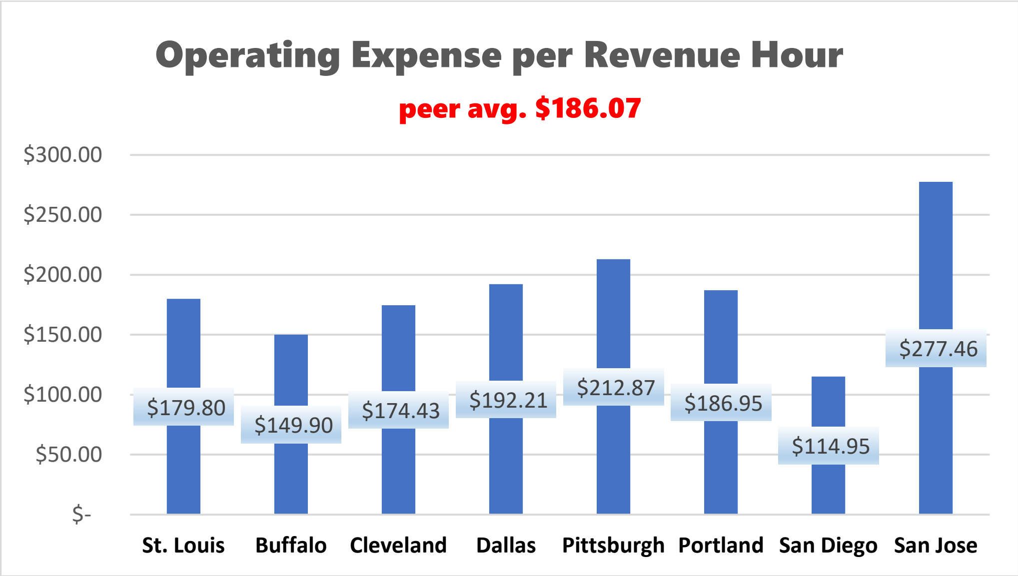
Operational Efficiency

- Farebox Recovery (Fare Revenue per Operating Expense)

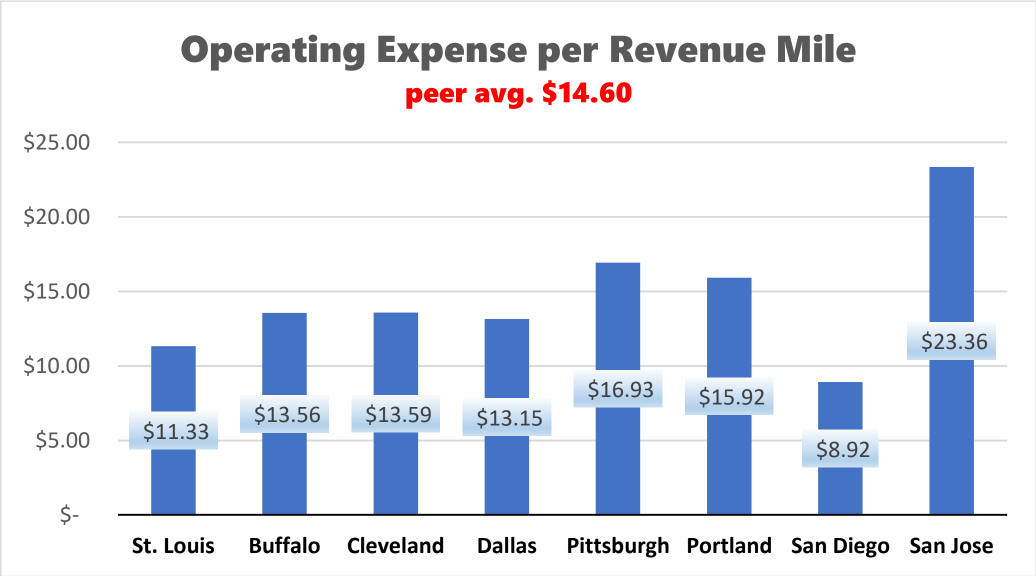
The following charts are prepared using 2021 National Transit Database system data, which is the latest data available at this writing. This time period saw the introduction of COVID and much of the data was impacted accordingly. Most of these comparisons incorporate ridership and revenue related to ridership. Since 2017, ridership has continued to trend downward.

Peer Performance Comparison

Service Efficiency



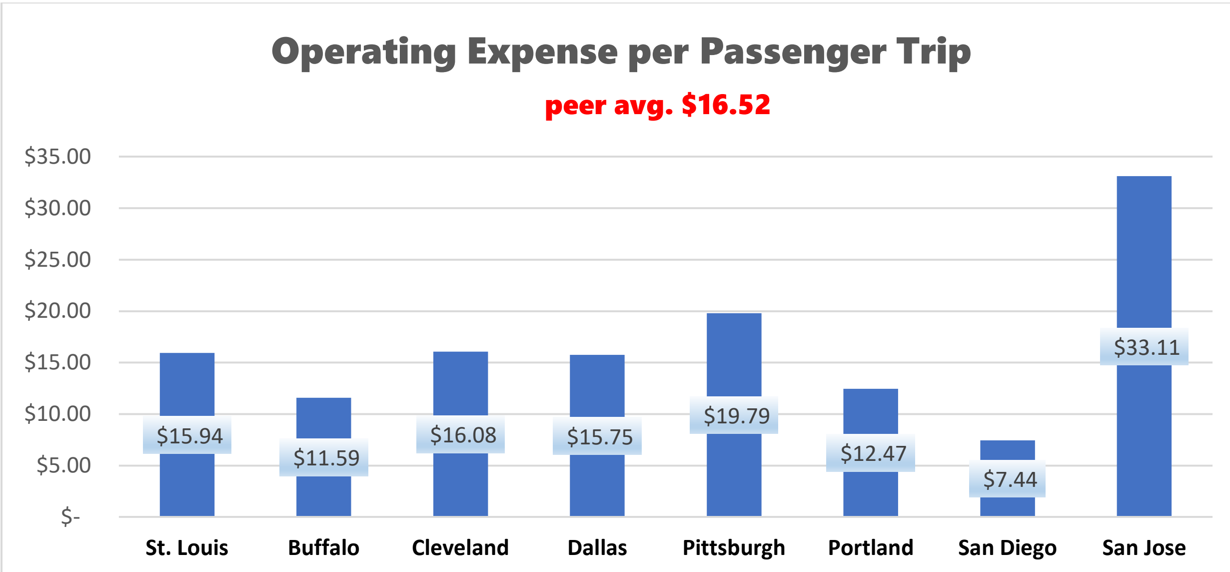
Operating Expenses are the costs associated with the operation of the transit agency and goods and services purchased for system operation. The cost efficiency performance ratio of operating expense per revenue hour shows Bi-State Development transit's cost per hour at 3.4% below the peer average and ranking the third most efficient of the peer group behind both Buffalo and San Diego.



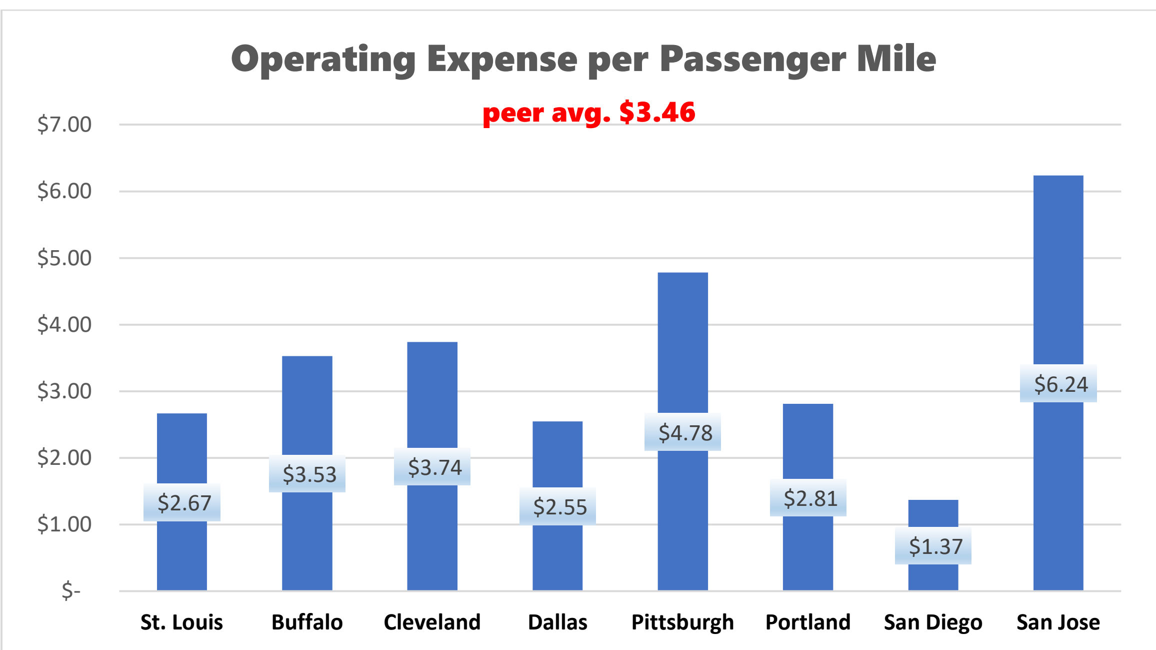
The performance ratio of operating expense per revenue mile has Bi-State Development transit's cost per mile ranking the second lowest of the peer group only behind San Diego and 22.4% below the peer average.

Peer Performance Comparison

Cost Effectiveness



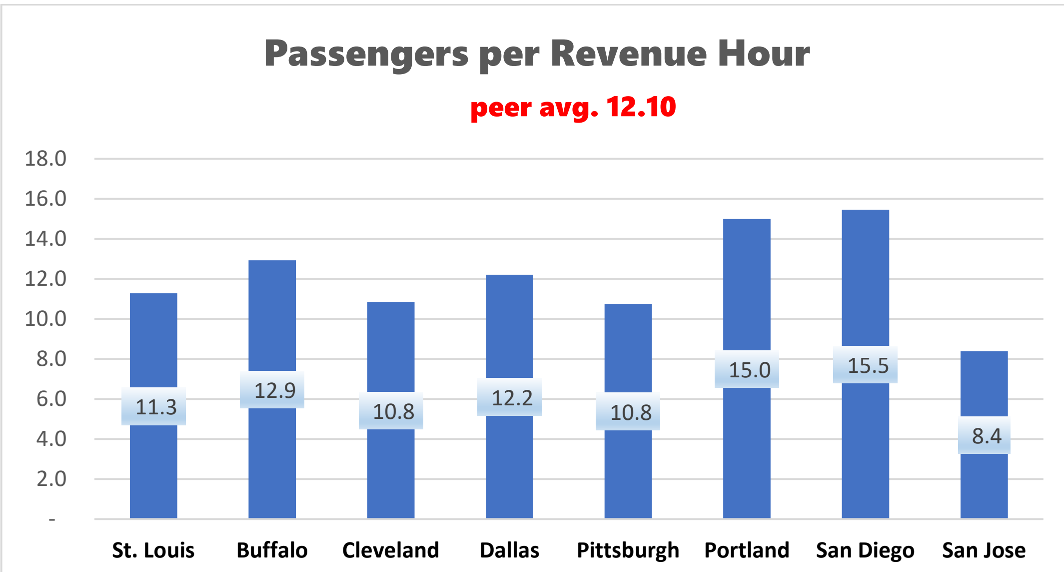
The cost effectiveness performance ratio of operating expense per passenger shows Bi-State Development transit operated 3.5% below agencies within this peer group. BSD at $15.94 operating expense per passenger trip is ranked near the middle of the peer group.



The performance ratio of operating expense per passenger mile has Bi-State Development transit ranked behind San Diego and Dallas. BSD transit's operating cost of $2.67 per passenger mile is 22.8% better than the peer average. BSD prides itself on controlling costs beginning with their effective preventive maintenance program.

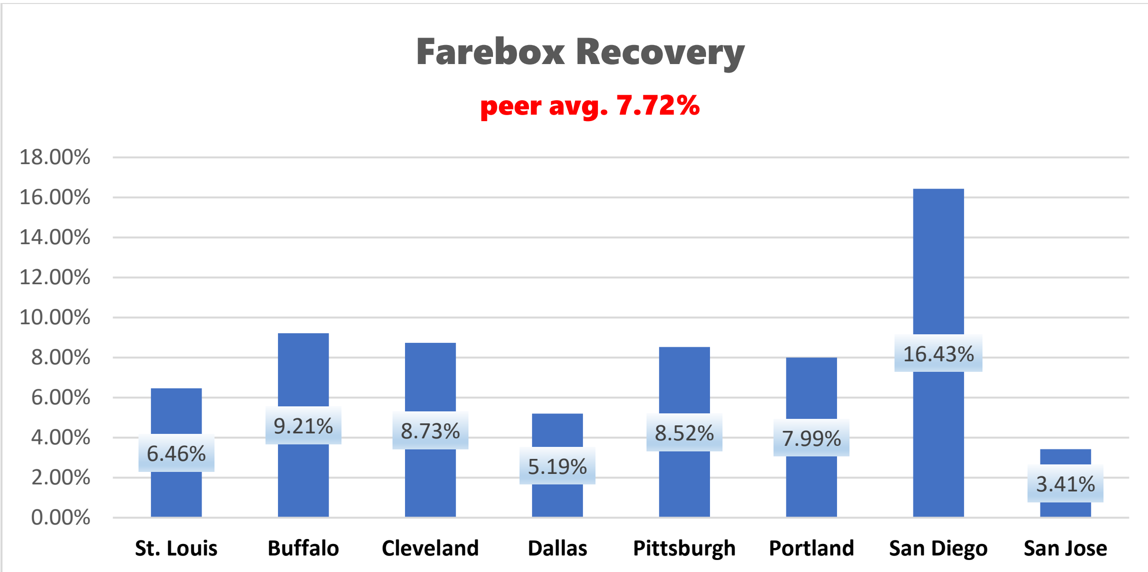
Peer Performance Comparison

Service Effectiveness



Passenger per revenue hour indicates the system is widely used and a higher quotient is more desirable. Service effectiveness as measured by the performance ratio of passengers per revenue hour shows Bi-State Development transit below the peer average. The Bi-State Development service area population and low residential and employment density affects this performance indicator. BSD remains committed to serve the St. Louis region with an affordable and efficient transit system.

Operational Efficiency



Farebox recovery is a measurement of how much of operating costs are covered by passenger revenue. A higher percentage ensures the transit system will be less dependent on other revenue sources. Bi-State Development transit's system farebox recovery of 6.46% is below the peer average, exceeding Dallas and San Jose. Declining trends in ridership have contributed to Metro's lower farebox recovery percentage.

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 prepares 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 Bi-State Development 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 operating budget, a balanced budget shall be where revenues equal expenditures except for depreciation, amortization and non-cash other post-employment benefit expenses.

Bi-State Development is required to adopt a balanced operating budget per Missouri Statute 70.370; however, it is not required to adopt legally enforceable budgets and does not adopt such budgets.

Audit Policies

Internal Audit

It is Bi-State Development's policy to employ an Internal Auditor who will 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 Bi-State Development's enterprises with internal Bi-State Development 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 Bi-State Development 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.

Significant Accounting Policies

The accompanying financial statements of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State Development) are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies.

Financial Reporting Entity

The basic financial statements encompass all proprietary and fiduciary functions for which Bi-State Development is responsible. These functions include: Executive Services, St. Louis Regional Freightway, Gateway Arch Tram System, Riverfront Attractions, St. Louis Downtown Airport, Bi-State Development Research Institute, Arts In Transit, Inc. and Metro Transit. In addition, Bi-State Development also has three self-insurance funds for Health, Casualty and Workers' Compensation.

Proprietary Fund

Bi-State Development's proprietary funds are reported as a single enterprise fund used to account for operations that are financed and operated in a manner similar to private business enterprises. Proprietary funds operate by creating a cash flow to pay for the services by issuing fees and charges. For financial reporting purposes, Bi-State Development reports a single enterprise fund in which all subsidiary enterprise funds are combined and interfund 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

The business purposes of the various internal funds of Bi-State Development that are reported in a single enterprise fund are as follows:

- Executive Services – performs certain developmental activities and acts as the administrative head of Bi-State Development;
- St. Louis Regional Freightway – develops freight and freight-related business opportunities in the St. Louis bi-state region;
- Gateway Arch Tram System – 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;
- Gateway Arch Riverfront Attractions – 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 – owns, operates and maintains the St. Louis Airport and an adjacent business park located in Cahokia, Illinois;
- Bi-State Development Research Institute – generates economic opportunities for Bi-State Development in the region;

- Arts In Transit, Inc. – plans, funds and acquires artwork for the transit alignment to enhance the ridership experience;
- Transit System (Metro) – owns, operates and maintains the St. Louis Metropolitan area public transportation system which includes MetroBus, MetroLink and Metro Call-A-Ride services;
- Health Self-Insurance – operates the self-funded health programs and charges for services to other operating units within Bi-State Development.
- Casualty Self-Insurance – operates the self-funded casualty and risk insurance programs and charges for services to other operating units within Bi-State Development.
- Workers' Compensation Self-Insurance – operates the self-funded workers' compensation insurance program and charges for services to other operating units within Bi-State Development.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of Bi-State Development. Statement No. GASB 84 requires that funds held in a trustee or custodial capacity that meet certain criteria be included in Bi-State Development's financial statement presentation. Those criteria include the governmental agency having control of the assets of the fiduciary activity and the existence of a fiduciary relationship with the beneficiaries. Bi-State Development has determined the Other Post Employment Benefit Trust, certain portions of the Gateway Arch Tram, as well as, the Bi-State Development Salaried Pension plan meet these fiduciary criteria and has included the financial activity of each fiduciary fund in the basic financial statements of the report.

Bi-State Development Salaried Pension Plan and the Other Post Employee Benefit Trust are single employer, defined benefit pension plans as described in Footnotes 11 and 12, respectively. The plans are legally separate trusts. The Plans are included in Bi-State Development's financial reporting entity because the Bi-State Development Salaried Pension Plan's Board of Trustees is appointed entirely by the Bi-State Development's Board of Commissioners, while the Other Post-Employment Benefits (OPEB) Trust's Board consists of five Bi-State Development employees assigned to the Board based on their roles at Bi-State Development (President and CEO; Senior VP, EVP, Director of Benefits and Controller). Bi-State Development also has a financial burden related to both plans, as it is legally obligated to make contributions to the plans in order to provide future benefits to Bi-State Development's employees. In accordance with GASB 84, the balances and transactions of these component units are presented separately in fiduciary funds.

The Gateway Arch Tram activities are governed by an agreement between Bi-State Development and the United States National Park Service (NPS). Based on the agreement, Bi-State Development is to operate the Gateway Arch Tram System (Tram), which includes the operation of the Arch Tram itself, as we as operation and maintenance of centralized ticketing, reservations, sales, and collection. Although the Gateway Arch Tram does not meet the requirements to be considered a component unit, Bi-State Development does have physical control over some assets that are held on behalf of the NPS.

Component Units

Additionally, Bi-State Development evaluated whether there were any potential component units which 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. The City of St. Louis, Missouri, the Missouri counties of St. Louis, St. Charles and Jefferson, the Illinois counties of Madison, St. Clair, and Monroe and the States of Illinois and Missouri have limited decision-making authority over Bi-State Development and have limited responsibility for Bi-State Development's debts or deficits except as provided in the Memorandum of Agreement.

Bi-State Development has two additional blended component units. Both units are qualified 501(c)3 non-profit entities and are shown on the schedule of business units in the statistical section of this ACFR. The two entities are the Bi-State Development Research Institute and Arts In Transit, Inc. Bi-State Development approves and determines the contingent of board members of both non-profits. Also each non-profit provides services entirely to Bi-State Development and for the benefit of Bi-State Development. For these reasons, the component units are considered blended and included in the Bi-State Development's ACFR. The activity of the two blended component units are immaterial to the financial reporting entity.

Basis Of Accounting

Bi-State Development follows the accrual basis of accounting and uses the economic resources measurement focus for its enterprise fund 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 GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and outflows of resources; 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.

Banking And Investment

Bi-State Development's policies direct the investment of all operating, self- insurance restricted, capital and debt service funds of all entities of the organization not expressly controlled by Revenue Bond Trustees. The preservation of funds is the first consideration in determining the investment of Bi-State Development's cash. Thereafter, the highest yield consistent with safety is required, provided the maturities are short enough to maintain operational liquidity. Banks and other financial institutions are selected for investments only on a competitive basis. The number of demand-deposit, non-interest bearing accounts is kept to the minimum for operational efficiency and safety.

Cash And Cash Equivalents

All highly liquid investments readily convertible into cash with original maturities of 90 days or less are treated as cash equivalents.

Investments

Bi-State Development's investments consist of collateralized repurchase agreements. Triple A rated money market funds, collateralized certificates of deposit, commodities guaranteed, investment contracts, municipal bonds, and U.S. Treasury and U.S. Government Agency securities. Additional information regarding valuation of investments can be found in Fair Value of Financial Instruments, below.

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 Gateway Arch 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.

Lease Arrangements

During 2022, Bi-State Development implemented GASB Statement No. 87, *Leases.* The implementation of the statement had no impact on Bi-State Development's beginning of year net position.

For arrangements where Bi-State Development is a lessee, a lease liability and an intangible right-to-use (RTU) asset are recognized at the commencement of the lease term. RTU assets represent Bi-State Development's intangible right-to-use underlying assets for the lease term and lease liabilities represent Bi-State Development's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

For arrangements in which Bi-State Development is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

The discount rates are based on estimates of Bi-State Development's incremental borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known. Bi-State Development includes lease extension and termination options in the lease term, if after considering relevant economic factors, it is reasonably certain that Bi-State Development will exercise the option. Bi-State Development has elected to combine lease and non-lease components for all lease contracts and also has not recognized RTU assets and lease liabilities for lease terms for 12 months or less.

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 acquisition value.

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 are used with coordination of state and federal governments to purchase other property and equipment.

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

Capital Asset Category	Years To Depreciate
Airport runways, airframe and related facilities	15 to 25
Buildings and improvements	15 to 40
Gateway Arch tram facilities	15 to 25
Riverboats and barges	15 to 20
Light rail structures and improvements	12 to 30
Autos and trucks	5 to 10
Buses, vans, light rail and other revenue vehicles	3to25
Furniture, fixtures, computers and other equipment	3to10

Self-insurance Liabilities

Self-insurance liabilities for workers' compensation, employee medical and dental insurance claims, and public liability and property damage claims are recognized when incurred and on the basis of the estimated cost to Bi-State Development upon resolution.

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.

Other Non-Current Liabilities

The classification of other non-current liabilities for Bi-State Development includes various types of commitments which are due in longer than one year. There are FTA funds committed for future rehabilitation of MetroLink light rail cars. There is also the long term portion of accrued sick time. Since sick time is allowed by union contract to be carried forward and applied in future periods. The short term portion of accrued sick leave is recorded in other current liabilities.

There is also an amount due to St. Clair County Transit District (SCCTD) for additional funds contributed from SCCTD to Bi-State Development which were used for additional collateral related to 2001 Light Rail Vehicle equipment financed purchases. The combined funds from Bi-State Development and SCCTD used for the additional collateral are returnable in the future under certain conditions.

Derivative Financial Instruments

Bi-State Development utilizes commodity hedging to reduce the volatility in fuel costs. Hedging techniques are traditionally used to limit exposure to price fluctuations. Management recognizes that fluctuations in fuel prices could have an overall negative impact on Bi-State Development's financial affairs. Accordingly, futures contracts are used to manage this exposure.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* requires the gain or loss on the sale of derivative instruments to be recorded in the statement of revenues, expenses, and changes in net position. The fair value of the future contracts is estimated by a mathematical approximation of the market, derived from proprietary models as of a given date, and based on certain assumptions regarding past, present, and future market conditions, as well as certain financial information. The hedge agreement is reported at fair value and included in other current assets, and changes in fair values of the hedge agreement are reported as either deferred inflows or deferred outflows with increases in fair value of a hedge agreement reported as a deferred inflow and decreases in fair values of a hedge agreement reported as a deferred outflow in the Statements of Net Position.

Deferred Outflows/Inflows Of Resources

In addition to assets, statement of financial position will report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position

GASB requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These net position classifications are defined as follows:

Net investment in capital assets - This component consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings or debt-related deferred inflows or outflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - This component consists of external constraints placed on net position imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This component of net position consists of amounts that do not meet the definition of "restricted" or "net investment in capital assets."

Bi-State Development typically utilizes restricted sources of funding first and then unrestricted sources of funding for its programs.

Operating Revenues And Expenses

Operating revenues and expenses generally result from providing services in connection with 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 internal funds of Bi-State Development are as follows:

- Executive Services – Interfund charges for management services;
- St. Louis Regional Freightway – contributions and reimbursement of expenses related to operating costs;
- Gateway Arch Tram System – charges for management fees and miscellaneous operating reimbursements;
- Gateway Arch Riverfront Attractions – charges to tourists for riverboat excursions along the Mississippi, memorabilia sales and heliport.
- St. Louis Downtown Airport – charges to customers for aviation and runway services provided, including hangar rentals and fuel;
- Arts In Transit, Inc. – contributions for bus paintings, art services and donations;
- Bi-State Development Research Institute – contributions for services, grants, and donations;
- Transit System (Metro) – fares charged to passengers for public transportation, advertising, and rentals.
- Health Self-Insurance – charges for medical, dental, prescription and other health related services to other Bi-State Development business units.
- Casualty Self-Insurance – charges for casualty and risk related services to other Bi-State Development business units
- Workers' Compensation Self-Insurance – charges for worker's compensation and other related services to other Bi-State Development business units

Operating expenses include the cost of delivering services, administrative expenses, and depreciation expenses on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fare Revenue

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.

Sales Tax Revenues

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. Sales and Use taxes are recorded as revenue in the month collected by the merchant. Typically, there is a two month lag from the date of sale tax collected by business owners and remission to the State of Missouri and the receipt of cash by Bi-State Development.

Grants And Assistance

All grants and assistance are recorded in the accounting period in which they become earned, measurable and all eligibility requirements are met. Unrestricted, irrevocable operating assistance grants are recorded as non-operating revenue. Capital grants and assistance that are restricted to use for payments of debt service or acquisitions of capital assets are recorded as capital contributions in the statement of revenues, expenses, and changes in net position.

Compensated Absences

Substantially all employees receive compensation for vacations, holidays, illness, and certain other qualifying absences. The number of days compensated in the various categories of absence is based generally on length of service. Compensated absences, which have been earned but not paid, have been accrued in the accompanying financial statements.

The accrued compensated absence liability for salaried employees' paid time off is $4.7 million on June 30, 2022. The combined accrued compensation absence liability for sick and vacation time for bargaining unit employees is $12.1 million on June 30, 2022.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Bi-State Development's pension plans (Salaried Plan and Union Plans) and additions to/deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Liability

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Bi-State Development OPEB trust and additions to the OPEB trust net position have been determined on the same basis as they are reported by the OPEB Trust. Currently, no benefits are paid directly from the trust. Investments are reported at fair value.

Cash, Cash Equivalents And Investments

Cash, cash equivalents and investments are presented on the statement of net position as either unrestricted or restricted cash and cash equivalents and unrestricted or restricted investments. Restricted cash, cash equivalents and investments are disclosed in **Restricted Cash, Cash Equivalents and Investments** below.

Balances of cash, cash equivalents, and investments of the business type activities as of June 30, 2022 were as follows:

Unrestricted cash and cash equivalents	
Cash on hand	$ 406,361
Cash deposits	56,603,269
Cash equivalents	96,214,066
Total unrestricted cash and cash equivalents	153,223,696
Restricted cash and cash equivalents	67,179,580
Total cash and cash equivalents	220,403,276
Unrestricted investments	73,158,213
Restricted investments	
Restricted investments	52,354,667
Restricted investments held to pay capital lease	142,861,097
Total restricted investments	195,215,764
Total investments	268,373,977
Total cash, cash equivalents and investments	$ 488,777,253

Cash On Hand

Cash on hand including, working funds (including funds in ticket vending machines) and undeposited receipts.

Cash Deposits

At June 30, 2022, the unrestricted and restricted deposit bank balances were $14,305,891.

Bank balances are insured by FDIC insurance for balances up to $250,000 per financial institution, per account owner. Any balances over the FDIC limit are collateralized with securities held in a joint custody account at the Federal Reserve Bank, or with securities held in a segregated account with a third party custodian.

Investments

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

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 agreements, and triple AAA rated money market funds. 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, collateralized certificates of deposit, and banker's acceptances to five million dollars 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. The investment policies are specific to each transaction.

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. As of June 30, 2022, Bi-State Development's investment safekeeping agent held, in Bi-State Development's name, all of Bi-State Development's non-lease or bond related investments in treasury securities or government agency securities.

Concentration Of Credit Risk

Bi-State Development maintains an investment policy that establishes thresholds for holdings of individual securities. As of June 30, 2022, the only investments with more than 5 percent of Bi-State Development's total investments were in Money Market accounts.

Concentration of credit risk is the risk associated with the magnitude of investment in any one issuer. The Other Post-Employment Benefit Fiduciary Trust Committee maintains an investment policy that establishes thresholds for holdings of individual securities. As of June 30, 2022, more than 5 percent of the OPEB trust's investments were in the Artisan Partners Fund ($2.8 million), Vanguard 500 Index Fund ($12.0 million), DFA Investment Dimensions ($3.5 million), John Hancock ($6.2 million), Goldman Sachs ($6.3 million), Metropolitan West Funds ($11.3 million), Blackstone Hedged Equity ($5.7 million) and Blackstone Park Avenue ($4.7 million).

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, 2022, interest rate risk is not deemed significant to Bi-State Development.

Restricted Cash, Cash Equivalents And Investments

Assets are considered restricted when they are subject to constraints that are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Restricted cash, cash equivalents, and investments for Bi-State Development as of June 30, 2022 were the following:

	Cash & Cash Equivalents	Investments	Total
Cross county debt service reserve	$ 11,444,805	$ 42,340,637	$ 53,785,442
Regional Freightway	15,000	—	15,000
Self-insurance	30,277,706	2,403,578	32,681,284
Equipment financed purchase - collateral	4,710,894	—	4,710,894
Capital tower lease - collateral	1,238,480	—	1,238,480
Secure Platform Project	6,453,962	—	6,453,962
Airport Maintenance	1,275,765	—	1,275,765
Federal Transit Authority	12,684,962	6,433,027	19,117,989
Fuel hedge program	(921,994)	1,177,425	255,431
Total Restricted Cash And Investments	67,179,580	52,354,667	119,534,247
Restricted investments held to pay Equipment financed purchase	—	142,861,097	142,861,097
Total Restricted Cash, Cash Equivalents And Investments	$ 67,179,580	$ 195,215,764	$ 262,395,344

Cross County Debt Service Reserve Funds:

The trustee holds the debt service and the debt service reserve funds in restricted ~~trustee accounts determined by the bond indenture. The debt service funds are~~ used to pay current principal and interest on debt. The debt service reserve fund represents the highest annual debt service required over the life of the bond, and protects the bondholder in the event of impairment.

Regional Freightway:

Funds support staff and general expenses of the organization, which is focused on building relationships with industry partners and developing regional plans.

Self-Insurance Funds:

These are funds used to pay claims incurred by Bi-State Development's self-insurance plan. The funds are used for workers' compensation, casualty, and medical and dental claims. Funds withheld from employees' wages for the flexible spending account program are also restricted in this category. The funds are restricted based upon the vendor contracts and obligations.

Restricted Investments Held To Pay Equipment Financed Purchase Liabilities:

In 2001, Bi-State Development entered into equipment financed purchase transactions for multiple Light Rail Vehicles (LRVs). Bi-State Development received a prepayment equivalent to the net present value of the head obligations totaling $134.0 million. Approximately $93.6 million was initially deposited with AIG, to partially meet Bi-State Development's rent obligations under the agreement and to set aside funds to enable Bi-State Development to exercise its repurchase option. Since inception, this amount on deposit has significantly increased.

Equipment Financed Purchase Collateral Funds:

In February 2011, Bi-State Development cured a technical default on the C1 and C2 tranches of the 2001 LRV equipment financed purchase. The transaction required Bi-State Development to purchase collateral. Each year, an evaluation of the supplemental collateral is performed to establish the requirement. For 2022, the collateral requirement is $4.7 million and is restricted under the contract agreement.

Gateway Arch Debt Reserve/Project Funds:

Funds are reserved for NPS capital projects and debt service under the Cooperative agreement between Bi-State Development and the National Park Service.

Secure Platform Project:

These funds are a mix of Bi-State Development bond refunding proceeds, federal stimulus funds, and private sector funding, and will be used to create secure entrances at all MetroLink Stations.

Airport Maintenance:

These funds support an agreement for maintenance and repair, site infrastructure and improvements at the Airport.

Federal Transit Authority Funds:

The FTA initially funded $18.0 million of the debt service reserve on the 2010 debt. When the debt was paid off on August 1, 2013, the funds were designated and restricted to be used for the Illinois MetroLink upgrade project by the FTA. As of 2022, interest earned on the funds is $1.2 million.

Fuel Hedge Program Funds:

These funds are restricted for use in conducting the fuel hedging program.

Fair Value Of Financial Instruments

The following table presents the estimated fair values of Bi-State Development's financial instruments at June 30, 2022. The fair value of a financial instrument is defined as the amount at which the instrument could be exchanged between willing parties in a current open market transaction.

Investments

Bi-State Development categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

t June 30, 2022, Bi-State Development had the following recurring fair value measurements:

		Fair Value Measurements		
Description	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Investments				
U.S. Treasury bills	$ 26,630,166	$ 26,630,166	$ —	$ —
U.S. Treasury notes	8,954,767	8,954,767	—	—
Government Agencies:				
FHLB discount notes	31,969,838	—	31,969,838	—
FHLB bonds	43,665,254	—	43,665,254	
FCB bonds	7,430,134	—	7,430,134	—
FNMA bonds	5,596,248	—	5,596,248	—
Municipal bonds	1,266,472	—	1,266,472	—
Debt Securities				
AIG	21,727,055	—	21,727,055	—
Assured Guaranty	121,134,043	—	121,134,043	—
Total Investments	$ 268,373,977	$ 35,584,933	$ 232,789,044	$ —

In the chart above, U.S. Treasury bills and notes are classified in Level 1 of the fair value hierarchy and are valued using prices quoted in active markets for those securities.

Investments in government agencies are classified as Level 2. These securities are pricing and yield bonds whose market value is based upon a matrix pricing. Matrix pricing is used to value securities based upon on the securities relationship to benchmark quoted prices.

Non-negotiable CDs and money market funds are not valued at fair market value. Repurchase agreements, commodities accounts, and investment contracts are valued at amortized cost.

At June 30, 2022, Bi-State Development's OPEB Trust had the following recurring fair value measurements:

Fair value measurements:

Description	Fair Value	Level 1	Level 2	Level 3
Mutual funds				
Money market mutual fund	$ 11,790	$ 11,790	$ —	$ —
Corporate bond mutual fund	11,332,813	11,332,813	—	
Domestic equity mutual fund	18,405,785	18,405,785	—	—
International equity mutual fund	12,545,721	12,545,721	—	
Accrued Income	12	12	—	—
Investments measured at net asset value (NAV)				
Equity long / short hedge fund	5,708,133	—	—	
Multi-strategy hedge fund	4,747,987	—	—	—
Total Investments	$ 52,752,241	$ 42,296,121	$ —	$

Leases

Lessee

Bi-State Development has entered into lease arrangements for twelve buildings. The lease contracts expire at various dates through 2045, assuming that all renewal options are exercised by Bi-State Development. The intangible right-to-use assets are intangible assets and are recorded in capital assets as buildings as noted in Footnote 5. During 2022, Bi-State Development paid $1,265,675 in lease payments.

The following represents the future minimum lease payments required under the lease arrangements as of June 30:

Year	Principal	Interest	Total
2023	$ 1,063,577	$ 397,852	$ 1,461,429
2024	1,103,606	375,660	1,479,266
2025	1,131,777	353,721	1,485,498
2026	1,157,794	329,243	1,487,037
2027	1,182,028	305,261	1,487,289
2028-2032	6,220,910	1,153,168	7,374,078
2033-2037	6,984,478	472,516	7,456,994
2038-2042	901,516	63,494	965,010
2043-2045	286,125	4,652	290,777
	$ 20,031,811	$ 3,455,567	$ 23,487,378

Lessor

Bi-State Development has entered into thirty two arrangements to lease buildings and equipment owned by Bi-State Development to others. The lease contracts expire at various dates through 2072, assuming that all of the renewal options are exercised by Bi-State Development and the lessee. During 2022, Bi-State Development received $546,019 in lease revenue which represents the total amount of inflows of resources recognized in the reporting period from leases.

The following represents the future minimum lease revenue due under the lease arrangements as of June 30:

Year	Principal	Interest	Total
2023	$ 515,350	$ 88,507	$ 603,857
2024	479,974	78,203	558,177
2025	382,365	69,339	451,704
2026	329,774	61,802	391,576
2027	305,743	55,466	361,209
2028 - 2032	1,160,123	194,689	1,354,812
2033 - 2037	583,432	110,254	693,686
2038 - 2042	290,126	63,277	353,403
2043 - 2047	185,701	42,654	228,355
2048 - 2052	97,500	26,937	124,437
2052 - 2057	62,182	19,743	81,925
2058 - 2062	60,571	13,402	73,973
2063 - 2067	64,115	7,065	71,180
2068 - 2072	35,744	987	36,731
Total	$ 4,552,700	$ 832,325	$ 5,385,025

Liability, Claims And Litigation

Bi-State Development is exposed to liability for bodily injury and property damage; liability for financial loss suffered by employees and others as a result of decisions and judgments made by Bi-State Development; and physical damage to and loss of its property.

Bi-State Development self-insures and adjusts:

- Third party bodily injury or property damage liability claims up to $5.0 million per occurrence
- Employment practices liability claims up to $5.0 million per wrongful act
- Workers' compensation claims up to $1.0 million each accident or each employee for disease

Under Missouri law, on August 28, 2005, Bi-State Development became entitled to Sovereign Immunity for torts, except for negligent acts or omissions by Bi-State Development employees relating to the operation of motor vehicles while in the scope of their employment, and injuries caused by dangerous conditions of Bi-State Development property. For the calendar year 2022 and 2021, Bi-State Development's liability for these claims are limited to $459,893 and $441,130, respectively, for any one person in a single accident or occurrence and $3,065,952 for all claims arising out of a single accident or occurrence. There are no sovereign immunity limits in the State of Illinois.

Bi-State Development purchases primary insurance for first party property or business interruption loss subject to a $100,000 per occurrence deductible for direct damage and a $250,000 per occurrence deductible for transit vehicle collision, upset or derailment.

Annually, Bi-State Development Purchases Excess Liability insurance with an annual aggregate limit of $70.0 million for claims whose value exceeds the maximum of $5.0 million per occurrence covered by the self-insured retention. This includes excess coverage for Errors and Omissions Liability, Employment Practices Liability and Employee Benefit Liability.

Claim settlements/judgments have not penetrated into the attachment point of Excess Liability or Excess Workers' Compensation insurance during any of the past four fiscal years.

Loss occurrences are reported to the excess insurance carriers when it is determined that a loss is likely to exceed 50% of the Self-Insured Retention or if a bodily injury is categorized as severe (fatality, multiple persons injured in one occurrence, brain or spinal injury, major amputation). When a third party liability or workers' compensation claim is made against Bi-State Development or when there is sufficient reason to believe that Bi-State Development may be liable for the loss, a dollar amount is reserved for that claim (i.e., a case reserve is established). Case values are adjusted as the claims develop. Total case reserves are evaluated by an independent actuary who develops the total liability to be included in the financial statements.

Changes in the balances of self-insured claims liabilities for the year ending June 30, 2022 are as follows:

	Injury, Damage And Personal Liabilities	Workers' Compensation	Employee Medical And Dental	Total Self-Insured Liabilities
Balance at beginning of fiscal year	$ 9,725,000	$ 14,138,000	$ 4,872,096	$ 28,735,096
Add: Claims and changes in estimate	1,763,003	6,668,313	39,215,052	47,646,368
Less: Claim payments	(2,742,506)	(7,699,313)	(38,496,809)	(48,938,628)
Balance at end of fiscal year	$ 8,745,497	$ 13,107,000	$ 5,590,339	$ 27,442,836

Changes in the balances of self-insured claims liabilities for the year ending June 30, 2021 are as follows:

	Injury, Damage And Personal Liabilities	Workers' Compensation	Employee Medical And Dental	Total Self-Insured Liabilities
Balance at beginning of fiscal year	$ 11,102,820	$ 14,699,000	$ 3,992,368	$ 29,794,188
Add: Claims and changes in estimate	2,141,550	5,410,138	40,802,198	48,353,886
Less: Claim payments	(3,519,370)	(5,971,138)	(39,922,470)	(49,412,978)
Balance at end of fiscal year	$ 9,725,000	$ 14,138,000	$ 4,872,096	$ 28,735,096

Bi-State Development management believes that the estimated liabilities for unsettled injury claims, workers' compensation benefits, and employee medical and dental insurance claims at June 30, 2022 are adequate to satisfy claims for events that have occurred through those respective dates. At June 30, 2022, Bi-State Development held $28.9 million in cash, cash equivalents, and investments that are Board restricted for payment of these claims.

Equipment Financed Purchase

In 2001, Bi-State Development entered into an equipment financed purchase for thirty-four of its Series 2000 and Series 3000 Light Rail Vehicles (LRV's). There are only two Series 2001 tranches remaining: C1 dated August 30, 2001 and C2 dated November 30, 2001. The C1 and C2 tranches involved transactions for twenty-three (23) and four (4) LRVs, respectively. The required collateral was $4.7 million for June 30, 2022. The collateral amount will be returned in entirety to Bi-State Development (and the SCCTD) at the end of the lease. It is expected that as the lease termination date approaches, the collateral amount will be reduced.

The following table highlights pertinent information for 2022:

Balance at beginning of fiscal year	$ 134,066,862
Add: Interest Accrued	8,794,235
Less: Lease payments and reductions	—
Balance at end of fiscal year	$ 142,861,097
Purchase option dates	January 2025
Sublease termination date	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, 2022:

For The Year Ending June 30,	**Amount**
2023	$ —
2024	—
2025	183,231,266
2026	34,310,352
Less: Amount representing future Interest	74,680,521
Total	$ 142,861,097

Non-Current Liabilities

Non-current liabilities at June 30, 2022:

	2021 Beginning Balance	Additions	Reductions	2022 Ending Balance	Amounts Due Within One Year
Equipment Financed Purchase	$ 134,066,864	$ 8,794,233	$ —	$ 142,861,097	$ —
Mass Transit Sales Tax Appropriation Bonds, Series 2013A	22,125,000	—	10,855,000	11,270,000	11,270,000
Plus: Unamortized debt premium	346,989	—	279,267	67,722	—
St. Louis County Missouri Series 2013B	135,000,000	—	—	135,000,000	—
Gateway Arch Revenue Bonds 2014	6,856,271	—	6,856,271	—	—
Gateway Arch Revenue Bonds 2021	—	7,483,283	279,893	7,203,390	241,391
Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds, Series 2019	164,430,000	—	—	164,430,000	—
Plus: Unamortized debt premium	23,639,713	—	2,392,237	21,247,476	—
Tax Appropriation Refunding Bonds, Series 2020	171,205,000	—	1,375,000	169,830,000	2,875,000
Plus: Unamortized debt premium	2,033,565	—	92,080	1,941,485	—
Net OPEB liability	54,595,082	16,308,511	23,642,594	47,260,999	—
Long Term Self-Insurance Liability	28,735,096	47,646,367	48,938,627	27,442,836	15,606,073
Net Pension Liability	40,938,863	30,585,696	20,876,277	50,648,282	—
Lease Payable	—	21,060,744	1,028,933	20,031,811	1,063,577
Other Liabilities	35,820,201	7,418,224	7,216,980	36,021,445	4,670,169
Total	$ 819,792,644	$ 139,297,058	$ 123,833,159	$ 835,256,543	$ 35,726,210

Note: The Gateway Arch Revenue 2014 Bond Series is a direct placement with PNC bank.

Debt

Series 2013

Mass Transit Sales Tax Appropriation Bonds

On August 1, 2013, Bi-State Development issued its $381.2 million par Series 2013A Bonds. The bonds were issued at a premium of approximately $23.2 million and a discount of $1.0 million. The bond series is secured by sales taxes generated from the Transportation Half-Cent, Prop M and Prop M2. 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 costs 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 matures from 2014 through fiscal year 2054. The effective true interest cost for the bonds is 4.44 percent.

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 June 30, 2022, the County has loaned Bi-State Development $135.0 million of Prop A funds.

The Series 2019 bonds refunded $90 million of these bonds and the Series 2020A and 2020B bonds refunded $160.05 million of the 2013A bonds, leaving outstanding principal of $22.125 million maturing in fiscal year 2023.

Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds - Series 2019

On September 26, 2019, Bi-State Development issued its $164.4 million par Series 2019 Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds. The bonds were issued at a premium of approximately $27.8 million. The cost of issuance and underwriter's discount were $0.5 million and $0.3 million, respectively. The bond series is a secured by sales taxes generated from the Transportation Half-Cent, Prop M and Prop M2. The bond proceeds were used to:

- Refund all of Bi-State Development's series 2009 Bonds, and $90.0 million of Series 2013A bonds;
- Pay interest on remaining Series 2013A bonds;
- Pay costs of issuance of approximately $818.0 thousand.

The bonds were issued at fixed rate coupons ranging from 3.0 percent to 5.0 percent, and matures from 2023 through fiscal year 2049. The effective true interest cost for the bonds is 2.8 percent. The bond refinancing had a nominal savings of $87.8 million and a net present value savings of $49.1 million. There was also a release of $5.6 million in debt service reserve funds. Funds released into escrowed totaled $206.2 million.

Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds - Series 2020

On July 1, 2020, Bi-State Development issued its series 2020A and 2020B Combined Lien Mass Transit Sales Tax Appropriation Refunding Bonds for $12.95 million and $158.255 million, respectively. The bonds were issued at a premium of approximately $2.1 million, and an underwriter's discount of $414 thousand. The 2020 bond series are secured by sales taxes generated from the Transportation Half-Cent Prop A, Prop M and Prop M2. The bond proceeds were used to:

- Refund approximately $160 million of Series 2013A Bonds;
- Pay interest on remaining Series 2013A bonds;
- Pay costs of issuance of $651.4 thousand;
- Fund a common debt service reserve account in the amount of $12.58 million.

The bonds were issued at fixed rate coupons ranging from 0.765 to 4.00 percent, and mature from 2022 through fiscal year 2045. The bond refinancing had savings of $36.4 million and a net present value savings of $25 million. Funds released into escrow totaled $164 million.

Gateway Arch bonds – Series 2021

On August 26, 2021 Metro closed on the Series 2021 Taxable Arch Tram Refunding Revenue Bonds. The bonds have a par value of $7,483,283 and a 23 year term, maturing through fiscal year 2045. The 2021 refunding allowed for debt service savings of $32,000 over the next ten years. The annual debt service requirement is approximately $421,000 per year. The bond proceeds were used to refund the remaining Series 2014 bonds, pay interest and a termination payment on the remaining Series 2014 bonds, and pay cost of issuance of the Series 2021 bonds in the amount of $128,000. The bond refinancing had savings of $753 thousand and a net present value savings of $559 thousand. Funds released into escrow totaled $6.9 million.

The total interest expense for the year was $22.3 million. The interest expense breakdown is as follows:

Interest Expense		**Amount**
Series 2013	$	2,076,253
Series 2019		6,887,147
Series 2020		3,803,129
Series 2021		199,213
Equipment Financed Purchase		8,794,236
Other		546,824
Total	$	22,306,802

The following charts show projected debt service for Bi-State Development's bonds, based on mandatory principal maturities:

Senior Bond: Series 2013 A

Year	Principal	Interest
2023	**$11,270,000**	**$281,750**

Subordinate Bond: Series 2013 B

Year	Principal	Interest
2023	$ —	$ 1,413,000
2024	—	1,413,000
2025	—	1,413,000
2026	—	1,413,000
2027	—	1,413,000
2028-2032	—	7,065,000
2033-2037	—	7,065,000
2038-2042	—	7,065,000
2043-2047	—	7,065,000
2048-2052	—	7,065,000
2053-2054	135,000,000	2,581,500
Total	$ 135,000,000	$ 44,971,500

Senior Bond: Series 2019

Year	Principal	Interest
2023	$ —	$ 7,086,500
2024	2,175,000	7,032,125
2025	3,360,000	6,893,750
2026	2,890,000	6,737,500
2027	12,635,000	6,349,375
2028-2032	27,945,000	24,970,125
2033-2037	42,190,000	20,429,600
2038-2042	27,765,000	10,685,050
2043-2047	30,150,000	6,894,900
2048-2049	15,320,000	524,275
Total	$ 164,430,000	$ 97,603,200

Senior Bond: Series 2020

Year	Principal	Interest
2023	$ 2,875,000	$ 3,795,518
2024	12,285,000	3,719,927
2025	11,070,000	3,589,746
2026	11,540,000	3,444,901
2027	1,930,000	3,351,950
2028-2032	48,420,000	14,993,734
2033-2037	29,835,000	9,093,375
2038-2042	31,325,000	6,793,544
2043-2045	20,550,000	814,240
Total	$ 169,830,000	$ 49,596,935

Subordinate Bond: Arch Series 2021

Year	Principal	Interest
2023	$ 241,391	$ 180,014
2024	247,512	173,893
2025	253,789	167,616
2026	260,224	161,180
2027	266,823	154,581
2028-2032	1,439,109	667,915
2033-2037	1,631,071	475,953
2038-2042	1,848,639	258,385
2043-2045	1,014,832	38,681
Total	$ 7,203,390	$ 2,278,218

Total Principle And Interest

Year	Principal	Interest
2023	$ 14,386,391	$ 12,756,782
2024	14,707,512	12,338,945
2025	14,683,789	12,064,112
2026	14,690,224	11,756,581
2027	14,831,823	11,268,906
2028-2032	77,804,109	47,696,774
2033-2037	73,656,071	37,063,928
2038-2042	60,938,639	24,801,979
2043-2047	51,714,832	14,812,821
2048-2051	15,320,000	7,589,275
2052-2054	135,000,000	2,581,500
Total	$ 487,733,390	$ 194,731,603

Bond Covenants, Disclosures And Penalties

Bi-State Development does not currently have any lines of credit or assets pledged as collateral for debt.

Under the terms of the bond indenture, there are several events or lack of action which would trigger Bi-State Development to go in the default:

- If the organization does not remit payment of accrued interest and/or principal when it becomes due and payable (whether at maturity, upon proceedings for redemption or otherwise).

- If the failure of payment is the result of the City of St. Louis or St. Louis County not appropriating sales taxes under the Memorandum of Understanding.
- The organization fails to perform its obligated duties under the indenture and does not remedy this situation within 60 days of receiving a notification of inaction. After the 60 days, the organization is considered in default.

- If Bi-State Development becomes insolvent, files for bankruptcy or goes into receivership.

- If Bi-State Development elects to cease being a going concern and closes operations.

Pension Plans

Bi-State Development has sponsored three defined-benefit pension plans; one Salaried plan and two Union plans. All three plans are single employer plans.

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 over 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 Administrative Pension Committees. The Administrative 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 Administrative 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 eligible for an enhanced defined contribution 401k plan. As of January 1, 2014, the Salaried Plan became a 3% contributory single employer defined benefit pension plan for salaried employees who remained in the plan and did not freeze or waive their accrued benefit.

Employees who retire after attaining the normal service retirement age as defined in the plan, provided the employees have five years of credited service, 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 10 years of credited service may retire and receive reduced benefits. The Salaried Plan also provides death and disability benefits coordinated with Bi-State Development's Long Term Disability program.

Union Plans

All Bi-State Development full-time employees who are included in one of the collective bargaining units recognized by Bi-State Development are required to participate in an applicable Union Plan. The Union Plans 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 of the Missouri-Illinois Metropolitan District and Division 788 Amalgamated Transit Union, AFL-CIO, Employees' Pension Plan and Agreement (788 ATU Plan)
- Bi-State Development Agency of the Missouri-Illinois Metropolitan District and Locals No. 2 and Local No. 309 of the International Brotherhood of Electrical Workers Employees' Pension Plan and Agreement (IBEW Plan)

Beginning April 1, 2015, the Bi-State Development Agency Division 788 ATU Operations Pension Plan and Bi-State Development Agency Division 788 ATU Clerical Pension Plan merged after a vote by the union membership and acceptance by the respective administrative pension committees to create the Bi-State Developments Agency Division 788 ATU Pension Plan. The combined 788 ATU Plan and any prior years' data shown as combined is based upon the total of the two individual plans. Despite the merger, both plans have grandfathered in the benefit structures for their respective employees.

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. Former 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 twenty-five or more years of service accrued before April 1, 2020, receives a retirement benefit of $55 times years of credited service, and for years of service that accrue after April 1, 2020, receives a retirement benefit of $60 times years of credited service.

Eligible IBEW Plan members who retire after December 31, 2013, are eligible for full retirement benefits at (a) age 60 with 10 or more years of credited service or (b) the completion of 25 years of credited service. The IBEW defined benefit pension plan was closed to new employees effective January 1, 2014. Newly hired employees are eligible for a defined contribution plan and the National Electric Benefit Funds pension plan. For the IBEW plan, the retirement benefit is $60 times the years of credited service.

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 employee contributions. Upon retirement and meeting plan eligibility, employees are entitled to a monthly pension benefit, payable for life. The Union Plans also provide survivor and disability benefits.

All three pension plans do not include cost of living adjustments for pension plan benefit payments.

The Union 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.

Each plan has an annual actuarial valuation and issues separate stand-alone audited financial statements and required supplementary information for the plan. Inquiries regarding these reports may be mailed to:

Bi-State Development
Benefits Department, Mail Stop
125 211 North Broadway
Suite 700
St. Louis, MO 63102

Phone calls regarding the pension plans can be made to Milliman, its third party administrator, at 1-877-265-7703 or the Bi-State Development Benefits Department at 314-982-1400, extension 3006.

Contributions

For the Salaried Plan, Bi-State Development contributes the actuarial determined contribution less the amount contributed by the employees. Employer contributions to the Salaried Plan were $8,000,000 for the year ended June 30, 2022. 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. Employer contributions for the ATU and IBEW Plans were $8,698,517 and $171,865, respectively, for the year ended June 30, 2022. Pension expense is determined by an actuarial report prepared by an independent third party actuary. Contribution rates are approved by the respective pension committees and the Board of Commissioners.

For the 788 ATU employees hired after April 1, 2015, and IBEW plans, Bi-State Development funds 70% of the ADC. For the 788 ATU Clerical employees hired prior to April 1, 2015, Bi-State Development funds 68% of the ADC. The remaining percentages of each plan's ADC are funded from the employee contributions.

The Union Plans' fiscal year end is March 31, 2022, and the Salaried Plan's is May 31, 2022.

Grants And Assistance

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, the Illinois Department of Aeronautics and the Illinois Department of Transportation (IDOT). The St. Louis Downtown Airport provides additional funds from operating revenues.

- **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 (MoDOT). Bi-State Development began receiving this assistance in July 1996.
- **Illinois Department of Transportation (IDOT) 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.

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 ofoperations.

Bi-State Development has future contract commitments for construction and purchase of assets in the amount of $102,674,354 million as of June 30, 2022.

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 Development, as they are to be repaid by a party other than Bi-State Development. 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, 2022, $20,215,000 remain 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 which refunded the Series 1998 A bonds on July 1, 2004, through July 1, 2008. As of June 30, 2022, $2,155,000 remain outstanding.

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 and finance.

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.

Alternative Mobility – more flexible options to fixed route large bus and train service, operated by smaller vehicles.

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. Generally, Bi-State Development budgets precede appropriation.

Arch tram ridership - Number of adult and child tickets sold.

Arts In Transit, Inc. – is a non-profit 501(c)(3) created to facilitate community engagement public art programs and projects that enhance the transit experience. This entity connects the region's art community to Metro Transit.

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 one where cash sources are greater or equal to the cash usage. (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.

Bi-State Development Research Institute – The Institute is 501(c)(3) non-profit corporation under the Bi-State Development umbrella. The purpose of the Institute is to provide research and develop data and information for local programs, public infrastructure and public/private real estate improvements for BSD.

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 – An asset purchased $5,000 or greater 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 90 days 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, salaries, overtime and benefits 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.

EAM – Enterprise Asset Management. The optimal lifecycle management of the physical assets of an organization.

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.

FAST ACT – Fixing America's Surface Transportation Act. The surface transportation law that authorizes funding for various transportation programs. The law was signed by President Obama on December 4, 2016 and became effective October 1, 2016 and is effective for five years, through September 30, 2020. It replaces MAP-21.

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.

Federal Vehicle Maintenance – The Federal Transit Administration allows preventive maintenance activities to be funded by Formula 5307 funds.

Finance - Bi-State Development's accounting, budget, grants, passenger revenue 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 2022 ends on June 30, 2022. FY 2022 of the federal government extends from October 1, 2021, through September 30, 2022.

Fixed asset - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery and furniture. See also Capital Assets

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 Riverboats - Becky Thatcher and Tom Sawyer riverboats owned and operated by Bi-State Development adjacent to the Gateway Arch park grounds.

GAAP or Generally Accepting Accounting Principles (US) - A collection of commonly-followed accounting rules and standards for financial reporting.

Governmental Accounting Standards Board – Established in 1984, the Governmental Accounting Standards Board (GASB) is the independent, private-sector organization based in Norwalk, Connecticut, that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

General Fund - It is the principal operating fund for Bi-State Development.

Hedging - An investment position intended to reduce any substantial losses/gains suffered by an individual or an organization. The fuel hedging program is designed to protect the annual budget from severe fluctuations in price.

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.

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.

Metro Reimagined – A system service redesign, implemented in September 2019, which will increase frequency on high-demand bus routes, deliver shorter wait times, faster trips and better connections.

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.

Microtransit – is a form of demand responsive transit that offers flexible routing and/or flexible scheduling of small vehicles. Microtransit providers build routes so as to extend the efficiency and accessibility of the transit service.

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 a 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 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.

Self-Insurance Funds - Self-insurance programs operated by Bi-State Development that includes medical and dental, casualty insurance and workers' compensation insurance.

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 one-half 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.

St. Louis Downtown Airport – A full-service aviation center offering an extensive line of general aviation services eight minutes from downtown St. Louis in Cahokia/Sauget, Illinois. This is an enterprise within the Bi-State Development Agency umbrella.

St. Louis Regional Freightway – was created as a public-private partnership to optimize the region's freight transportation network and further enhance the St. Louis region's standing as a World Class Logistics Hub. This is a Bi-State Development enterprise.

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 of 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 Riverfront Attractions.

Tranche - one of a number of related securities offered as part of the same transaction.

Transit Asset Management (TAM) is a model that uses asset condition to help prioritize funding to achieve or maintain transit networks in a state of good repair.

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 Christian Healthcare Centers
BRT	Bus Rapid Transit
BSD	Bi-State Development
CAD/AVL	Computer Aided Dispatch / Automated Vehicle Location
CAFR	Comprehensive Annual Financial Report
CCC	Cross County Collaborative
CCTV	Closed Circuit Television (Cameras)
CID	Community Improvement District
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
ISF	Internal Service Fund
IT	BSD'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
P3	Public-Private Partnership
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)
SIF	Self-Insured Fund
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
TDD	Transportation Development District
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
TOD	Transit Oriented Development
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

BI·STATE DEVELOPMENT

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

314.982.1400
Finance@BiStateDev.org

BU220573