OPERATING & CAPITAL BUDGET

RIVERBOATS AT THE GATEWAY ARCH

metro

GATEWAY ARCH

ST LOUIS REGIONAL FREIGHTWAY

ST. LOUIS DOWNTOWN AIRPORT

BI-STATE DEVELOPMENT

FISCAL YEAR 2023

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Bi-State Development Agency

Missouri

For the Fiscal Year Beginning

July 1, 2021

Christopher P. Morrill

Executive Director

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

A Distinguished Budget Presentation Award is valid for a period of one year. We believe our current Bi-State Development FY2023 Operating and FY2023-FY2025 Capital Budget continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

BI•STATE
DEVELOPMENT
Gateway to growth. On both sides of the river.™

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 (BSD) Fiscal Year (FY) 2023 Operating and Capital Budget. Our budget document includes the federally required three-year Transportation Improvement Program that identifies operating and capital resources necessary to serve our regional stakeholders and to meet the St. Louis metropolitan area's transportation requirements.

The current fiscal year at Bi-State Development has been challenging. Both the Delta variant and Omicron strain created a surge in COVID-19 cases and as we anticipated turning the corner on the pandemic, the workforce shortage impacted our ability to deliver MetroBus and Call-A-Ride service to our regional customers. We pivoted to make critical service and aggressively competed against other companies to hire new transit operators. No one could have foreseen how contagious the Omicron strain would prove to be and the toll it would take on our workforce and our customers. Despite the challenges, our dedicated teams tirelessly continue to serve the region, 7 days a week, in various ways, including providing essential public transit service. Safety and security on the transit system continues to improve.

Our enterprise teams at Metro Transit, Gateway Arch, St. Louis Downtown Airport, Riverfront Attractions, and St. Louis Regional Freightway are working hard to create a more connected, vibrant and thriving region.

Highlights from Fiscal Year 2022 include:

- Bi-State Development closed on the Series 2021 Taxable Arch Tram Refunding Bonds in August, 2021, which refunded the Arch Series 2014 Revenue Bonds. The bonds have a par value of $7,483,283 and a 23-year term, maturing in December 2044. The 2021 refunding provides approximately $30,000 a year in debt service savings.

- In July 21, 2020, Bi-State Development issued its tax-exempt $12.5 million par Series 2020A Bonds, and taxable $158.3 million par Series 2020B Bonds, in order to generate debt service savings. Together, the 2020 Bonds refunded $160 million of the Series 2013A, and generated savings for us in FY2022 in a number of areas:

    - Saved $17.5 million in debt service savings in FY2021 without an increase in debt service in any future year.
    - Generated $36.4 million in debt service savings (in 2020 dollars) over the life of the bonds.
    - Lowered the required reserve on Series 2013A from $19.3 million to $12.6 million.

- In November 2021, Bi-State Development announced a bold shift in MetroLink platform operating practices. The MetroLink Secure Platform Plan creates centralized customer entrances at all 38 MetroLink stations that use a new fare media system to enhance the customer experience. The MetroLink Secure Platform Plan includes gates, fencing and cameras to enhance the recently implemented safety and security program.

We continue to focus on our long-term financial health by spreading federal pandemic funding through FY2028. Upon approval by the Bi-State Development Board of Commissioners, the FY2023 Operating and Capital Budget will move through a review and approval process with our funding partners: St. Louis County, St. Clair County and the City of St. Louis.

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

The following pages provide a financial overview Fiscal Year 2023 for Bi-State Development, our enterprises and the support services which together create our plan to improve the quality of life in the St. Louis region by delivering excellent public services and dynamic regional solutions.

I am so proud of our team members and their extraordinary dedication and unwavering commitment to the St. Louis regional community and the many citizens and stakeholders we serve.

Taulby A. Roach
President and Chief Executive Officer

Authority and Government

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

Taulby Roach
President and Chief Executive Officer

Tom P. Curran
Executive Vice President
Administration

Charles Stewart
Executive Director
Metro Transit

Charles Stewart
Executive Vice President
Organizational Effectiveness

Mary Lamie
Executive Vice President
Multi Modal Enterprises

Crystal M. Messner
Chief Audit Executive
Internal Audit

Tammy L. Fulbright
Executive Vice President
Chief Financial Officer

Barbara Enneking
General Counsel
Legal and Compliance

BI-STATE DEVELOPMENT

BSD Organizational Overview and Personnel

Bi-Statement 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.

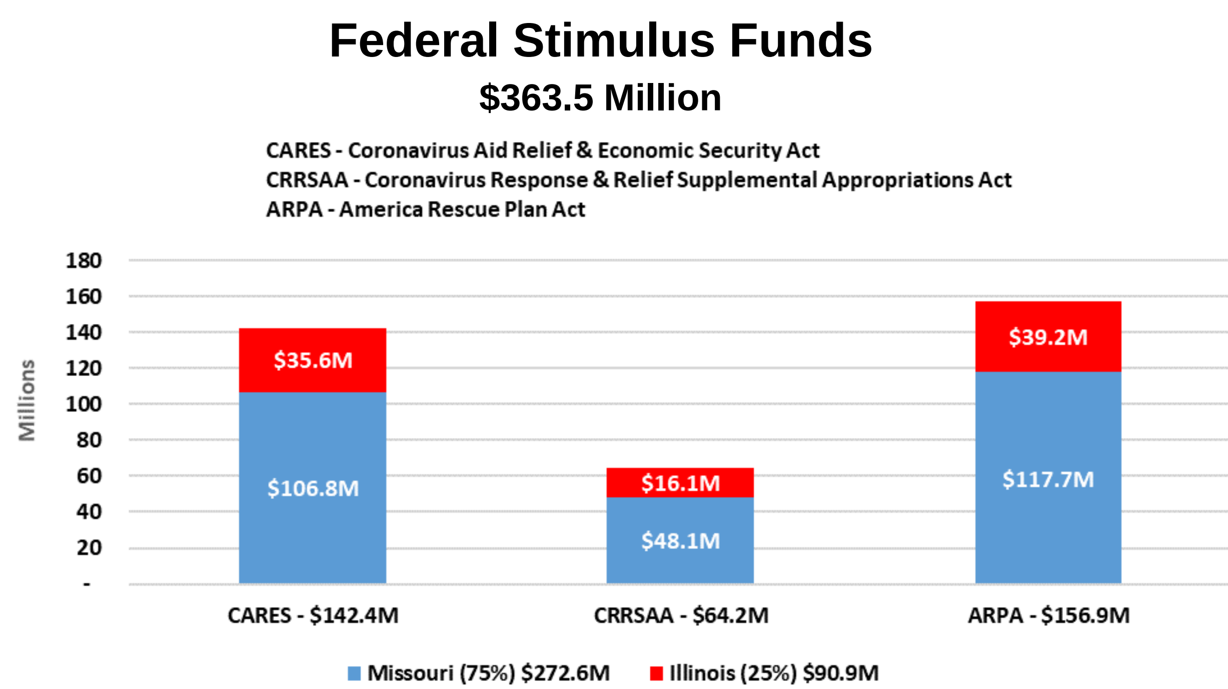
This section contains the Bi-State Development organizational chart for the Board of Commissioners, the President and Chief Executive Officer and his direct reports. Also in this section is a FY 2023 Consolidating Statement of Revenue and Expense, which shows each business unit, and a FY 2021 - FY 2023 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 finding efficiencies through system and process improvements and revenue enhancement through improved ridership as part of our fiscal responsibility strategic initiative. For FY 2023, the current Transit projected revenue is $335,010,169. This includes approximately $18.5 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 stimulus 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.

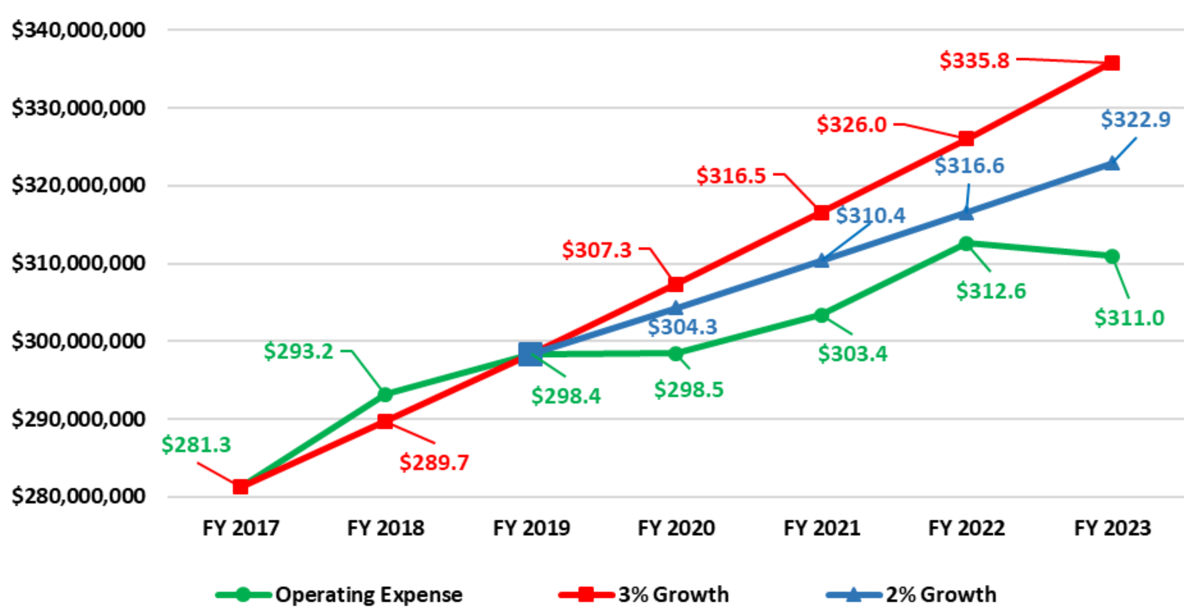


Our financical plan gradulally requests stimulus funds as needed to supplement sales tax and passenger revenue and allocates funding between states. Through FY 2023, we project to expend $205.6 million, and the remaining balance will provide sustainability and support for transit capital projects.

Transit projected operating costs for FY 2023 are $310,959,903. This is a decrease of .5% percent from the prior year budgeted operating costs of $312,573,821. This budget includes a service level that preceeds the upcoming service reduction in March of 2022 that cuts frequency on some Metrobus routes. BSD manages the financial risk associated with diesel fuel with a fuel hedge program that will offset price increases at the pump and provide stability to our FY 2023 budget. A financially strong CEO led his management team to a focus of fiscal responsibility. Through that direction and the diligent work of team members, a more financially astute team allows for a budgeted average growth rate of 1.05% over the last 4 years, compared to the 3% average budgeted growth experienced in the earlier years of this decade. The chart below denotes a 4-year average growth rate of 1.05% compared to a 2% and 3% growth rate.

Metro Transit System Cost Stabilization

4-Year Average Annual Growth Rate 1.05%



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 WAGES	Eliminations	Total After Eliminations
Passenger revenue	$ 18,538,362	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,538,362	$ -	$ 18,538,362
Paratransit contract	1,379,772	-	-	-	-	-	-	-	-	-	1,379,772	-	1,379,772
Other operating revenue	4,863,802	22,584	131,477	125,920	-	-	-	-	-	-	5,143,783	(51,500)	5,092,283
Agency operating revenue	-	-	-	-	-	5,166,442	-	-	-	-	5,166,442	(4,901,797)	264,645
Arch ticket sales	-	7,655,198	-	-	-	-	-	-	-	-	7,655,198	-	7,655,198
Service/fee revenue	-	203,432	-	-	-	-	-	-	-	-	203,432	-	203,432
Sales discounts revenue	-	(11,515)	(34,789)	-	-	-	-	-	-	-	(46,304)	-	(46,304)
Not-for-profit (NFP) revenue	-	-	-	-	-	-	-	-	-	88,329	88,329	(88,329)	-
Regional freight fees	-	-	-	-	500,000	-	-	-	-	-	500,000	-	500,000
Aircraft parking	-	-	-	159,715	-	-	-	-	-	-	159,715	-	159,715
Leased acreage	-	-	-	725,692	-	-	-	-	-	-	725,692	-	725,692
Hangar rental	-	-	-	616,960	-	-	-	-	-	-	616,960	-	616,960
Aviation sale flowage fee	-	-	-	140,016	-	-	-	-	-	-	140,016	-	140,016
Airport concessions	-	-	-	120,058	-	-	-	-	-	-	120,058	-	120,058
Cruise revenue	-	-	2,365,699	-	-	-	-	-	-	-	2,365,699	-	2,365,699
Food and beverage revenue	-	-	959,450	-	-	-	-	-	-	-	959,450	-	959,450
Retail revenue	-	-	131,323	-	-	-	-	-	-	-	131,323	-	131,323
Employee health	-	-	-	-	-	-	7,692,399	-	-	-	7,692,399	-	7,692,399
Employer health	-	-	-	-	-	-	33,743,555	-	-	-	33,743,555	(33,913,555)	(170,000)
ISF-Casualty insurance revenue	-	-	-	-	-	-	-	4,475,749	-	-	4,475,749	(4,475,749)	0
ISF-Workers comp revenue	-	-	-	-	-	-	-	-	6,229,499	-	6,229,499	(6,229,499)	(0)
Total operating revenues	24,781,936	7,869,699	3,553,160	1,888,361	500,000	5,166,442	41,435,954	4,475,749	6,229,499	88,329	95,989,129	(49,660,429)	46,328,700
Total grants & assistance	299,663,934	-	-	-	-	-	-	-	-	-	299,663,934	-	299,663,934
Interest revenue	9,717,154	10,900	-	1,250	-	1,500	6,800	9,250	12,700	-	9,759,554	-	9,759,554
Pass through grant revenue	847,145	-	-	-	-	-	-	-	-	-	847,145	-	847,145
Total revenues	335,010,169	7,880,599	3,553,160	1,889,611	500,000	5,167,942	41,442,754	4,484,999	6,242,199	88,329	406,259,762	(49,660,429)	356,599,333
Wages and benefits	206,713,889	2,971,775	1,885,193	999,480	250,271	2,758,273	823,477	153,359	138,865	16,139	216,710,722	(24,591)	216,686,131
Services	46,029,669	2,434,104	420,842	144,600	344,000	1,694,516	352,240	73,500	12,350	58,188	51,564,009	(58,188)	51,505,821
Fuel, materials and supplies	32,675,284	727,559	642,230	128,100	3,500	22,795	32,595	100	100	6,000	34,238,263	(6,000)	34,232,263
Casualty and liability costs	8,998,222	33,548	244,802	108,378	-	48,000	-	5,324,238	235,000	-	14,992,188	(5,324,238)	9,667,950
Utilities	8,308,471	159,342	91,029	201,100	-	4,650	4,550	-	-	650	8,769,792	(650)	8,769,142
Leases, other and admin. charges	8,234,368	1,469,890	169,281	144,899	44,000	384,855	71,835	-	750,850	7,352	11,277,329	(4,952,197)	6,325,132
Health and welfare self-insurance	-	-	-	-	-	-	40,158,057	-	-	-	40,158,057	(33,913,555)	6,244,502
Casualty self-insurance	-	-	-	-	-	-	-	3,161,328	-	-	3,161,328	848,489	4,009,817
Workers comp self-insurance	-	-	-	-	-	-	-	-	6,242,576	-	6,242,576	(6,229,499)	13,077
Total operating expenses	310,959,903	7,796,219	3,453,376	1,726,557	641,771	4,913,090	41,442,754	8,712,525	7,379,741	88,329	387,114,264	(49,660,429)	337,453,835
Interest expense	21,972,386	180,014	-	-	-	-	-	-	-	-	22,011,916	-	22,011,916
Contributions to outside entities	1,180,796	160,000	-	-	-	-	-	-	-	-	1,340,796	-	1,340,796
Gain (loss) on disposition of assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Pass through grant expense	847,145	-	-	-	-	-	-	-	-	-	847,145	-	847,145
Other non-operating expense	381,961	-	-	-	-	-	-	-	-	-	522,445		522,445
Total expenses	**335,342,191**	**8,136,233**	**3,453,376**	**1,726,557**	**641,771**	**4,913,090**	**41,442,754**	**8,712,525**	**7,379,741**	**88,329**	**411,836,566**	**(49,660,429)**	**362,176,137**
Net income (Deficit) before depre	**(332,022)**	**(255,634)**	**99,784**	**163,054**	**(141,771)**	**254,852**	**0**	**(4,227,526)**	**(1,137,542)**	**0**	**(5,576,804)**	**-**	**(5,576,804)**
Depreciation and amortization	77,072,057	-	203,177	1,178,072	-	-	-	-	-	-	78,453,306		78,453,306
Net transfers	5,365,069	-	-	-	-	-	-	(4,227,526)	(1,137,542)	**-**	-	**-**	**-**
Net income (Deficit)	**$ (82,769,148)**	**$ (255,634)**	**$ (103,393)**	**$ (1,015,018)**	**$ (141,771)**	**$ 254,852**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (84,030,110)**	**$ -**	**$ (84,030,110)**

Numbers may not sum due to rounding

Bi-State Development
Combined Statement of Revenue & Expense

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Passenger and service revenue	$ 26,426,764	$ 33,500,468	$ 36,787,543	$ 3,287,075	
Other	6,343,180	6,736,607	7,060,384	323,777	
Charges for services	47,014,233	49,398,337	52,141,202	2,742,865	
Total operating revenues	79,784,178	89,635,412	95,989,129	6,353,717	7.1%
State and local	215,646,963	265,014,566	260,414,328	(4,600,238)	
Federal	74,584,847	32,665,739	39,249,606	6,583,867	
Total Grants & Contractural Revenue	290,231,811	297,680,305	299,663,934	1,983,629	0.7%
Non-Operating Revenue:					
Interest Revenue	8,744,824	10,944,178	9,759,554	(1,184,625)	
Other non-operating revenue	155,100	2,120,222	847,145	(1,273,077)	
Total Non-Operating Revenue	8,899,924	13,064,400	10,606,699	(2,457,702)	-18.8%
Total revenues	378,915,913	400,380,117	406,259,762	5,879,644	1.5%
Intercompany revenue eliminations	(42,216,259)	(46,103,879)	(49,660,429)	(3,556,550)	
Total revenue less eliminations	**336,699,654**	**354,276,238**	**356,599,333**	**2,323,094**	**0.7%**
Operating Expense:					
Wages and benefits	195,259,622	214,402,656	216,710,722	2,308,066	
Services	46,939,201	51,772,485	51,564,009	(208,476)	
Fuel and lubricants	8,511,284	10,732,256	9,428,372	(1,303,884)	
Parts and supplies	23,262,035	23,668,663	24,809,892	1,141,229	
Casualty and liability costs	7,767,216	13,568,576	14,992,188	1,423,612	
Interfund administrative charges	2,591,207	4,189,492	4,901,797	712,305	
Utilities	6,731,100	8,823,510	8,769,792	(53,718)	
Leases and other expenses	5,272,720	5,927,773	6,375,532	447,759	
Health self-insurance claims	38,684,280	36,750,401	40,158,057	3,407,656	
Casualty & Work comp self ins. claims	7,117,177	11,597,800	9,403,904	(2,193,896)	
Total operating expenses	**342,135,842**	**381,433,612**	**387,114,265**	**5,680,653**	**1.5%**
Non-Operating Expense:					
Interest expense	19,549,609	22,244,237	22,152,400	(91,837)	
Contributions to outside entities	2,856,810	2,410,008	1,340,796	(1,069,212)	
Other non-operating expense	2,940,084	2,051,335	1,229,106	(822,229)	
Total Non-Operating Expense	25,346,503	26,705,580	24,722,302	(1,983,278)	-7.4%
Total expenses	367,482,345	408,139,192	411,836,567	3,697,375	0.9%
Intercompany expense eliminations	(42,216,259)	(46,103,879)	(49,660,429)	(3,556,550)	
Total expense less eliminations:	**325,266,086**	**362,035,313**	**362,176,138**	**140,825**	**0.0%**
Net income (deficit) before depreciation and transfers	**11,433,568**	**(7,759,075)**	**(5,576,804)**	**2,182,271**	**-28.1%**
Depreciation	79,234,588	79,175,072	78,453,306	(721,766)	
Net transfers	-	-	-	-	
Net income (deficit)	**$ (67,801,020)**	**$ (86,934,147)**	**$ (84,030,110)**	**$ 2,904,037**	**-3.3%**

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 FY 2019. As a result of this, the FY 2019 position count was modified to reflect a different mix of full-time and part-time bus operators ultimately reducing the total operator count. FY 2022 budget included 2,220 positions. For FY 2023, a budget of 2,220 positions reflects no overall increase from FY2022. The FY 2023 budget plan was developed intent on streamlining processes and becoming more efficient.

Metro Transit

A total of 2,154 positions are budgeted for the Metro Transit system enterprise in FY 2023.

Metro Transit Operations

For FY2023 no changes in the estimated positions from FY2022 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 4 part-time operators compliment the 811 full-time operator positions planned to operate service levels. The same level of operators is budgeted for FY2023 as was for the prior year.
- Rail Transportation: MetroLink operator counts remain consistent at 102.
- Paratransit Transportation: Operator positions will remain at 200 as in the prior year
- Maintenance of Way, Vehicle and Facility Maintenance: Will reassign responsibilities and remain at a net zero increase for FY 2023.
- Engineering Services: Will remain unchanged at 17 positions for FY 2023.

Metro Transit Administration

Metro Transit Administration will be increased by 5 positions in Information Technology to bring expertise in-house. The cost of which will be offset through the reduction of existing subcontractor service costs in FY2023.

Metro Organizational Effectiveness

Organizational Effectiveness is expected to add 5 positions in Human Resources and 1 position in Culture and Change Management in FY 2023. Organizational Effectiveness includes Human Resources, Pension and Retiree Benefits, Risk Management, Labor Relations and Workforce Diversity and EEO.

Internal Service Funds

Consists of Health, Casualty and Workers Compensation Self-Insurance funds. The FY 2023 budget count for Casualty Self-Insurance and Workers Compensation will decrease by 8 from FY 2022.

Executive Services

FY 2023 reflects an increase of 1 position.

Gateway Arch

The Gateway Arch will reduce 3 positions for FY 2023.

St. Louis Downtown Airport

Staffing levels will remain the same for the FY 2023 budget.

Riverfront Attractions

Staffing levels will increase by 2 positions as business begins to strengthen.

St. Louis Regional Freightway

St. Louis Regional Freightway will remain the same as FY 2022.

Bi-State Development Employees by Division and Function

The following page contains tables of budgeted staff count for FY 2023. The tables compare total BSD personnel to the prior FY 2022 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.

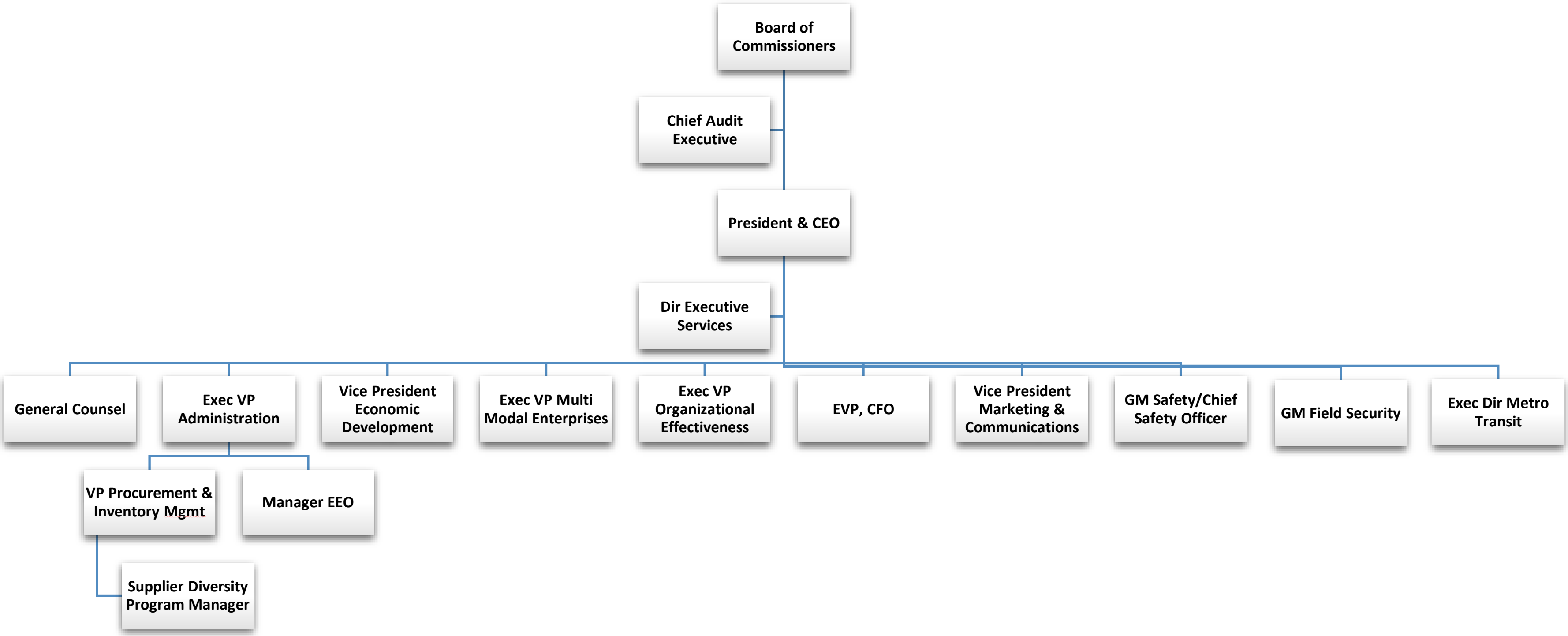
Bi-State Development
Personnel by Division & Function

	Budget 2022	Budget 2023	Variance
Metro Transit Operations			
MetroBus Operations	888	894	6
Security	80	74	(6)
MetroLink Operations	146	143	(3)
Paratransit Operations	245	246	1
Vehicle and Facility Maintenance	382	394	12
Maintenance of Way	144	132	(12)
Service Planning	37	37	-
Engineering and New Systems	17	17	-
ADA Services	1	1	-
Executive Director of Metro Transit	2	2	-
Total Metro Transit Operations	**1,942**	**1,940**	**(2)**
Administration			
Executive Vice-President for Administration	8	7	(1)
Procurement Matls Mgmt & Supplier Diversity	55	58	3
Finance			
Treasury	6	4	(2)
Controllers Group	16	16	-
Passenger Revenue	34	34	-
Finance Administration	4	4	-
Total Finance	**60**	**58**	**(2)**
Information Technology	31	36	5
Total Administration	**154**	**159**	**5**
Organizational Effectiveness			
Human Resources	15	20	5
Pension and Retiree Benefits	1	1	-
Risk Management	6	6	-
Labor Relations	3	3	-
Workforce Diversity and EEO	2	2	-
Executive VP Organizational Effectiveness	2	3	1
Total Organizational Effectiveness	**29**	**35**	**6**
Marketing	19	18	(1)
Meridian Garage and Real Estate	2	2	-
Total Metro Transit	**2,146**	**2,154**	**8**
Executive Services	16	17	1
Gateway Arch	19	16	(3)
St. Louis Downtown Airport	10	10	-
Riverfront Attractions	9	11	2
St. Louis Regional Freightway	2	2	-
Health Self Insurance SIF	8	8	-
Casualty Self Insurance SIF	7	1	(6)
Workers Comp Self Insurance SIF	3	1	(2)
Bi-State Development Research Institute	-	-	-
Arts In Transit (AIT)	-	-	-
Total Bi-State Development	**2,220**	**2,220**	**-**

Personnel by Paygroup

	Budget 2022	Budget 2023	Variance
Bus Operators (FT)	811	811	-
Bus Operators (PT)	4	4	-
Light Rail Operators	102	102	-
Van Operators	200	200	-
Total Operators	**1,117**	**1,117**	**-**
788 Clerical	41	41	-
788 Service	78	78	-
788 Maint	315	315	-
IBEW	62	62	-
Salaried	607	607	-
Total Bi-State Development	**2,220**	**2,220**	**-**

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 2023 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 2023 budget projects a $332,022 deficit position before depreciation and net transfers.

Service miles and hours for system revenue miles is budgeted at a similar level from the FY 2022 budget. System revenue hours are also budgeted flat in comparison to the FY 2022 budget.

Passenger boardings on MetroBus, MetroLink, and Call-A-Ride for FY 2023 show a combined system operating at the same level as the FY 2022 budget. Expected ridership will result from multiple factors including changes in fuel costs, perceptions of security, pandemic issues and changes in workforce transit patterns including telecommuting.

Operating Revenue

Passenger revenue is budgeted at $18.5 million for FY 2023. This is a decrease of $2.4 million or 11.6% from the FY 2022 budget. The decrease in passenger revenue is reflective of a ridership drop for pandemic issues in the prior fiscal year. The proposed budgeted revenue level is reflective of ongoing safety and security issues, lower fuel prices, and the expansion of on-demand service options available within the community. 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 2023 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 2023 is expected to remain substantially the same as the FY 2022 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 increase $441,413. This is the result of increased revenue from rental income and ATS contractual work.

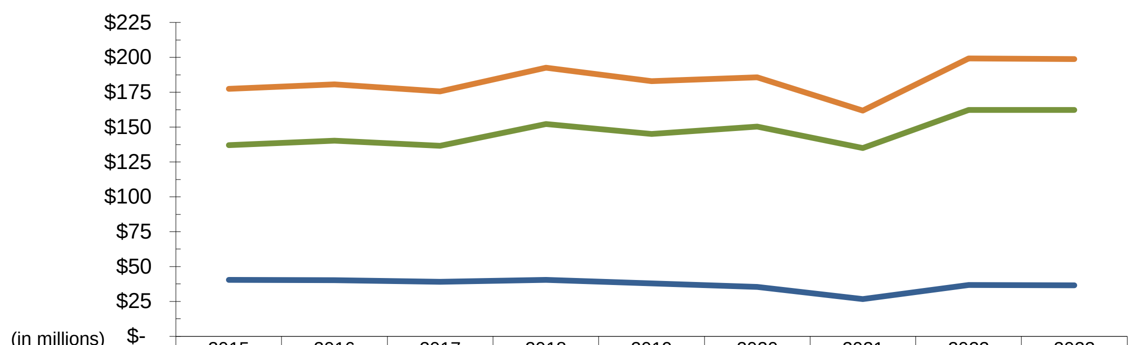
Grants, Sales Tax, and Contractual Revenue

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



	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget
St. Louis County	137.08	140.30	136.70	152.18	145.13	150.42	135.10	162.40	162.40
St. Louis City	40.36	40.29	39.00	40.51	37.94	35.30	26.70	36.78	36.53
Total	177.44	180.59	175.70	192.70	183.07	185.72	161.80	199.18	198.93

The chart above represents the actual growth in appropriation of sales tax from St. Louis City and County to BSD over a 6-year period and a 2 year budgeted period. Slow growth in the local economy (1%) translates to relatively minimal growth in sales tax receipts for FY 2023 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 2023 budget is expected to increase by $7,912 to $799,500.

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 2022 and FY 2023.

Federal vehicle maintenance represents federal capital formula funds that BSD chooses to program for vehicle maintenance per the Federal Transit Administration's guidelines. FY 2023 budget remains consistent with FY 2022 budget.

Non-capital federal grant revenue funding is expected to be $3.8 million for FY 2023. 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 2023 is $341,250. This decrease over the prior year budget is a result of a lower investment base and rates on investments.

Capital lease revenue recognizes the revenue associated with capital leases. The revenue and expense offset. For FY 2023, these amounts are both $9.4 million.

Expenses

Wages & benefits are expected to be .01% less than the FY 2022 budget. Operator staffing is planned to remain steady while other staffing will increase slightly. The benefits component increased 1.3% 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 2023, the unfunded portion of OPEB cost is budgeted at $3.6 million. This is a $1.7 million increase over the prior year.

Services are expected to decrease 4.0%. Metro continues to budget costs related to public safety concerns on the Metro transit system. Contracts with our law enforcement partners will supplement these services.

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

Fuel and lubrications net expense for the FY 2023 budget is anticipated to decrease 12.5% compared to the FY 2022 budget. Fuel usage throughout the system will slowly decline as newer more fuel efficient alternatives are introduced.

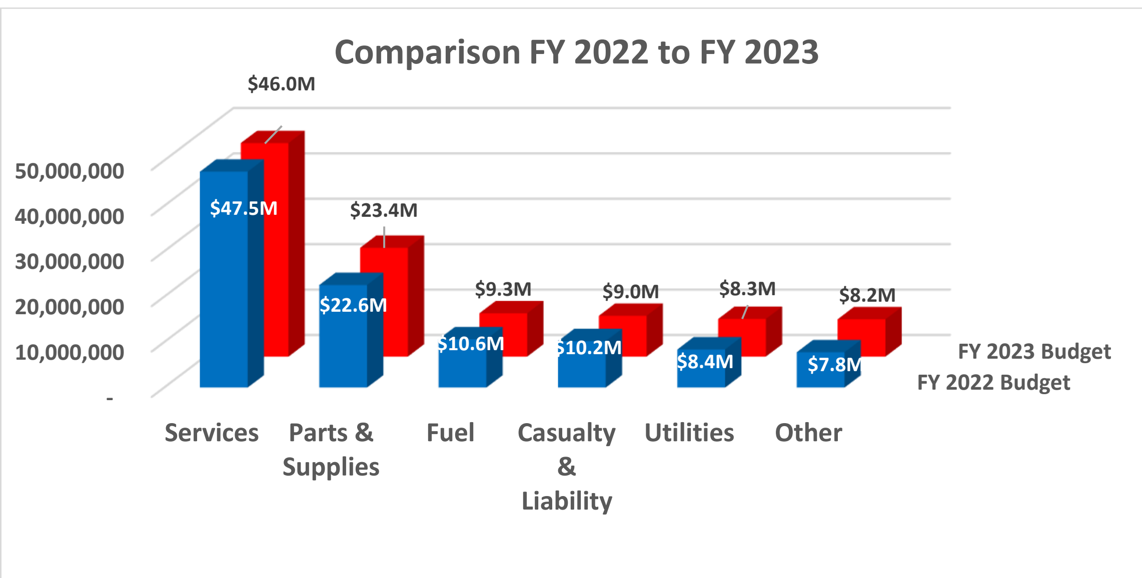
Parts and supplies expense is expected to increase 3.5%. Life cycle fleet maintenance is the basis in determining revenue equipment parts needs each year. Enhanced inventory management and a continued emphasis on quality parts will drive cost savings.

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 12.1% over the previous year budget. Property lines are expected to increase due to hard market conditions.

Utilities, including electric propulsion, are budgeted at 1.04% less than the prior year mostly due to in part to reduced consumption. Process improvements continue to be the goal to keep costs in control. The 2023 budget is in line with the cost needed to support expected activity.

Other expenses consist of taxes, leases, advertising, travel, and staff development. FY 2023 reflects a 3.3% increase compared to the prior year budget. This increase includes additional staff development and training and advertising. Most cost categories are slightly lower than the prior year levels.

Management fees are payments to Executive Services for providing 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 2023 these amounts are both $9.5 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 2023.

Sheltered workshop expense is budgeted at $1.2 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 2023, depreciation is expected to be just above $77.0 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 2023 is $5.4 million.

METRO TRANSIT SYSTEM PROFILE

METRO TRANSIT
SYSTEM PROFILE

BU220002

Total System

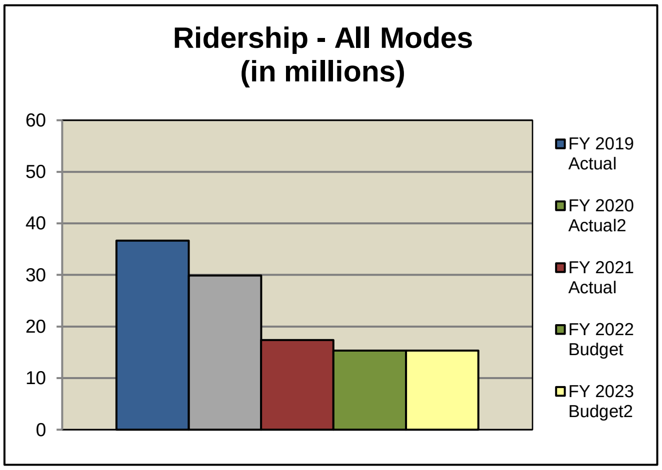
Metro Transit

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 2021 Actual):

17.4 million passenger boardings
54,114 average weekday ridership
21.7 million revenue miles
1.4 million revenue hours
3.9 million diesel gallons consumed



Service area (558 square miles):

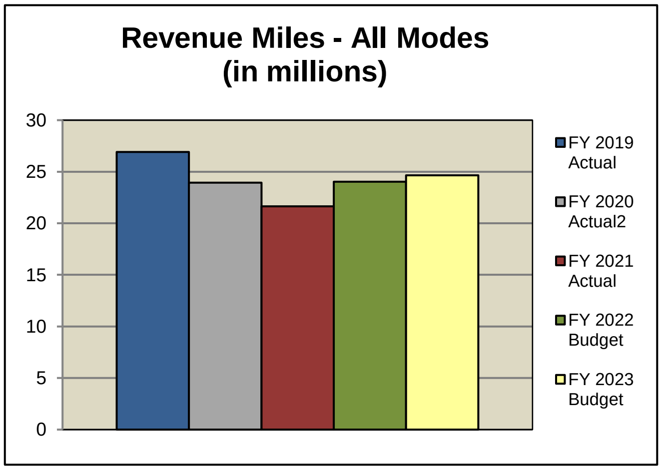
Missouri:
- City of St. Louis
- St. Louis County

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

Union contracts:

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

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



Metro Transit

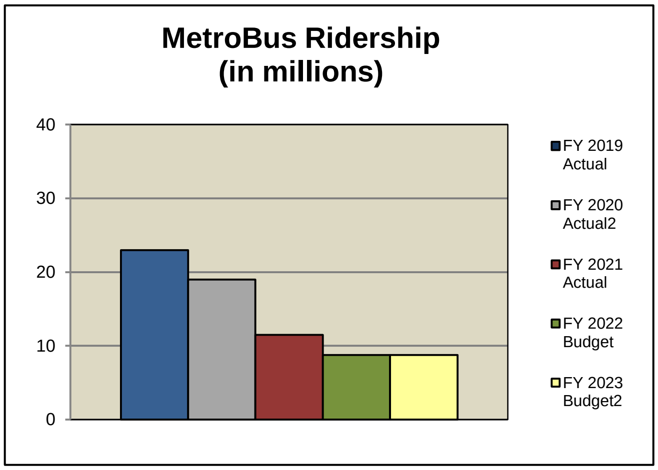
MetroBus

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.

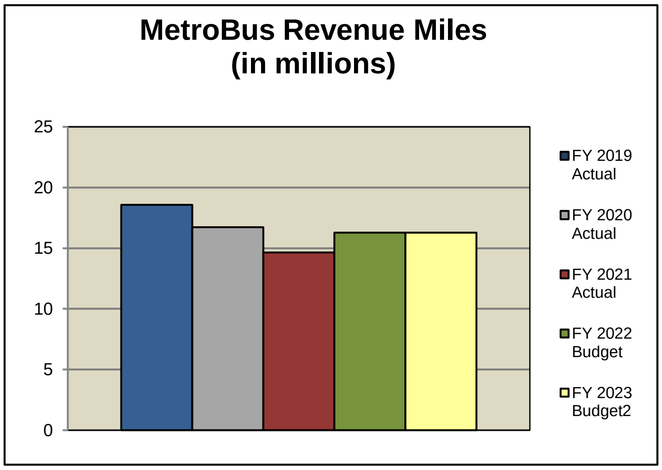
Service levels (FY 2021 Actual):

11.5 million passenger boardings
36,011 average weekday ridership
14.6 million revenue miles
1.1 million revenue hours
393 buses (321 used at peak)
3.4 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

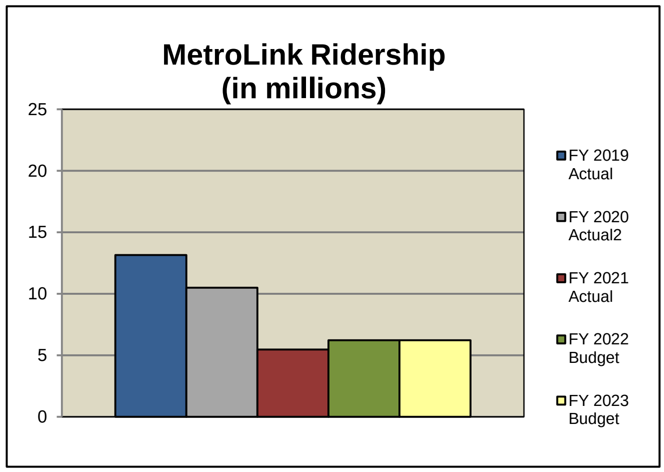
MetroLink

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 2021 Actual):

5.4 million passenger boardings
16,740 average weekday ridership
2.76 million revenue miles
125,774 revenue hours
58 rail cars (53 used at peak)

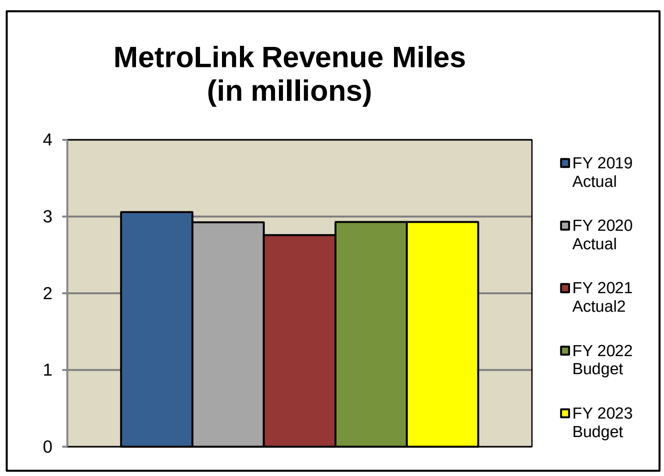


Facilities:

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



Metro Transit

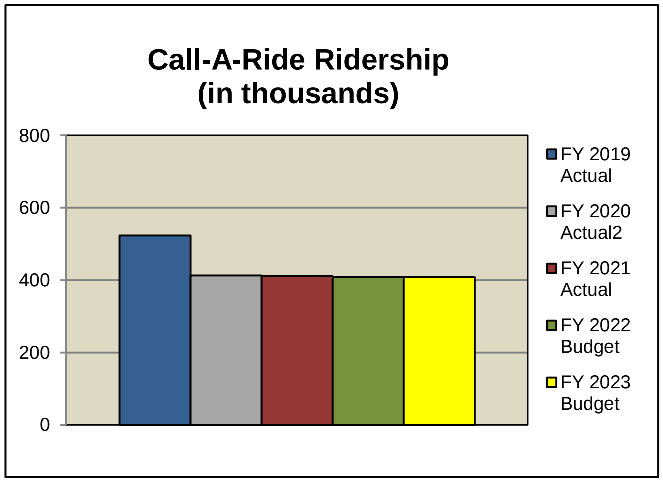
Call-A-Ride

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.

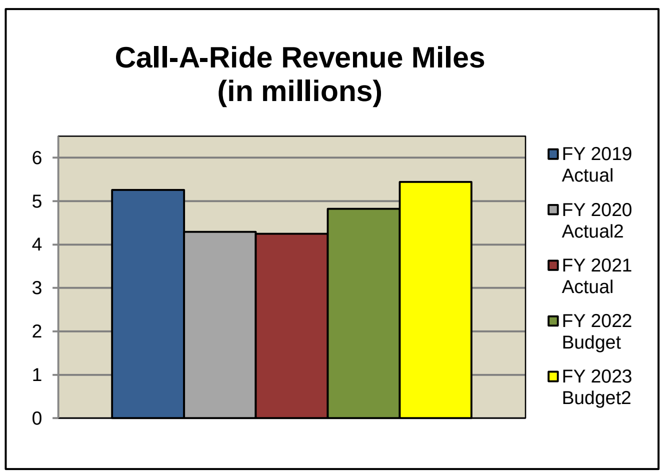
Service levels (FY 2021 Actuals):

411,463 passenger boardings
98.5% ADA passenger boardings
1,363 average weekday ridership
4.3 million revenue miles
239,920 revenue hours
539,521 reservation/assistance calls
0.6 million gallons of diesel consumed
123 vans (95 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 2023 Budget		FY 2022 Budget		FY 2021 Actual
Passenger boardings:	**System**		**15,356,932**		**15,356,932**		**17,385,344**
	MetroBus		8,729,217		8,729,217		11,501,796
	MetroLink		6,219,436		6,219,436		5,472,085
	Call-A-Ride		408,280		408,280		411,463
Revenue miles:	**System**		**24,659,985**		**24,044,070**		**21,656,946**
	MetroBus		16,287,528		16,287,528		14,645,945
	MetroLink		2,929,800		2,929,800		2,760,002
	Call-A-Ride		5,442,657		4,826,742		4,250,999
Revenue hours:	**System**		**1,618,502**		**1,553,265**		**1,419,189**
	MetroBus		1,195,706		1,195,706		1,058,867
	MetroLink		126,266		126,266		121,032
	Call-A-Ride		296,530		231,293		239,290
Total miles:	**System**		**27,238,495**		**26,586,510**		**24,414,287**
	MetroBus		18,514,700		18,514,700		17,116,752
	MetroLink		2,962,393		2,962,393		2,788,636
	Call-A-Ride		5,761,402		5,109,417		4,508,899
Total hours:	**System**		**1,749,522**		**1,678,825**		**1,549,508**
	MetroBus		1,299,841		1,299,841		1,165,185
	MetroLink		128,332		128,332		125,774
	Call-A-Ride		321,349		250,652		258,549
Passenger revenue	**System**	**$**	**18,589,862**	**$**	**21,013,987**	**$**	**17,907,558**
(excluding TMA and	MetroBus		10,323,043		11,614,136		12,156,719
contractual)	MetroLink		7,572,743		8,201,130		5,750,839
	Call-A-Ride		694,076		1,198,720		-
TMA (regional van services) & contractual Medicaid services		**$**	**1,379,772**	**$**	**1,374,672**	**$**	**1,801,339**
Operating expense by mode:	**System**	**$**	**310,959,903**	**$**	**312,573,821**	**$**	**280,337,760**
	MetroBus		176,272,725		177,860,473		185,872,592
	MetroLink		104,636,613		105,148,825		72,771,038
	Call-A-Ride		30,050,565		29,564,523		21,694,130
Passenger boardings per	**System**		**0.6**		**0.6**		**0.8**
revenue mile:	MetroBus		0.5		0.5		0.8
	MetroLink		2.1		2.1		2.0
	Call-A-Ride		0.1		0.1		0.1
Operating expense:							
Per revenue mile:	**System**	**$**	**12.61**	**$**	**13.00**	**$**	**12.94**
	MetroBus		10.82		10.92		12.69
	MetroLink		35.71		35.89		26.37
	Call-A-Ride		5.52		6.13		5.10
Per revenue hour:	**System**	**$**	**192.13**	**$**	**201.24**	**$**	**197.53**
	MetroBus		147.42		148.75		175.54
	MetroLink		828.70		832.75		601.25
	Call-A-Ride		101.34		127.82		90.66
Per passenger boarding	**System**	**$**	**20.25**	**$**	**20.35**	**$**	**16.12**
	MetroBus		20.19		20.38		16.16
	MetroLink		16.82		16.91		13.30
	Call-A-Ride		73.60		72.41		52.72
Operating expense:							
Per total mile:	**System**	**$**	**11.42**	**$**	**11.76**	**$**	**11.48**
	MetroBus		9.52		9.61		10.86
	MetroLink		35.32		35.49		26.10
	Call-A-Ride		5.22		5.79		4.81
Per total hour:	**System**	**$**	**177.74**	**$**	**186.19**	**$**	**180.92**
	MetroBus		135.61		136.83		159.52
	MetroLink		815.36		819.35		578.58
	Call-A-Ride		93.51		117.95		83.91
Farebox recovery:	**System**		**6.0%**		**6.7%**		**6.4%**
	MetroBus		5.9%		6.5%		6.5%
	MetroLink		7.2%		7.8%		7.9%
	Call-A-Ride		2.3%		4.1%		0.0%
Subsidy per passenger boarding:	**System**	**$**	**18.60**	**$**	**18.46**	**$**	**14.73**
	MetroBus		18.66		18.61		14.85
	MetroLink		15.26		15.15		11.99
	Call-A-Ride		68.17		65.67		48.09

Metro Transit System - Statement of Revenue and Expense

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating revenue:					
Passenger revenue					
Bus/rail revenue	$ 17,895,470	$ 19,771,424	$ 17,844,286	$ (1,927,138)	-9.7%
C-A-R revenue	-	1,198,720	694,076	$ (504,644)	-42.1%
Total Passenger Revenue	**17,895,470**	**20,970,144**	**18,538,362**	**(2,431,782)**	**-11.6%**
TMA revenue	-	-	-	$ -	
Paratransit contracts	1,801,339	1,374,672	1,379,772	$ 5,100	0.4%
Other operating revenue	3,860,812	4,422,389	4,863,802	$ 441,413	10.0%
Total operating revenue	**23,557,620**	**26,767,205**	**24,781,936**	**(1,985,269)**	**-7.4%**
Non-Operating Revenue:					
Grant, sales tax & contractual	290,156,337	297,680,305	299,663,934	$ 1,983,629	0.7%
Investment income	477,112	2,111,942	341,250	$ (1,770,692)	-83.8%
Capital lease revenue	8,248,808	8,794,236	9,375,904	$ 581,668	6.6%
Other misc non-operational revenue	155,100	2,120,222	847,145	$ (1,273,077)	-60.0%
Total Non-operating revenue	**299,037,357**	**310,706,705**	**310,228,233**	**(478,472)**	**-0.2%**
Total Revenues	**322,594,978**	**337,473,910**	**335,010,169**	**(2,463,741)**	**-0.7%**
Operating Expenses:					
Compensation	107,513,055	117,653,490	116,541,561	$ (1,111,929)	-0.9%
Benefits	78,145,831	85,458,309	86,542,258	$ 1,083,949	1.3%
Other post-employment benefits	1,733,982	1,923,978	3,630,070	$ 1,706,092	88.7%
Total Wages & Benefits	**187,392,868**	**205,035,777**	**206,713,889**	**1,678,112**	**0.8%**
Services	44,014,813	47,925,589	46,029,669	$ (1,895,920)	-4.0%
Fuel and lubrications	8,439,038	10,638,466	9,304,905	$ (1,333,561)	-12.5%
Parts and supplies	22,732,927	22,577,439	23,370,380	$ 792,941	3.5%
Casualty and liability costs	5,040,809	10,233,710	8,998,222	$ (1,235,488)	-12.1%
Utilities	6,338,592	8,395,433	8,308,471	$ (86,962)	-1.0%
Other operating expenses	3,846,500	3,956,485	4,086,582	$ 130,097	3.3%
Management fees	2,314,830	3,810,921	4,147,786	$ 336,865	8.8%
Total Operating Expenses	**280,120,377**	**312,573,821**	**310,959,903**	**(1,613,918)**	**-0.5%**
Non-Operating Expense:					
Capital lease expense	8,358,526	8,794,236	9,516,389	$ 722,153	8.2%
Interest expense	11,175,335	13,176,441	12,455,997	$ (720,444)	-5.5%
Sheltered workshop	1,171,485	1,255,000	1,180,796	$ (74,204)	-5.9%
Other misc non-oper. expense	2,434,057	2,051,334	1,229,106	$ (822,228)	-40.1%
Total Non-Operating Expenses	**23,139,404**	**25,277,012**	**24,382,288**	**(894,724)**	**-3.5%**
Total Expenses	**303,259,781**	**337,850,832**	**335,342,191**	**(2,508,641)**	**-0.7%**
Net Income (Deficit) Before Depreciation	**19,335,197**	**(376,922)**	**(332,022)**	**44,901**	**-11.9%**
Depreciation	77,710,813	77,057,118	77,072,057	$ 14,939	0.0%
Net transfers	3,740,569	4,459,052	5,365,069	$ 906,017	20.3%
Net Income (Deficit)	**$ (62,116,185)**	**$ (81,893,093)**	**$ (82,769,148)**	**(876,055)**	**1.1%**

Numbers may not sum due to rounding

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

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Missouri:					
City of St. Louis 1/2 cent sales tax	$ 15,365,780	$ 20,295,372	$ 20,295,372	$ -	
City of St. Louis 1/4 cent sales tax	6,407,557	9,039,245	8,790,294	$ (248,951)	
City of St. Louis Prop M2 sales tax	4,850,702	7,440,401	7,440,401	$ -	
Total City of St. Louis	**26,624,039**	**36,775,018**	**36,526,067**	**$ (248,951)**	**-0.7%**
St Louis County 1/2 cent sales tax	35,192,311	41,462,010	43,128,064	$ 1,666,054	
St Louis County 1/4 cent sales tax	27,904,005	35,115,589	33,449,539	$ (1,666,054)	
St Louis County Prop A sales tax	71,973,735	85,827,067	85,827,067	$ -	
Total St. Louis County	**135,070,050**	**162,404,666**	**162,404,670**	**$ -**	**0.0%**
Other Local Match - MO	(1,110,768)	790,218	798,279	$ 8,061	
Planning and demo reimbursement	200,233	160,000	163,216	$ 3,216	
Total Other Local MO	**(910,536)**	**950,218**	**961,495**	**$ 11,277**	**1.2%**
General Operating & Special MODOT	731,499	791,588	799,500	$ 7,912	
Total State Of Missouri	**731,499**	**791,588**	**799,500**	**$ 7,912**	**1.0%**
Total Missouri local & state:	**161,515,053**	**200,921,490**	**200,691,732**	**$ (229,758)**	**-0.1%**
Illinois:				**-**	
St Clair County	54,050,397	63,985,965	59,614,414	$ (4,371,551)	
Other Local Match - IL	81,514	107,111	108,182	$ 1,071	
Total Illinois local & state	**54,131,911**	**64,093,076**	**59,722,596**	**$ (4,370,480)**	**-6.8%**
Total local & state	**215,646,963**	**265,014,566**	**260,414,328**	**$ (4,600,238)**	**-1.7%**
Federal:					
Vehicle Maintenance	16,000,000	16,000,000	16,000,000	$ -	
Non-capitalized projects	4,615,084	5,014,800	3,760,000	$ (1,254,800)	
Other Federal	53,894,290	11,650,939	19,489,606	$ 7,838,667	
Total Federal:	**74,509,374**	**32,665,739**	**39,249,606**	**$ 6,583,867**	**20.2%**
Total grants, sales tax & contractual revenue	**$ 290,156,337**	**$ 297,680,305**	**$ 299,663,934**	**$ 1,983,629**	**0.7%**

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 2022	Budget 2023	$ Change	% Change
Bus Transportation				
Wages & benefits without OPEB	$ 77,840,224	$ 74,282,060	$ (3,558,164)	-4.6%
Other post-employment benefits	819,780	792,196	(27,584)	-3.4%
Services	411,139	439,931	28,792	7.0%
Parts and supplies	258,612	243,199	(15,413)	-6.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	52,433	53,353	919	1.8%
Leases and other expense	167,348	184,223	16,874	10.1%
Operating expense	**79,549,537**	**75,994,961**	**(3,554,576)**	**-4.5%**
Rail Transportation				
Wages & benefits without OPEB	13,613,099	13,328,949	(284,150)	-2.1%
Other post-employment benefits	143,019	138,207	(4,812)	-3.4%
Services	220	220	-	0.0%
Parts and supplies	29,160	29,160	-	0.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	27,997	27,997	-	0.0%
Leases and other expense	53,277	53,277	-	0.0%
Operating expense	**$ 13,866,772**	**$ 13,577,810**	**$ (288,962)**	**-2.1%**

Transit Operations - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Paratransit Transportation				
Wages & benefits without OPEB	$ 14,522,102	$ 14,549,850	$ 27,747	0.2%
Other post-employment benefits	38,802	37,496	(1,306)	-3.4%
Services	240,000	240,000	-	0.0%
Parts and supplies	27,782	29,782	2,000	7.2%
Casualty and liability costs	-	-	-	0.0%
Utilities	19,200	6,000	(13,200)	-68.8%
Leases and other expense	52,595	18,095	(34,500)	-65.6%
Operating expense	**14,900,482**	**14,881,223**	**(19,258)**	**-0.1%**
Vehicle Maintenance				
Wages & benefits without OPEB	33,706,291	36,511,168	2,804,877	8.3%
Other post-employment benefits	346,754	335,086	(11,668)	-3.4%
Services	4,102,846	4,121,608	18,762	0.5%
Fuel and lubrications	10,025,292	9,260,505	(764,787)	-7.6%
Parts and supplies	15,977,728	16,459,034	481,306	3.0%
Casualty and liability costs	-	(125,000)	(125,000)	0.0%
Utilities	145,302	306,427	161,125	110.9%
Leases and other expense	171,311	269,238	97,927	57.2%
Operating expense	**64,475,524**	**67,138,064**	**2,662,540**	**4.1%**
Facility Maintenance				
Wages & benefits without OPEB	6,313,545	5,234,144	(1,079,401)	-17.1%
Other post-employment benefits	49,103	47,451	(1,652)	-3.4%
Services	3,247,300	3,709,008	461,708	14.2%
Fuel and lubrications	3,250	-	(3,250)	-100.0%
Parts and supplies	1,578,697	1,546,844	(31,853)	-2.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	2,593,100	2,552,844	(40,256)	-1.6%
Leases and other expense	51,650	61,875	10,225	19.8%
Operating expense	**13,836,645**	**13,152,166**	**(684,479)**	**-4.9%**
Maintenance of Way				
Wages & benefits without OPEB	14,946,612	13,743,381	(1,203,232)	-8.1%
Other post-employment benefits	150,414	145,353	(5,062)	-3.4%
Services	7,318,782	7,736,161	417,379	5.7%
Fuel and lubrications	-	-	-	0.0%
Parts and supplies	1,858,426	2,299,811	441,385	23.8%
Casualty and liability costs	-	-	-	0.0%
Utilities	5,010,638	4,858,936	(151,702)	-3.0%
Leases and other expense	29,946	84,401	54,455	181.8%
Operating expense	**$ 29,314,818**	**$ 28,868,042**	**$ (446,776)**	**-1.5%**

Transit Operations - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Security				
Wages & benefits without OPEB	$ 6,281,040	$ 6,092,583	$ (188,457)	-3.0%
Other post-employment benefits	65,121	53,518	(11,603)	-17.8%
Services	14,745,527	14,686,319	(59,208)	-0.4%
Parts and supplies	260,055	76,455	(183,600)	-70.6%
Casualty and liability costs	-	-	-	0.0%
Utilities	56,075	24,875	(31,200)	-55.6%
Leases and other expense	159,496	89,136	(70,360)	-44.1%
Operating expense	**21,567,313**	**21,022,886**	**(544,427)**	**-2.5%**
Planning & System Development				
Wages & benefits without OPEB	3,096,770	3,270,911	174,141	5.6%
Other post-employment benefits	34,647	33,481	(1,166)	-3.4%
Services	1,894,867	2,094,867	200,000	10.6%
Parts and supplies	352,853	354,853	2,000	0.6%
Casualty and liability costs	-	-	-	0.0%
Utilities	6,066	6,066	-	0.0%
Leases and other expense	30,105	30,792	687	2.3%
Operating expense	**5,415,308**	**5,790,970**	**375,662**	**6.9%**
ADA Services				
Wages & benefits without OPEB	164,140	167,430	3,290	2.0%
Other post-employment benefits	7,226	6,983	(243)	-3.4%
Services	716,410	791,327	74,917	10.5%
Parts and supplies	7,200	4,080	(3,120)	-43.3%
Casualty and liability costs	-	-	-	0.0%
Utilities	4,104	984	(3,120)	-76.0%
Leases and other expense	43,279	37,908	(5,371)	-12.4%
Operating expense	**942,359**	**1,008,712**	**66,353**	**7.0%**
Safety				
Wages & benefits without OPEB	2,404,385	992,711	(1,411,674)	-58.7%
Other post-employment benefits	-	9,412	9,412	0.0%
Services	500	781,000	780,500	156100.0%
Parts and supplies	-	183,600	183,600	0.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	-	31,200	31,200	0.0%
Leases and other expense	-	70,360	70,360	0.0%
Operating expense	**$ 2,404,885**	**$ 2,068,283**	**$ (336,602)**	**-14.0%**

Transit Operations - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Engineering & New Systems				
Wages & benefits without OPEB	1,589,712	1,426,901	(162,811)	-10.2%
Other post-employment benefits	24,739	23,907	(832)	-3.4%
Services	4,759,000	4,290,858	(468,142)	-9.8%
Parts and supplies	39,700	33,150	(6,550)	-16.5%
Casualty and liability costs	-	-	-	0.0%
Utilities	4,526	5,400	874	19.3%
Leases and other expense	101,812	37,733	(64,079)	-62.9%
Operating expense	**6,519,489**	**5,817,949**	**(701,540)**	**-10.8%**
Operations Administration				
Wages & benefits without OPEB	319,774	479,308	159,534	49.9%
Other post-employment benefits	4,631	4,475	(156)	-3.4%
Services	550,000	550,000	-	0.0%
Parts and supplies	41,000	41,000	-	0.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	800	800	-	0.0%
Leases and other expense	16,885	17,600	715	4.2%
Operating expense	**933,090**	**1,093,183**	**160,093**	**17.2%**
Transit Operations Total				
Wages & benefits without OPEB	**174,797,694**	**170,079,395**	**(4,718,299)**	**-2.7%**
Other post-employment benefits	**1,684,236**	**1,627,564**	**(56,671)**	**-3.4%**
Services	**37,986,591**	**39,441,299**	**1,454,708**	**3.8%**
Fuel and lubrications	**10,028,542**	**9,260,505**	**(768,037)**	**-107.6%**
Parts and supplies	**20,431,213**	**21,300,968**	**869,754**	**4.3%**
Casualty and liability costs	**-**	**(125,000)**	**(125,000)**	**0.0%**
Utilities	**7,920,241**	**7,874,882**	**(45,359)**	**-0.6%**
Leases and other expense	**877,702**	**954,636**	**76,933**	**8.8%**
Total Transit Operations	**$ 253,726,220**	**$ 250,414,248**	**$ (3,311,972)**	**-1.3%**

EVP - Administration - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Procurement & Inventory Management				
Wages & benefits without OPEB	$ 5,160,517	$ 5,223,611	$ 63,094	1.2%
Other post-employment benefits	54,348	52,520	(1,828)	-3.4%
Services	83,401	45,750	(37,651)	-45.1%
Parts and supplies	290,666	333,272	42,606	14.7%
Casualty and liability costs	-	-	-	0.0%
Utilities	2,943	3,062	119	4.0%
Leases and other expense	39,911	62,481	22,570	56.6%
Operating expense	**5,631,786**	**5,720,695**	**88,909**	**1.6%**
Workforce Diversity & EEO				
Wages & benefits without OPEB	$ 248,651	$ 207,383	$ (41,268)	-16.6%
Other post-employment benefits	3,009	2,908	(101)	-3.4%
Services	35,000	25,750	(9,250)	-26.4%
Parts and supplies	14,239	14,239	-	0.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	1,650	1,650	-	0.0%
Leases and other expense	41,750	41,750	-	0.0%
Operating expense	**344,300**	**293,681**	**(50,619)**	**-14.7%**
Information Technology				
Wages & benefits without OPEB	4,060,400	4,700,210	639,810	15.8%
Other post-employment benefits	55,519	53,651	(1,868)	-3.4%
Services	5,526,588	5,612,409	85,821	1.6%
Parts and supplies	87,600	89,300	1,700	1.9%
Casualty and liability costs	-	170,000	170,000	0.0%
Utilities	349,143	303,820	(45,323)	-13.0%
Leases and other expense	98,374	110,426	12,052	12.3%
Operating expense	**10,177,623**	**11,039,815**	**862,192**	**8.5%**
Executive VP Administration				
Wages & benefits without OPEB	725,175	665,854	(59,321)	-8.2%
Other post-employment benefits	4,418	4,269	(149)	-3.4%
Services	44,000	54,000	10,000	22.7%
Parts and supplies	393,848	352,400	(41,448)	-10.5%
Casualty and liability costs	-	-	-	0.0%
Utilities	1,000	1,000	(0)	0.0%
Leases and other expense	28,197	39,000	10,803	38.3%
Operating expense	**1,196,638**	**1,116,523**	**(80,115)**	**-6.7%**

EVP - Administration - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Wages & Benefits without OPEB	**10,194,742**	**10,797,057**	**602,315**	**5.9%**
Other post-employment benefits	**117,294**	**113,347**	**(3,947)**	**-3.4%**
Services	**5,688,989**	**5,737,909**	**48,920**	**0.9%**
Parts and supplies	**786,353**	**789,211**	**2,858**	**0.4%**
Casualty and liability costs	**-**	**170,000**	**170,000**	**0.0%**
Utilities	**354,737**	**309,532**	**(45,205)**	**-12.7%**
Leases and other expense	**208,233**	**253,658**	**45,425**	**21.8%**
Total EVP-Admininistration	**$ 17,350,347**	**$ 18,170,714**	**$ 820,367**	**4.7%**

Marketing & Communications - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Arts in Transit				
Wages & benefits without OPEB	$ 22,467	$ 31,784	$ 9,317	41.5%
Other post-employment benefits	-	-	-	0.0%
Services	63,726	58,188	(5,538)	-8.7%
Parts and supplies	6,844	6,000	(844)	-12.3%
Casualty and liability costs	-	-	-	0.0%
Utilities	-	650	650	0.0%
Leases and other expense	1,400	1,100	(300)	-21.4%
Operating expense	**94,437**	**97,722**	**3,285**	**3.5%**
Gateway Card Center				
Wages & benefits without OPEB	379,411	391,026	11,615	3.1%
Other post-employment benefits	4,204	4,063	(141)	-3.4%
Services	2,000	121,648	119,648	5982.4%
Parts and supplies	600	600	-	0.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	600	600	-	0.0%
Leases and other expense	37,562	36,740	(822)	-2.2%
Operating expense	**424,377**	**554,677**	**130,300**	**30.7%**
Marketing Management				
Wages & benefits without OPEB	1,659,032	1,500,899	(158,133)	-9.5%
Other post-employment benefits	19,817	19,150	(667)	-3.4%
Services	929,517	1,146,345	216,828	23.3%
Parts and supplies	196,338	215,195	18,857	9.6%
Casualty and liability costs	-	-	-	0.0%
Utilities	9,000	9,000	(0)	0.0%
Leases and other expense	559,799	728,060	168,261	30.1%
Operating expense	**3,373,504**	**3,618,649**	**245,145**	**7.3%**

Marketing & Communications - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Wages & benefits without OPEB	2,060,910	1,923,709	(137,201)	-6.7%
Other post employment benefits	24,022	23,213	(808)	-3.4%
Services	995,243	1,326,181	330,938	33.3%
Fuel and lubrications			-	0.0%
Parts and supplies	203,782	221,795	18,013	8.8%
Casualty and liability costs	-	-	-	0.0%
Utilities	9,600	10,250	650	6.8%
Leases and other expense	598,761	765,900	167,139	27.9%
Total Marketing & Communications	$ 3,892,318	$ 4,271,048	$ 378,729	9.7%

EVP - Organizational Effectiveness - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Human Resources				
Wages & benefits without OPEB	$ 1,509,309	$ 2,178,343	$ 669,034	44.3%
Other post-employment benefits	16,880	13,738	(3,142)	-18.6%
Services	445,396	721,352	275,956	62.0%
Parts and supplies	49,800	45,800	(4,000)	-8.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	6,000	8,400	2,400	40.0%
Leases and other expense	270,900	292,410	21,510	7.9%
Operating expense	**2,298,284**	**3,260,043**	**961,759**	**41.8%**
Pension & Retiree Benefits				
Wages & benefits without OPEB	7,660,786	7,684,580	23,794	0.3%
Other post-employment benefits	1,916	1,851	(65)	-3.4%
Services	144,484	170,948	26,464	18.3%
Parts and supplies	300	100	(200)	-66.7%
Casualty and liability costs	-	16,238	16,238	0.0%
Utilities	288	1,116	828	287.5%
Leases and other expense	10,600	12,400	1,800	17.0%
Operating expense	**7,818,374**	**7,887,233**	**68,859**	**0.9%**
Risk Management				
Wages & benefits without OPEB	411,803	601,749	189,946	46.1%
Other post-employment benefits	6,607	6,385	(222)	-3.4%
Services	82,500	115,000	32,500	39.4%
Parts and supplies	6,850	8,700	1,850	27.0%
Casualty and liability costs	10,172,600	8,900,550	(1,272,050)	-12.5%
Utilities	500	1,100	600	120.0%
Leases and other expense	6,100	6,350	250	4.1%
Operating expense	**10,686,960**	**9,639,834**	**(1,047,126)**	**-9.8%**
Labor Relations				
Wages & benefits without OPEB	379,132	390,476	11,344	3.0%
Other post-employment benefits	3,669	3,545	(124)	-3.4%
Services	542,314	512,030	(30,284)	-5.6%
Parts and supplies	2,852	5,700	2,848	99.9%
Casualty and liability costs	-	-	-	0.0%
Utilities	2,100	2,100	-	0.0%
Leases and other expense	7,354	14,550	7,196	97.9%
Operating expense	**$ 937,421**	**$ 928,401**	**$ (9,020)**	**-1.0%**
Executive VP Organizational Effectiveness				
Wages & benefits without OPEB	78,019	341,082	263,063	337.2%
Other post-employment benefits	1,430	1,382	(48)	-3.3%
Services	50,004	78,000	27,996	56.0%

EVP - Organizational Effectiveness - Operating Expense by Department/Function

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Parts and supplies	1,200	2,100	900	75.0%
Casualty and liability costs	-	-	-	0.0%
Utilities	-	-	-	0.0%
Leases and other expense	30,000	36,000	6,000	20.0%
Operating expense	**160,653**	**458,565**	**297,912**	**185.4%**
Executive Vice President - Totals				
Wages & benefits without OPEB	**10,039,049**	**11,196,230**	**1,157,181**	**11.5%**
Other post employment benefits	**30,502**	**26,901**	**(3,601)**	**-11.8%**
Services	**1,264,698**	**1,597,330**	**332,632**	**26.3%**
Parts and supplies	**61,002**	**62,400**	**1,398**	**2.3%**
Casualty and liability costs	**10,172,600**	**8,916,788**	**(1,255,812)**	**-12.3%**
Utilities	**8,888**	**12,716**	**3,828**	**43.1%**
Leases and other expense	**324,954**	**361,710**	**36,757**	**11.3%**
Total EVP-Organizational Effectiveness	**$ 21,901,692**	**$ 22,174,076**	**$ 272,384**	**1.2%**

Real Estate & Meridian - Operating Expense

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Real Estate & Meridian				
Wages & benefits without OPEB	$ 237,052	$ 244,556	$ 7,504	3.2%
Other post-employment benefits	3,184	3,077	(107)	-3.4%
Services	416,477	448,702	32,225	7.7%
Parts and supplies	209,277	9,277	(200,000)	-95.6%
Casualty and liability costs	61,110	36,434	(24,676)	-40.4%
Utilities	96,196	95,396	(800)	-0.8%
Leases and other expense	1,765,392	1,739,145	(26,247)	-1.5%
Total operating expense	**$ 2,788,688**	**$ 2,576,587**	**$ (212,101)**	**-7.6%**

Finance - Operating Expense

Numbers may not sum due to rounding.

	Budget 2022	Budget 2023	$ Change	% Change
Finance				
Wages & benefits without OPEB	5,782,352	8,842,872	3,060,520	52.9%
Other post-employment benefits	64,739	1,835,967	1,771,228	2736.0%
Services	1,573,592	(2,521,752)	(4,095,344)	-260.3%
Fuel and lubrications	609,925	44,401	(565,524)	-92.7%
Parts and supplies	885,813	986,729	100,916	11.4%
Casualty and liability costs	-	-	-	0.0%
Utilities	5,772	5,696	(76)	-1.3%
Leases and other expense	3,992,364	4,159,319	166,955	4.2%
Total operating expense	**$ 12,914,557**	**$ 13,353,231**	**$ 438,674**	**3.4%**

METRO TRANSIT ORGANIZATIONAL UNITS

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.

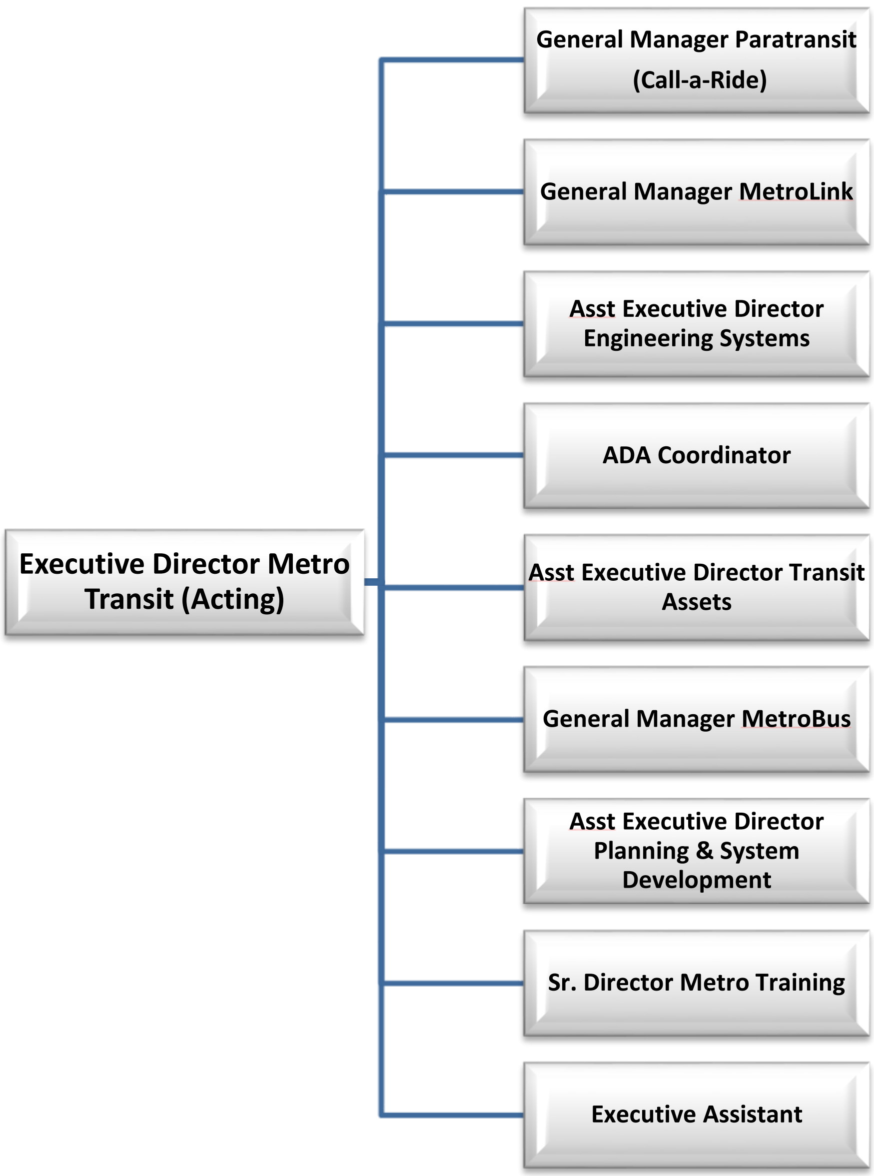
Public Safety is responsible for the safeguarding of Bi-State Development's customers, personnel, and property as well as fare enforcement. Bi-State Development utilizes certain employees, jurisdictional police officers, outside security service guards, and undercover police officers.

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.

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 2023	FY 2022		FY 2021
	Target	**Projection**	**Target**	**Actual**
Bus Transportation:				
On-time performance	91.0%	88.6%	91.0%	90.6%
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	0.5
Customer complaints per 100,000 boardings	15	29.5	15	16.5
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	0.2
Customer complaints per 100,000 boardings	1.8	2.6	1.8	2.0
Paratransit Transportation:				
On-time performance	93.0%	92.9%	93.0%	94.0%
Accidents per 100,000 vehicle miles	1.5	9.3	1.5	9.2
Passenger injuries per 100,000 boardings	5.0	2.9	5.0	3.2
Customer complaints per 100,000 boardings	15.0	48.0	15.0	50.6
Vehicle Maintenance:				
Average revenue miles between incidents:				
MetroBus roadcalls	26,000	27,500	26,000	22,672
MetroLink failures	33,000	29,000	33,000	24,317
Call-A-Ride roadcalls	40,000	30,000	45,000	11,336
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%

Administration Division

Organizational overview:

The Administration Division oversees and manages the following administrative functional areas: Procurement and Material Management, Supplier Diversity, Information Technology, and Workforce Diversity and EEO.

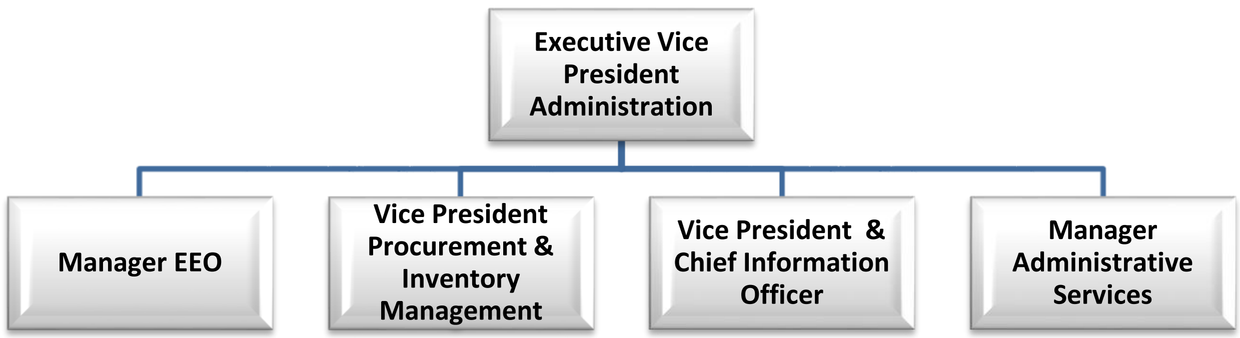
Procurement and Information Technology are covered in their own sections in this document.

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

Procurement and Materials Management and Supplier Diversity consists of the following units that are responsible for delivering on a timely basis the best value product or service, while maintaining the public's trust and fulfilling public policy goals.

Workforce Diversity and 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

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:

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 2023	FY 2022		FY 2021
	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 2023	FY 2022		FY 2021
	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

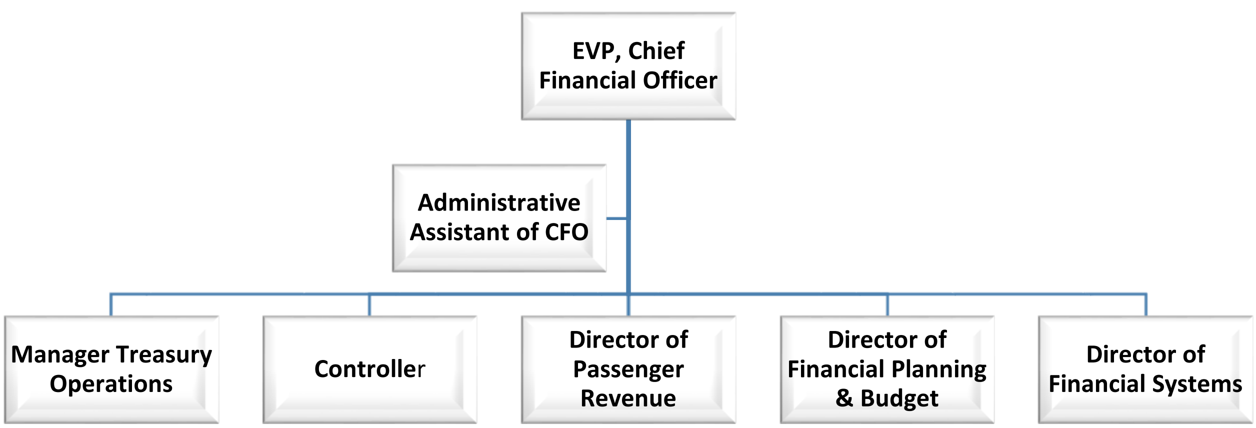
Bi-State Development

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 2023	FY 2022		FY 2021
	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 2023	**FY 2022**		**FY 2021**
	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 2023	FY 2022		FY 2021
	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 2023	FY 2022		FY 2021
	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%

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.

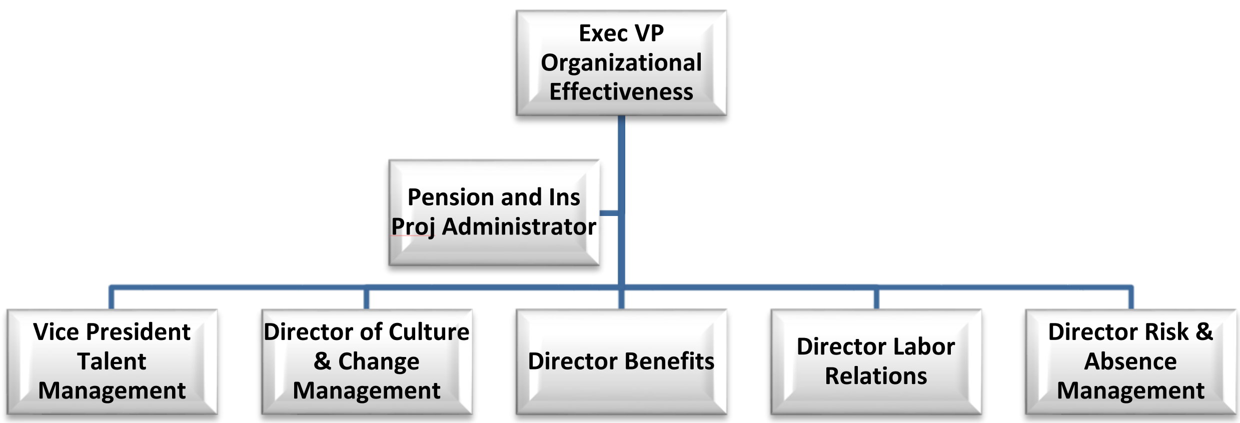
Employee Benefits Department is responsible for health, welfare and retirement programs that support the physical, mental and financial well-being of employees, retirees and their dependents. The department advocates for a range of benefits including a self-funded medical, prescription drug and dental 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 FY23 budget from FY22.

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:

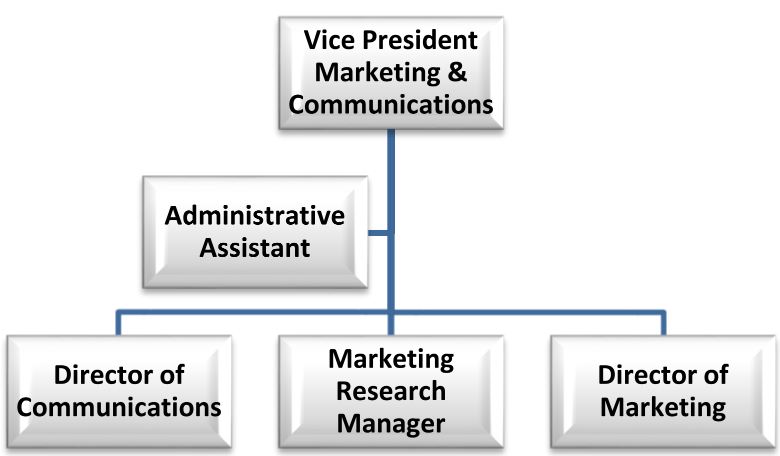
Marketing and Communications is responsible for developing and executing strategic and tactical marketing, sales, community outreach and public relations plans for Bi-State Development and its enterprises to advance understanding of and support for BSD's role in driving economic activity in the region.

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) both recently created 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 2023	**FY 2022**		**FY 2021**
	Target	Projection	Target	Actual
Develop and execute strategic and tactical marketing and sales plans that meet business targets for transit				
• Advertising Revenue	$1.7M	$1.4M	$1.6M	$1.1M
• MetroStore Sales	$1.8M	$0.7K	$1.8M	$0.7M
• U-Pass Sales	$2.8M	$1.4M	$3.7M	$2.8M

METRO TRANSIT IMPROVEMENT PLAN

METRO TRANSIT
IMPROVEMENT PLAN

BU220002

Annually subsequent to Metro Transit

Transit Improvement Plan Assumptions

The three-year Transit Improvement Plan reflects known factors to estimate the financial position for BSD through 2025. Deficits projected for FY 2023 - FY 2025 are a reflection of lower expected ridership and resultant revenues. Service deployment of “Metro Reimagined” began in the fall of 2019 and will remain consistent throughout this period. Major emphasis on safety, improved service delivery, and customer service are the building blocks for a bright future.

Operating Revenue

Passenger revenue for FY 2023 - FY 2025 is projected to slow the decline previously experienced and maintain a leveling of revenue as reflecting the results of “Metro Reimagined”. System service improvements, including electronic payment applications and Micro Transit services, will create shorter waits, faster trips, and better connections. Improvements with service delivery and safety will be a catalyst to attract riders to the system.

Paratransit contract revenues are associated with Call-A-Ride operations primarily due to Missouri Medicaid customers. Revenue is expected to increase 1% annually subsequent to FY 2023.

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 2024 - FY 2025 other operating revenues are expected to remain level.

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 2023 and be strictly managed to grow modestly during the remainder of the three year period. For FY 2024 - FY 2025 inflationary growth is estimated to be about 1%. This represents normal inflationary pressure on wages and benefits, materials and 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 2024 - FY 2025 is budgeted to be flat for St. Louis City and County. Sales tax revenues for operations are expected to remain level for FY 2024 and FY 2025, to reflect the lack of growth expected in all other revenues.

State of Missouri revenue for FY 2024 - FY 2025 is expected to remain level and the East-West Gateway Council of Governments reimbursement will remain level over both years.

St. Clair County revenue for FY 2023 will be 6.8% or $4.4 million lower 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 2024 - FY 2025. Using these funds for operations may result in transit deferring capital spending in future years. If deferring capital replacement and rehabilitation spending is required, it could be detrimental to the investment in assets which the FTA expects Bi-State Development to keep in good condition. Most of transit's facilities are 20-plus years of age. The original MetroLink alignment exceeds 20 years as well.

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 2023 - FY 2025 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 may grow more quickly than the past decade as a result of a 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 2023 – FY 2025 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 2023 – FY 2025 benefit from additional Federal funding under the CARES Act. FY 2024 - FY 2025 actual deficits may differ from these projections due to adverse economic conditions and unexpected expenditures and availability additional federal operating funds.

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 2023		FY 2024			FY 2025		
	Budget		Projection		Change		Projection	Change
Operating Revenue:								
Passenger Revenue	$	18,538	$	18,723	1.0%	$	19,000	1.5%
Paratransit Contract	$	1,380	$	1,394	1.0%	$	1,408	1.0%
Other transit operating revenue	$	4,864	$	4,864	0.0%	$	4,864	0.0%
Total operating revenues		**24,782**		**24,981**	**0.8%**		**25,272**	**1.2%**
Non-Operating Revenue:								
Total Grants & Assistance	$	299,664	$	303,490	1.3%	$	307,583	1.3%
Investment Income	$	9,717	$	9,727	0.1%	$	9,737	0.1%
Other misc. non-operating revenue	$	847	$	847	0.0%	$	847	0.0%
Total non-operating revenues		**310,228**		**314,064**	**1.2%**		**318,167**	**1.3%**
Total revenues		**335,010**		**339,045**	**1.2%**		**343,439**	**1.3%**
Operating Expense:								
Wages And Benefits	$	206,714	$	213,000	3.0%	$	219,400	3.0%
Services	$	46,030	$	45,000	-2.2%	$	44,000	-2.2%
Fuel & Lubrications	$	32,675	$	32,675	0.0%	$	32,675	0.0%
Other Expense	$	25,541	$	24,000	-6.0%	$	23,000	-4.2%
Total operating expenses		**310,960**		**314,675**	**1.2%**		**319,075**	**1.4%**
Non-Operating Expense:								
Interest on debt	$	21,972	$	21,972	0.0%	$	21,972	0.0%
Sheltered workshop	$	1,181	$	1,181	0.0%	$	1,181	0.0%
Other Non-Operating Expense	$	1,229	$	1,217	-1.0%	$	1,211	-0.5%
Total non-operating expenses		**24,382**		**24,370**	**0.0%**		**24,364**	**0.0%**
Total expenses		**335,342**		**339,045**	**1.1%**		**343,439**	**1.3%**
Net income (deficit) before		**(332)**		**-**			**-**	**0.0%**
Depreciation And Amortization		77,072		77,072	0.0%		77,072	0.0%
Net Transfers		5,365		5,000	-6.8%		5,000	0.0%
Net income (deficit)	**$**	**(82,769)**	**$**	**(82,072)**	**-0.8%**	**$**	**(82,072)**	**0.0%**

Totals may not sum due to rounding.

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

	FY 2023 Budget	FY 2024 Projection	FY 2024 Change	FY 2025 Projection	FY 2025 Change
Local & State:					
Missouri:					
City of St. Louis 1/2 cent sales tax	$ 20,295	$ 20,295	0.0%	$ 20,295	0.0%
City of St. Louis 1/4 cent sales tax	$ 8,790	$ 8,790	0.0%	$ 8,790	0.0%
City of St. Louis Prop M2 sales tax	$ 7,440	$ 7,440	0.0%	$ 7,440	0.0%
Total City of St. Louis	**36,526**	**36,526**	**0.0%**	**36,526**	**0.0%**
St. Louis County 1/2 cent sales tax	$ 43,128	$ 41,462	-3.9%	$ 41,462	0.0%
St. Louis County 1/4 cent sales tax	$ 33,450	$ 35,116	5.0%	$ 35,116	0.0%
St. Louis County Prop A 1/2 cent sales tax	$ 85,827	$ 85,827	0.0%	$ 85,827	0.0%
Total St. Louis County	**162,405**	**162,405**	**0.0%**	**162,405**	**0.0%**
State of Missouri	$ 800	$ 800	0.1%	$ 800	0.0%
Other local match - MO	$ 798	$ 798	0.0%	$ 798	0.0%
Planning & demonstration reimb.-EWGCOG	$ 163	$ 163	-0.1%	$ 163	0.0%
Total Missouri local & state	**200,692**	**200,692**	**0.0%**	**200,692**	**0.0%**
Illinois:					
St. Clair County	$ 59,614	$ 60,190	1.0%	$ 60,190	0.0%
Local Match (IL) Non-Cap Projects	$ 108	$ 108	-0.2%	$ 108	0.0%
Total Illinois local & state	**59,723**	**60,298**	**1.0%**	**60,298**	**0.0%**
Total local & state	**260,414**	**260,990**	**0.2%**	**260,990**	**0.0%**
Federal:					
Vehicle maintenance	$ 16,000	$ 16,000	0.0%	$ 16,000	0.0%
Non-capital projects	$ 3,760	$ 3,760	0.0%	$ 3,760	0.0%
Other Federal	$ 19,490	$ 22,740	16.7%	$ 26,833	18.0%
Total Federal	**39,250**	**42,500**	**8.3%**	**46,593**	**9.6%**
Total grants, sales tax, & contractual revenue	**$ 299,664**	**$ 303,490**	**1.3%**	**$ 307,583**	**1.3%**

Totals may not sum due to rounding.

METRO TRANSIT CAPITAL BUDGET

METRO TRANSIT
CAPITAL BUDGET

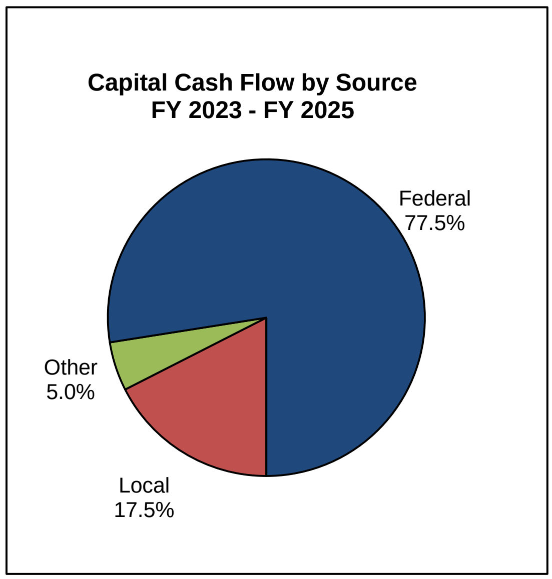
BU220002

Capital Revenue Assumptions FY 2023 – FY 2025

Federal Funding

"Fixing America's Surface Transportation Act" (FAST Act)

The FAST Act is a five year bill signed into law by President Obama on December 4, 2015. The FAST Act became effective on October 1, 2015. The new transportation law authorizes transit programs for FY 2016 – FY 2020, through September 30, 2020. The FAST Act provides steady and predictable funding over the next five years with an increase of $1 billion dollars per year to transit. The FAST Act also targets funding increases towards improving state of good repair and the bus program.



Under the FAST Act law, annual authorizations through the Section 5307 Urbanized Area Formula program are expected to increase by approximately 2% each year over FY 2016 authorized amounts. Additionally, recipients are no longer required to expend 1% of the 5307 funding on associated transit improvements. Annual authorizations through the Section 5337 State of Good Repair program are expected to increase by approximately 1.7% each year over FY 2016 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 2016 authorized amounts. Additionally, the FAST Act re-introduces a discretionary bus program, which was eliminated under the previous transportation law.

Annual capital revenue assumptions over the FY 2023 – FY 2025 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 2023 – FY 2025 capital plan are conservative beyond FY 2022 based on two factors, which will affect funding appropriations beyond September 30, 2020, which is the current expiration date of the FAST Act. Introduction of a new transportation law or extension of the current law will impact the Agency's federal formula allocations. Population, population density, and low-income population numbers are subject to change during the calendar year 2020 US census count, which will also impact the Agency's federal formula allocations.

Additional capital revenue assumptions in the FY 2023 – FY 2025 capital plan include several discretionary funding programs. Under MAP-21 the Bus and Bus Facility discretionary program was repealed and in its place a new Bus and Bus Facility Formula program was created. Under the FAST Act, the Bus and Bus Facility Discretionary program has been re-introduced, and includes a sub-program for technological changes or innovations to modify low or no emission vehicles and facilities. The FAST Act also continues federal highway funding for the Congestion Mitigation and Air Quality program and the Surface Transportation program. Funding under each of these programs is eligible for various public transportation purposes.

The FAST Act also continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program, 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 2023 – FY 2025 capital budget totals $617.7 million. Funding is planned through the FAST Act programs mentioned above as well as previously authorized and apportioned programs under MAP-21 and SAFETEA-LU. Federal discretionary programs such as Congestion Mitigation & Air Quality (CMAQ) funds and Surface Transportation Program (STP) funds are continued under the FAST Act law and are planned in this capital program. In addition, the Bus and Bus Facility discretionary grant program is being re-introduced under the FAST Act law and funding is planned for revenue rolling stock and facility rehabilitation and replacement.

"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 2023 – FY 2025 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 2023 - FY2025.

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

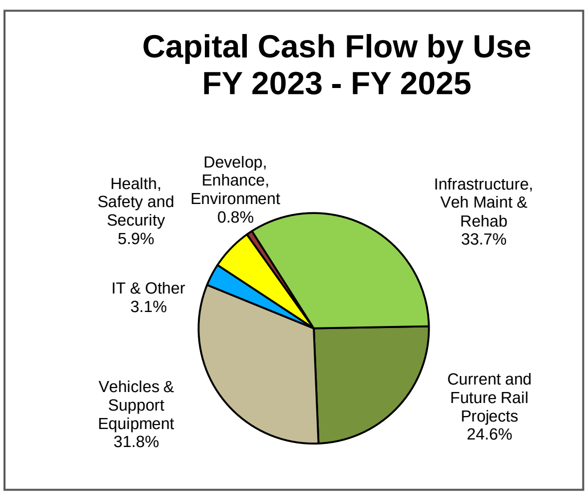
Other financing is made up of operating dollars used to match capital projects such as preventive maintenance of vehicles and facilities. From time to time, funding is also identified from sources other than local sales taxes.

Capital Expenditure Assumptions FY 2023 – FY 2025

Capital Expenditures

The capital expenditure program for FY 2023 – FY 2025 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 Fixing America's Surface Transportation Act (FAST Act).

A capital project is defined as costing more than $5,000 and having a useful life of more than one year. Total capital expenditures planned for FY 2023 is $466.5 million. Total capital expenditures planned for the three-year capital program is $617.7 million. The FY 2023 – FY 2025 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 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 2023 – FY 2025 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 2023 - FY 2025 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 $152.1 million for MetroLink infrastructure projects, $5.1 million for new development and environmental enhancements, $36.4 million for safety and security enhancements, and $19.2 million for information technology improvements. Vehicles and supporting equipment needs assume $196.5 million; infrastructure and vehicle maintenance needs assume $208.4 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 2023 – FY 2025 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 2023 – FY 2025 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 2023 – FY 2025 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 2023 - FY 2025.

Under the FAST Act, funding for the State of Good Repair Program which supports maintenance, replacement and rehabilitation of light rail infrastructure, facilities and equipment continues to be authorized. During the FY 2023 - FY 2025 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 $208.1 million in Federal State of Good Repair and Fixed Guideway funds projects are planned over FY 2023 - FY 2025 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 $617.7 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	$	65,900,000
LRV Projects	$	44,500,000
MetroLink Station Projects	$	32,000,000
MetroLink Structures Projects	$	91,000,000
IT and Software Projects	$	17,700,000
Bus Stop and Parking Lot Projects	$	18,500,000
Rail Facilities Projects	$	19,000,000
Bus Facilities Projects	$	23,700,000
Transit Facilities Projects	$	2,700,000
Buses, LRVs and other Vehicles	$	242,700,000
Preventive Maintenance	$	60,000,000
		617,700,000.00

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 FAST Act continues the funding authorization for the Enhanced Mobility of Seniors and Individuals with Disabilities over the five year authorization and is planned during the FY 2023 – FY 2025 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 DOT’s will manage the “traditional” 5310 program activities; and, EWGCOG will administer the application process and the development of the Coordinated Human Services Transportation Plan.

The FAST Act continues the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities funding program. It is expected that the co-designated recipients and their assigned responsibilities previously established under the prior authorization will be maintained and that funding will be administered as identified under the current MOU.

Bi-State Development will continue to administer funds remaining under the MAP-21 authorizations through the FY 2023 – FY 2025 program period. New funding appropriated under the FAST Act will also be administered through this program period.

While Bi-State Development is responsible for the administration of the grants and the reimbursement of expenditures generated by these partner agencies, Bi-State Development is not a direct recipient of these funds. Therefore, these projects and funds are not included in Bi-State Development’s capital improvement program. Bi-State Development serves as administrator for the following sub-recipients:

FAST Act Funded Projects
Section 5310 New Freedom Type Projects

Sub-recipient		**Amount**
Disability Resource Agency	$	850,000
Illinois Center for Autism	$	450,000
ITN St. Charles	$	80,000
ITN Gateway	$	60,000
OATS – Jeffco	$	340,000
OATS – St. Louis/St. Charles	$	160,000
St. Louis Society for the Blind	$	170,000
Total Sub-recipient Grant Administration Agreements	**$**	**2,110,000**

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 2023 – FY 2025 capital program period and that directly affect the FY 2023 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 2023 – FY 2025 capital budget plans for a significant upgrade of the Union Station MetroLink Tunnel. This project is projected to cost $58 million. Full funding is planned through the FY 2023 – FY 2025 capital plan. This tunnel has experienced significant repairs over the past few years. The capital investment in this infrastructure is expected to reduce operating expenditures related to the tunnel by 15%. Additional light rail bridge and tunnel upgrades are planned through the FY 2023 – FY 2025 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 tp begin the procurement and construction 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, including the opening of the North County Transit Center in 2016, addition of the Cortex MetroLink Station in 2018, and expansion of the Civic Center Transit Center in 2017. 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), upgrade 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 sations 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

Metro is 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 budet, 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 2023 – FY 2025

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 Fixing America's Surface Transportation Act (FAST Act). Any delay or reduction in federal, state or local funding will necessitate modifications to the capital improvements contained in this capital program.

The FAST Act is a five year bill signed into law by President Obama on December 4, 2015. The FAST Act became effective on October 1, 2015. The new transportation law authorizes transit programs for FY 2016 – FY 2020, through September 30, 2020. The FAST Act provides steady and predictable funding over the next five years with an increase of $1 billion dollars per year to transit. The FAST Act re-introduces a discretionary bus program which was eliminated under the previous transportation law. The FAST Act also targets funding increases towards improving state of good repair and the bus program.

Programs authorized under the FAST Act will continue to 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 Moving Ahead for Progress in the 21st century (MAP-21).

Projects identified in Bi-State Development's FY 2023 – FY 2025 capital plan seek to meet the requirements detailed in the FAST Act authorization and guidance. Planned replacement of rolling stock, including buses and paratransit vehicles that meet EPA clean air standards and are equipped with ADA complaint lifts and equipment will ensure the safety and security of our traveling customers throughout the region. Bi-State Development's planned projects to rehabilitate rail right-of-way, tunnels and bridges will ensure the state of good repair of our light rail system. Federal funding to support these significant capital upgrades are planned from Urbanized Area Formula, State of Good Repair and Bus & Bus Facility formula funds as well as discretionary sources including Bus and Bus Facility (new discretionary program under the FAST Act), Congestion Mitigation & Air Quality and Surface Transportation Program funds.

Bi-State Development is continuing its efforts to meet the goals of the Long Range Transit plan by conducting planning studies that would result in the expansion of high-capacity transit across the St. Louis region. Under the FAST Act, Bi-State Development may seek funding under the Fixed Guideway Capital Investments Grant program, which includes streamlined guidance for the New Starts and Small Starts programs as well as the Core Capacity program. These funding sources will support new or expanded fixed guideway systems as well as bus rapid transit efforts.

Metro Transit
Sources of Funds FY 2023 - FY 2025

Sources of Funds		FY2023		FY2024		FY2025		TOTAL
Federal Formula Funds - New	$	34,562,162	$	36,439,159	$	33,236,499	$	104,237,820
Federal Formula Funds - Carryover	$	92,484,474	$	-	$	-	$	92,484,474
Fixed Guideway Funds - Carryover	$	4,405,103	$	-	$	-	$	4,405,103
State of Good Repair - New	$	17,403,483	$	19,089,172	$	15,760,220	$	52,252,875
State of Good Repair - Carryover	$	114,248,981	$	-	$	-	$	114,248,981
Bus and Bus Facility - New	$	2,969,395	$	3,403,993	$	3,439,734	$	9,813,122
Bus and Bus Facility - Carryover	$	18,941,542	$	-	$	-	$	18,941,542
Approved Federal Discretionary Funds	$	82,207,497	$	-	$	-	$	82,207,497
Missouri Local Match	$	72,755,128	$	9,572,633	$	6,283,883	$	88,611,643
St. Clair County Transit District Funds	$	14,838,220	$	1,933,474	$	2,498,436	$	19,270,129
Other Financing	$	11,700,000	$	10,000,000	$	9,500,000	$	31,200,000
Grand Total	**$**	**466,515,983**	**$**	**80,438,431**	**$**	**70,718,771**	**$**	**617,673,185**

Metro Transit
Capital Programs and Project FY 2023

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$	133,631,354
	$	**133,631,354**
Vehicles and Supporting Equipment		
Peripheral Equipment	$	8,665,159
Peripheral Support	$	9,486,950
Revenue Vehicles	$	112,626,218
Support Vehicles	$	15,505,069
	$	**146,283,396**
New Development, Enhancement, Environmental Projects		
Community Development Projects	$	500,000
Enhancement Projects	$	855,209
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$	1,758,886
	$	**3,114,095**
Information Technology Improvements		
Hardware and Software Data Systems	$	13,950,301
Office Equipment	$	99,994
	$	**14,050,295**
Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	$	27,819,857
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$	1,913,793
Preventative Maintenance	$	20,000,000
Vehicle Maintenance, Rehab, Overhaul Programs	$	88,742,327
	$	**138,475,977**
Health, Safety, and Security		
Health, Safety and Security Projects	$	30,960,867
	$	**30,960,867**
Grand Total	**$**	**466,515,983**

Metro Transit
Capital Programs and Projects FY 2023 - FY 2025

Current and Future Rail Projects		
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$	152,073,670
	$	**152,073,670**
Vehicles and Supporting Equipment		
Peripheral Equipment	$	11,999,300
Peripheral Support	$	9,486,950
Revenue Vehicles	$	153,480,984
Support Vehicles	$	21,505,069
	$	**196,472,303**
New Development, Enhancement, Environmental Projects		
Community Development Projects	$	1,000,000
Enhancement Projects	$	1,555,210
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$	2,577,586
	$	**5,132,796**
Information Technology Improvements		
Hardware and Software Data Systems	$	19,072,617
Office Equipment	$	99,994
	$	**19,172,611**
Infrastructure, Vehicle Maintenance and Rehab Programs		
Existing Facilities - Maintenance and Rehab	$	44,274,969
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$	3,610,813
Preventative Maintenance	$	60,000,000
Vehicle Maintenance, Rehab, Overhaul Programs	$	100,522,628
	$	**208,408,410**
Health, Safety, and Security		
Health, Safety and Security Projects	$	36,413,396
	$	**36,413,396**
Grand Total	**$**	**617,673,185**

Metro Transit
Capital Cash Flow Summary FY 2023 - FY 2025

Uses of Funds	FY2023	FY2024	FY2025	TOTAL
Track, Catenary, Alignment, Bridge, Tunnel, and Maintenance Projects	$ 133,631,354	$ 9,129,339	$ 9,312,977	$ 152,073,670
Peripheral Equipment	$ 8,665,159	$ 3,334,141	$ -	$ 11,999,300
Peripheral Support	$ 9,486,950	$ -	$ -	$ 9,486,950
Revenue Vehicles	$ 112,626,218	$ 15,886,910	$ 24,967,856	$ 153,480,984
Support Vehicles	$ 15,505,069	$ 3,320,000	$ 2,680,000	$ 21,505,069
Community Development Projects	$ 500,000	$ 500,000	$ -	$ 1,000,000
Enhancement Projects	$ 855,209	$ 550,001	$ 150,000	$ 1,555,210
Transit Development-Facility, Centers, Stations, Parking Lots, Loops, Other	$ 1,758,886	$ 409,350	$ 409,350	$ 2,577,586
Hardware and Software Data Systems	$ 13,950,301	$ 1,545,000	$ 3,577,316	$ 19,072,617
Office Equipment	$ 99,994	$ -	$ -	$ 99,994
Existing Facilities - Maintenance and Rehab	$ 27,819,857	$ 9,515,837	$ 6,939,275	$ 44,274,969
Preventative Maintenance	$ 20,000,000	$ 20,000,000	$ 20,000,000	$ 60,000,000
Maintenance Equipment - Fleet, Warehouse, Facilities, Storeroom	$ 1,913,793	$ 561,520	$ 1,135,500	$ 3,610,813
Vehicle Maintenance, Rehab, Overhaul Programs	$ 88,742,327	$ 11,780,301	$ -	$ 100,522,628
Health Safety and Security Projects	$ 30,960,867	$ 3,906,032	$ 1,546,497	$ 36,413,396
Grand Total	**$ 466,515,983**	**$ 80,438,431**	**$ 70,718,771**	**$ 617,673,185**

GATEWAY ARCH

GATEWAY ARCH

BU220002

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.

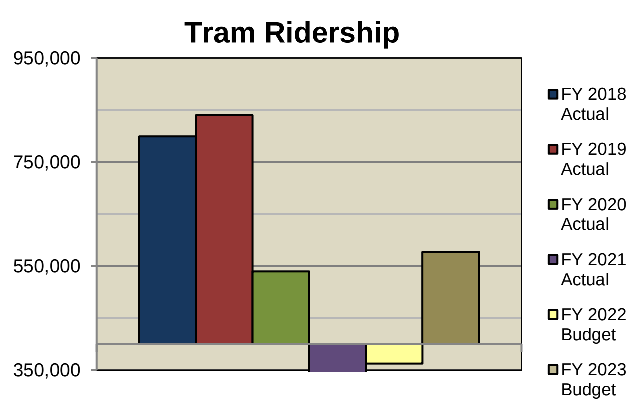
The Gateway Arch is a premier tourist destination in the Midwest and one of the most visited monuments in the United States. BSD's focus is to create a sustainable increase in visitation to Gateway Arch National Park and surrounding area through targeted marketing and capital improvements to meet the 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 GANP partners, our Gateway Arch team remains committed to operating in a responsible manner while continuing to honor our nation's history and serve the American public. The safety of staff and visitors is the park's number one priority. On-going shifts in our ticketing process and visitor access have helped optimize the visitor experience with limited resources. In FY 2023, we are hopeful to continue the recovery to return to pre-pandemic attendance and revenue streams.

Our strategic focus for FY 2023 centers on:

VISITOR EXPERIENCE

- ✓ From seamless ticketing 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 revenue streams are impacted by the pandemic including forecasting budget adjustments due to COVID-19.

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 customer-focused training, rewarding challenges and community outreach opportunities.

Gateway Arch
Statement of Revenue and Expense
FY 2021 - FY 2023

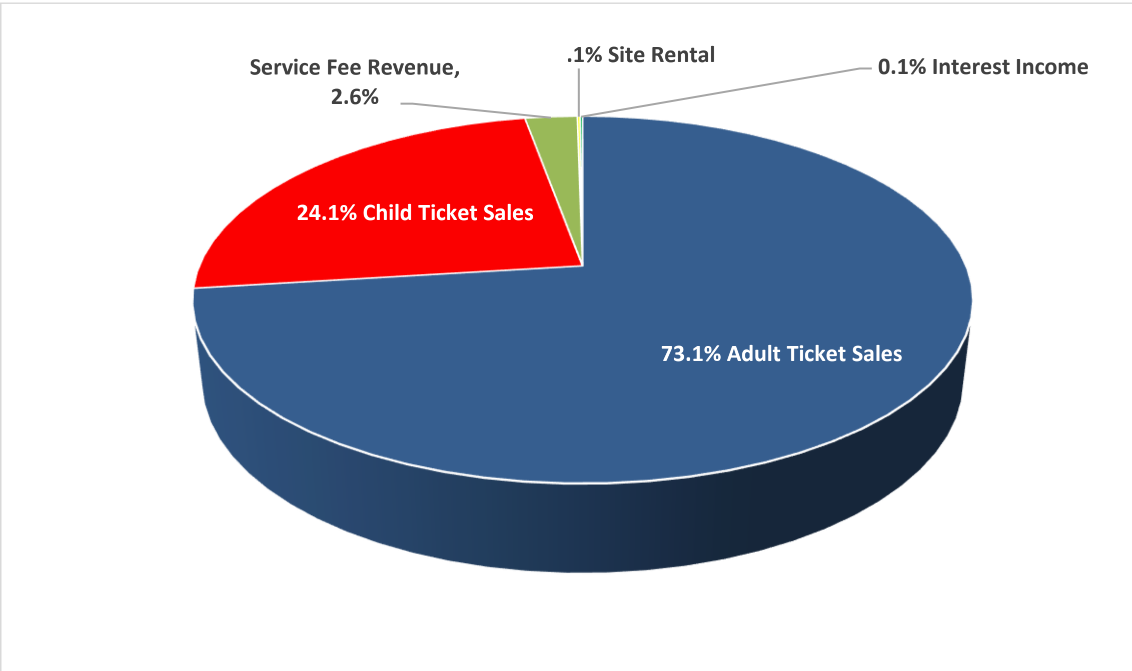
	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:				0	0
Arch ticket sales	2,196,057	4,043,263	7,655,198	$ 3,611,935	89.3%
Sales discounts revenue	($5,557)	($60,649)	($11,515)	$ 49,134	-81.0%
Service/fee revenue	$193,745	$97,232	$203,432	$ 106,200	109.2%
Other operating revenue	$10,117	$15,561	$22,584	$ 7,023	45.1%
Total operating revenues	$2,394,362	$4,095,407	$7,869,699	$3,774,292	92.2%
Total grants & assistance	$6,474				
Non-Operating Revenue:					-
Interest revenue	$7,053	$10,000	$10,900	$900	-
Total revenues	$2,407,889	$4,105,407	$7,880,599	$3,775,192	92.0%
Operating Expense:					
Wages and benefits	$1,999,155	$2,695,031	$2,971,776	$ 276,745	10.3%
Services	$897,674	$1,156,298	$2,434,104	$ 1,277,806	110.5%
Fuel, materials and supplies	$154,817	$479,378	$727,559	$ 248,181	51.8%
Casualty and liability costs	$78,371	$99,244	$33,548	$ (65,696)	-66.2%
Utilities	$136,626	$151,035	$159,342	$ 8,307	5.5%
Leases, other and admin. charges	$573,506	$1,098,871	$1,469,890	$371,019	33.8%
Total operating expenses	**$3,840,149**	**$5,679,857**	**$7,796,219**	**$2,116,362**	**37.3%**
Non-Operating Expense:					
Interest expense	$279,994	$273,559	$180,014	($93,545)	-34.2%
Contributions to outside entities	$1,685,325	$1,155,008	$160,000	($995,008)	-86.1%
Other non-operating expense	($67,858)	$0	$0	$0	
Total expenses	$5,737,611	$7,108,424	$8,136,233	$1,027,809	14.5%
Net income (Deficit) before depreciation and transfers	**($3,329,722)**	**($3,003,017)**	**($255,634)**	**$2,747,383**	91.5%
Depreciation and amortization	$0	$485,850	$0	($485,850)	-100.0%
Net transfers	$6,031	$0	$0	$0	-
Net income (Deficit)	**($3,335,753)**	**($3,488,867)**	**($255,634)**	**$3,233,233**	92.7%

Numbers may not sum due to rounding.

Revenue

Arch ticket sales are projected based on 366,580 tram passengers expected in FY 2023. The projected revenue for ticket sales is $7,655,198. A variable pricing structure, common in the hospitality and tourism industry was introduced in January of 2019. 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 events held at the Gateway Arch and convenience fees charged to online and individual phone ticket purchases.



Expense

Wages and benefits including OPEB are budgeted in FY 2023 10.3% higher. This increase addresses the expected rebound in ridership.

Services increased from the FY 2022 budget. In FY 2023, 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 mechanics employed by the National Park Service. Services include the following (in thousands):

Mechanics employed by the National Park Service	$ 957
Credit card fees, banking service charges	202
Legal and consulting	17
Internet web site maintenance and development	33
Maintenance services	56
Other (employment verification)	14
O & M Committed Costs	1,155
	$2,434

Parts and supplies are budgeted at $727,559, which is 51.8% higher than the prior year budget.

Casualty and liability costs are budgeted 66.2% lower than the FY 2022 budget due to favorable experience activities.

Utilities are primarily electricity costs that are $155,840 of the overall $159,342 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):

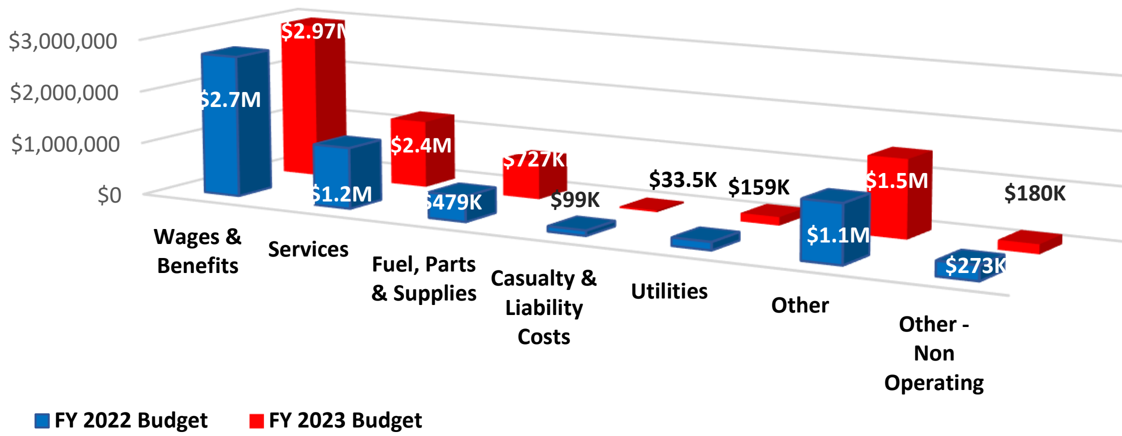
Management fee to Agency	$ 659
Advertising and promotion	732
Travel, training, lease expense and other	78
	$ 1,469

Other expense is budgeted in FY 2023 to be 33.8% higher primarily due to an increase in management fees over FY2022 resulting from increased budgeted ticket sales.

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

Contributions to outside entities are for operation and maintenance costs for the newly expanded Gateway Arch Visitor Center, including additional security operations by the National Park Service.

Gateway Arch - Operating Expense FY 2022 versus FY 2023



Net loss before depreciation for FY 2023 is budgeted at $255,634. Budget estimates are conservative and reflect the expected rebuilding of revenue after COVID.

Organization:

Total Personnel:

Full-Time - 16
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 FY23 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 2023	**FY 2022**		**FY 2021**
	Target	**Projection**	**Target**	**Target**
Tram ridership	577,191	453,717	362,950	860,120
Net Income (Deficit) before Depreciation (in thousands)	($.2)K	($.9)K	($3.0)M	$1.4M
Operating Expense Ratio	103%	78%	140%	72%

RIVERFRONT ATTRACTIONS

RIVERFRONT ATTRACTIONS

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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 2021 Actual):

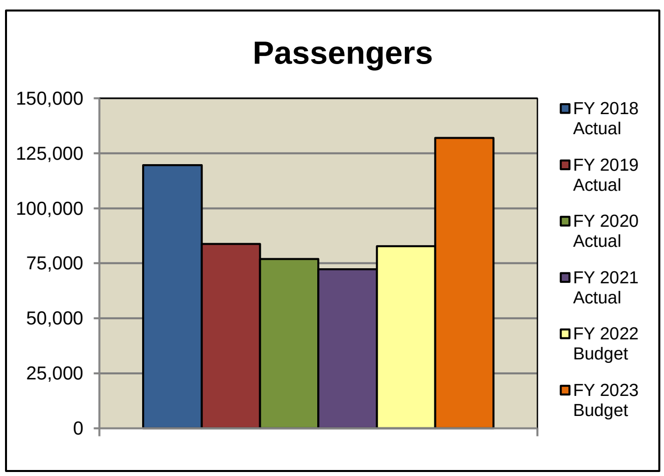
Sightseeing	65,750
Dinner cruise	4,785
Charter/specialty cruise	1,526

Tom Sawyer Riverboat:

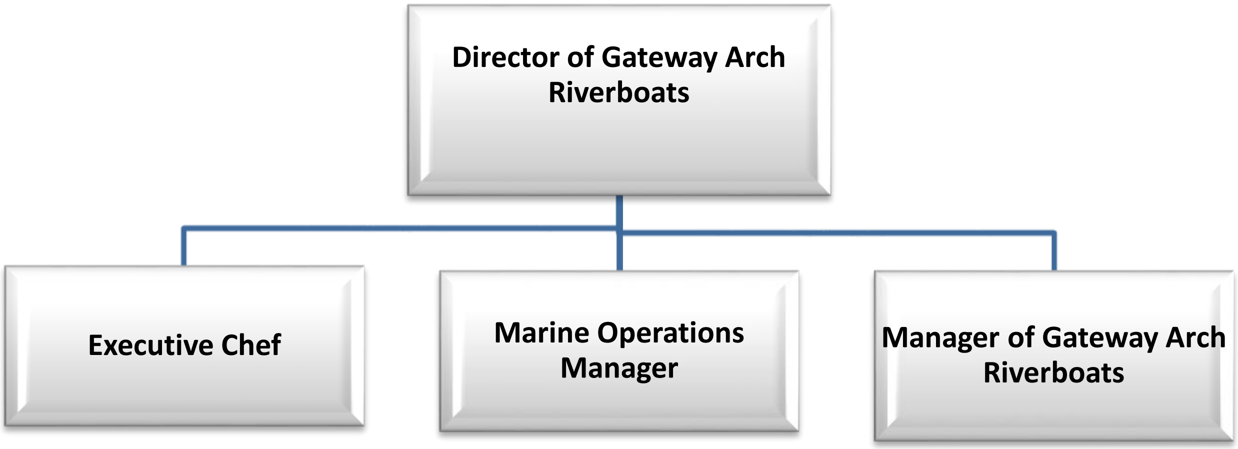
Passenger capacity	350
Year built	1966

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

Riverfront Attractions

Strategic Focus

BSD Riverfront Attractions, include Riverboats at the Gateway Arch, the Paddlewheel Café, Gift Shop, and heliport. These attractions create a complete riverfront family and tourist destination with a unique purpose of extending the stay for visitors to the Gateway Arch. Together, leveraging the success of each of these enterprises; we are able to 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, COVID-19 Health & Safety Measures and Team Performance.

Our strategic focus for FY 2023 centers on:

PROMOTIONS & GUEST EXPERIENCE

- ✓ We are creating cross-promotional marketing opportunities which leverage 'combo pricing' with Arch tram tickets, instituting new cruise itineraries and events focused on increasing local engagement, partner buy-in and repeat clientele experiences.
- ✓ We continue to improve COVID-19 marketing and communication protocols 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.
- ✓ Our team is developing a refined manager and guest service training and deployment program for frontline team members as well as our operational management team.

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

- ✓ Our security plan includes implementing proactive measures focused on protecting team members and guests, the safe, proper and intended operation of Riverboat facility equipment with strong emphasis on preventing illegal or unwanted actions.

Riverfront Attractions
Statement of Revenue and Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Other operating revenue	103,906	91,231	131,477	40,246	44.1%
Sales discounts revenue	(15,259)	(34,789)	(34,789)	-	0.0%
Cruise revenue	1,465,299	1,609,513	2,365,699	756,186	47.0%
Food and beverage revenue	377,503	737,379	959,450	222,071	30.1%
Retail revenue	84,652	106,689	131,323	24,634	23.1%
Total operating revenues	2,016,100	2,510,023	3,553,160	1,043,137	41.6%
Total revenues	2,016,100	2,510,023	3,553,160	1,043,137	41.6%
Operating Expenses:					
Wages and benefits	1,028,969	1,437,226	1,885,192	447,966	31.2%
Services	183,642	328,576	420,842	92,266	28.1%
Fuel, materials and supplies	376,457	545,726	642,230	96,504	17.7%
Casualty and liability costs	146,846	200,039	244,802	44,763	22.4%
Utilities	58,692	91,029	91,029	-	0.0%
Leases, other and admin. charges	55,165	141,007	169,281	28,274	20.1%
Total operating expenses	**1,849,772**	**2,743,604**	**3,453,376**	**709,772**	**25.9%**
Other non-operating expense:	4,184				
Total expenses	1,853,956	2,743,604	3,453,376	709,772	**25.9%**
Net income (Deficit) before depreciation and transfers	**162,144**	**(233,581)**	**99,784**	**333,365**	**142.7%**
Depreciation and amortization	**244,377**	**192,005**	**203,177**	**11,172**	**5.8%**
Net transfers	(2,200,781)				
Net income (Deficit)	**2,118,548**	**(425,586)**	**(103,393)**	**322,193**	**75.7%**

Numbers may not sum due to rounding.

Revenue

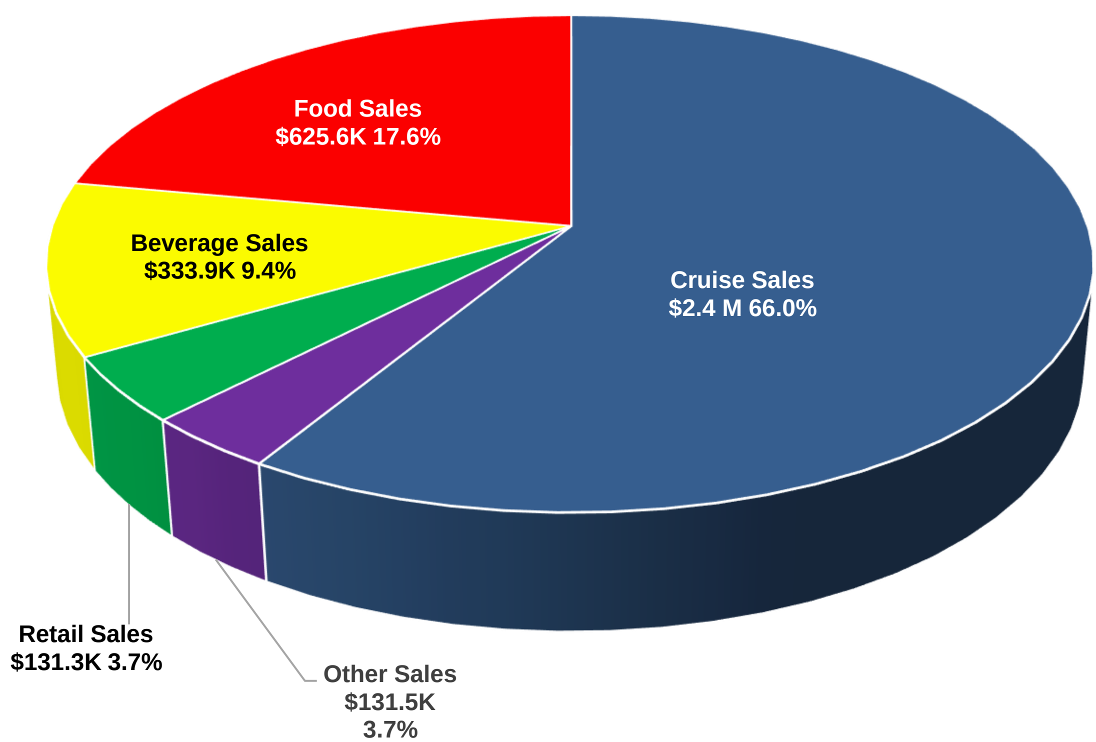
Cruise revenue is based on the FY 2023 budget of 121,700 passengers. Cruise revenue is projected at $2,365,699, 47.0% higher than the FY 2022 budget. In conjunction with the Gateway Arch, the riverboats offer variable pricing, with an adult sightseeing ticket starting at $24 and a child ticket starting at $14. A base dinner cruise ticket is $49.

Food revenue includes food sold on dinner dance cruises, on board concessions and at the Paddlewheel Café. Food revenue is budgeted to increase 19% from the FY 2022 projection.

Beverage revenue is generated from beverage sales on the various types of cruises and from the Paddlewheel Café. Beverage revenue is budgeted to increase 58% in conjunction with higher expected dining activity.

Retail revenue is generated from gift shop sales. These revenues are up by 23.1% from the FY 2022 budget. Sales are tied to levels of passenger counts.

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



Expense

Wages and benefits including OPEB increased 31.2% in the FY 2023 budget.

Services are budgeted to increase 28.1% from the prior year budget. This increase is primarily due to an increase in maintenance services and entertainment aboard the cruises. For FY2023 a contractual arrangement has been established to install security guard services.

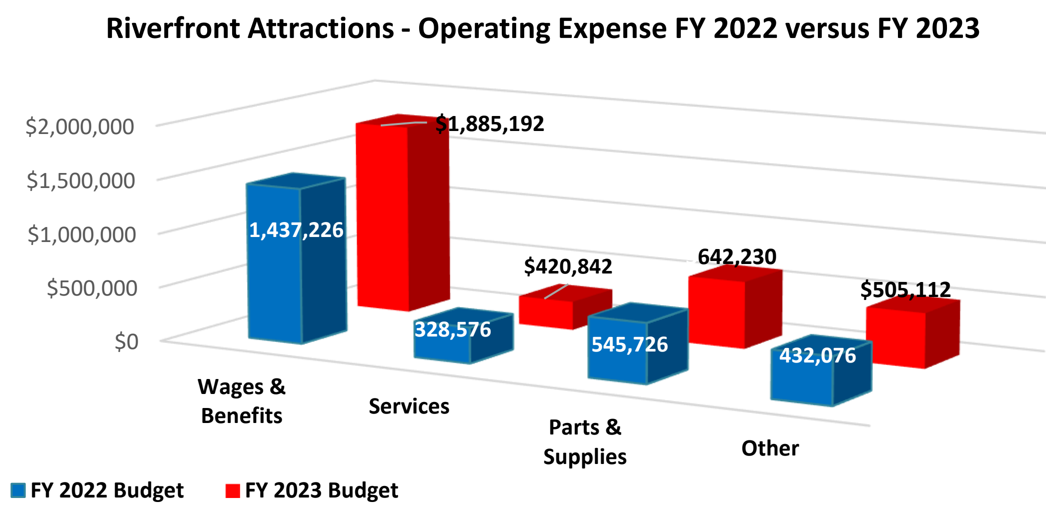
Materials and supplies are budgeted 15.7% higher than the previous budget. The FY 2023 budget for materials and supplies is a reflection of the expected change in revenue components related to the anticipated number of cruises and patrons.

Fuel and lubrications expense is budgeted to increase 30.0% over FY2022 in line with the higher Cruise Revenue.

Casualty and liability costs are 22.4% more than budgeted costs in FY 2022.

Utilities are comprised of $53,045 for electricity, $6,438 for telephone, $10,628 for natural gas, $10,500 for waste removal, and $10,419 for water and sewer. Utilities are significantly impacted by the severity of weather, level of service, and days of operation.

Other expense is 20.1% higher than the prior year. Over the last two years advertising costs have been budgeted to strengthen awareness of new programs and cruise themes available to the public. Advertising is budgeted at approximately $120,000 or 18.5% higher than FY 2022 in an effort to generate stronger revenue streams.



Net profit before depreciation is budgeted at $99,784.

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 2023	FY 2022		FY 2021
	Target	Projection	Target	Actual
Passengers	121,700	119,535	82,800	72,312
Cruises	1,222	1,141	1,123	861
Days of operation	288	272	272	214
Passengers per Cruise	100	105	74	84
Revenue per Passenger	$29.20	$22.53	$30.31	$24.33
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 2023 - 2025 Capital Projects Summary

Sources of Funds:	FY 2023	FY 2024	FY 2025	Total
Riverboat Revenue	$ 50,000	$ -	$ -	$ 50,000
Total Sources of Funds	**$ 50,000**	**$ -**	**$ -**	**$ 50,000**

Uses of Funds:	FY 2023	FY 2024	FY 2025	Total
Kitchen Overhaul	30,000	-	-	30,000
Paddlewheel Café Overhaul	20,000	-	-	20,000
Total Uses of Funds	**$ 50,000**	**$ -**	**$ -**	**$ 50,000**

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 2021):

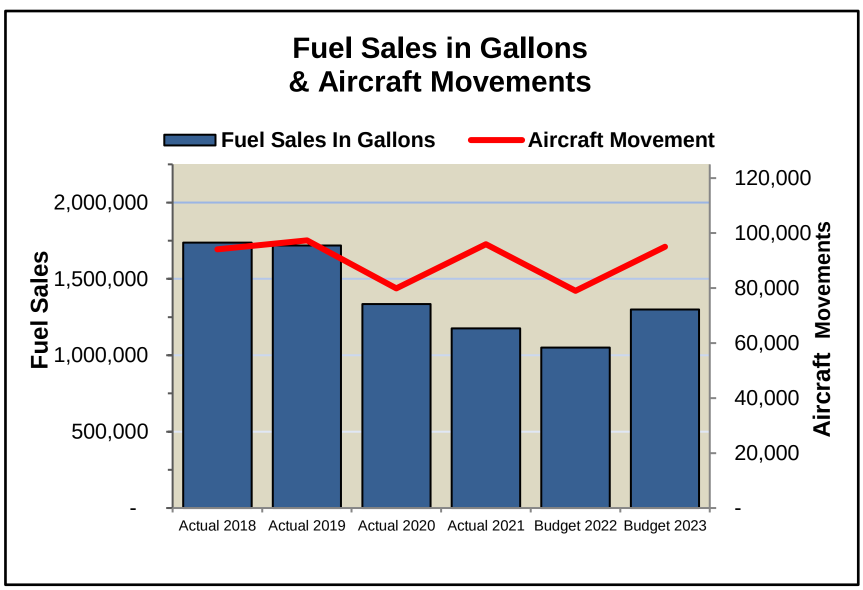
1.2 million gallons of fuel sold
95,997 aircraft movements
594 based aircraft (Mo. Avg.)
Location of Flight Training
Dept. of St. Louis University

Facilities:

95 small, 42 mid and
21 large hangers
1,013 acres

Airport recognition:

Busiest general aviation airport in St. Louis region
Busiest airport in Illinois outside Chicago
Two hangars named to National Register of Historic Places



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 2023 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.

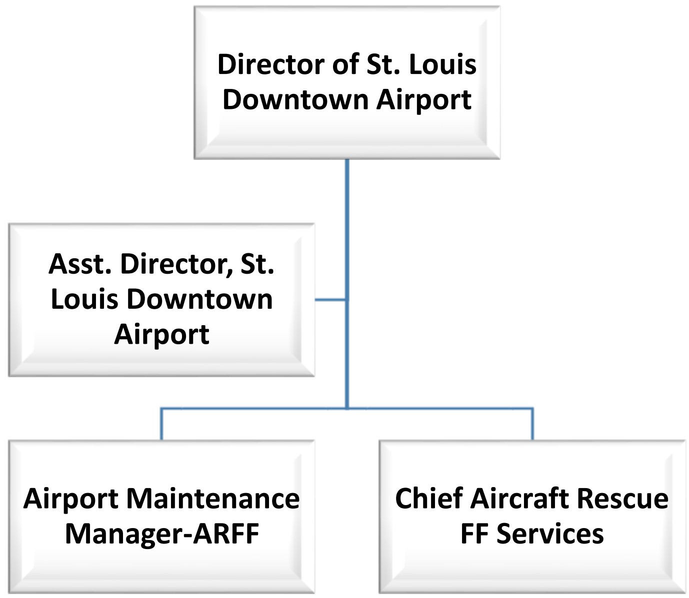
SAFETY

- ✓ 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 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Other operating revenue	112,703	138,100	125,920	(12,180)	-8.8%
Aircraft parking	116,422	145,454	159,715	14,261	9.8%
Leased acreage	741,660	684,135	725,692	41,557	6.1%
Hangar rental	506,881	543,884	616,960	73,076	13.4%
Aviation sale flowage fee	98,472	125,020	140,016	14,996	12.0%
Airport concessions	55,307	121,980	120,058	(1,922)	-1.6%
Total operating revenues	1,631,444	1,758,573	1,888,361	129,788	7.4%
Total grants & assistance	69,000			-	-
Interest revenue	311	1,000	1,250	250	0
Total revenues	1,700,755	1,759,573	1,889,611	130,038	7.4%
Operating Expenses:					
Wages and benefits	892,424	889,027	999,480	110,453	12.4%
Services	173,996	108,604	144,600	35,996	33.1%
Fuel, materials and supplies	47,714	99,996	128,100	28,104	28.1%
Casualty and liability costs	354,537	68,583	108,378	39,795	58.0%
Utilities	185,999	177,500	201,100	23,600	13.3%
Leases, other and admin. charges	250,944	133,110	144,899	11,789	8.9%
Total operating expenses	**1,905,615**	**1,476,820**	**1,726,557**	**249,737**	**16.9%**
				-	-
Gain (loss) on disposition of assets	8,867			-	-
Other non-operating expense	(7,607)			-	-
Total expenses	1,906,875	1,476,820	1,726,557	249,737	0
Net income (Deficit) before depreciation and transfers	(206,120)	282,753	163,054	(119,699)	-42.3%
Depreciation and amortization	$ 1,276,470	$ 1,440,099	$ 1,178,072	(262,027)	-18.2%
Net income (Deficit)	**(1,482,590)**	**(1,157,346)**	**(1,015,018)**	**142,328**	**12.3%**

numbers may not add due to rounding

Revenue

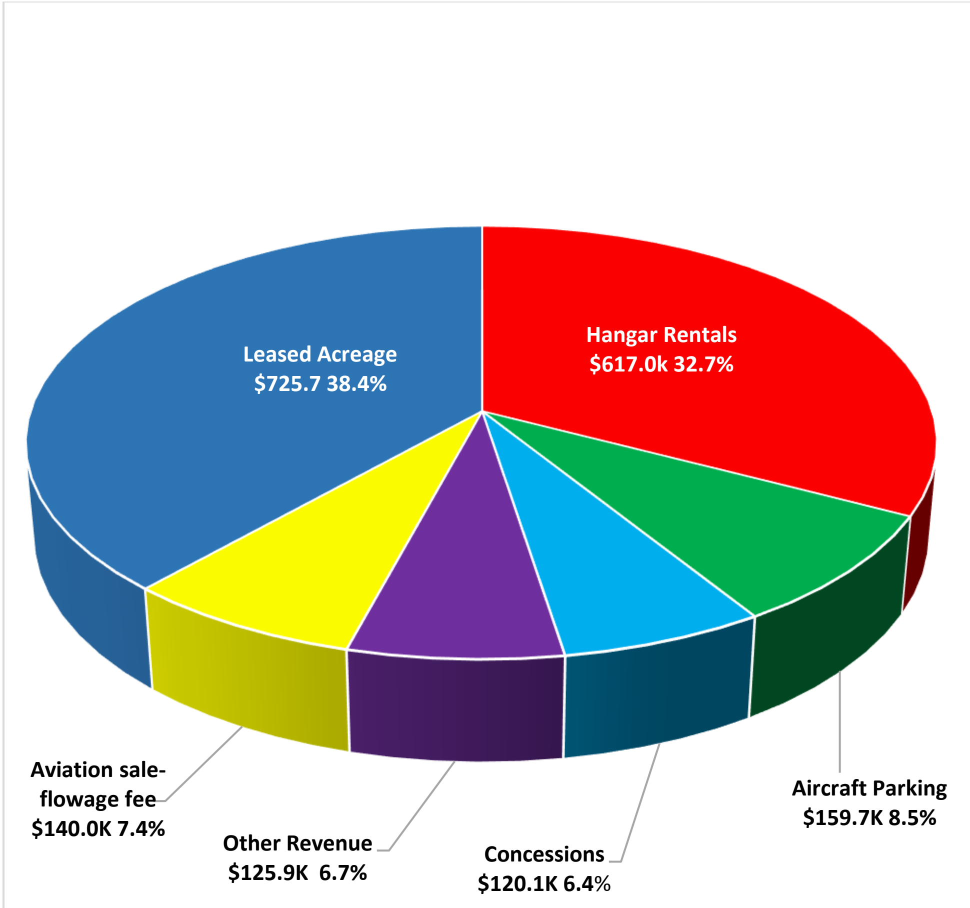
Aircraft parking revenue for FY 2023 is budgeted at $159,715, 9.8% higher than the FY 2022 budget.

Leased acreage revenue is airport land leased for private investment. Revenue is expected to be $725,692. This is a 6.1% increase from the previous year.

Hangar rentals are leased property for airframes and tenants. The projected revenue for FY 2023 is $616,960.

Aviation fuel sale-flowage fee revenues are budgeted in FY 2023 at $140,016. This is 12.0% higher than expected revenues for FY 2022.

Concession fees include crop income and rentals for the concourse. The FY 2023 budget is $120,058. This is a 1.6% decrease from FY 2022 budget.



Expense

Wages and benefits including OPEB are $999K up 12.4% from the FY 2022 budget.

Services include the following (in thousands):

Legal and consultants fees	$ 50
Contract maintenance	76
Other	19
	$ 145

Services are budgeted in FY 2023 to be 33.1% higher than FY 2022. The FY 2023 budget includes consulting fees for surveys, plots, and concurrent use agreements. Services also include legal fees for lease review and consultation, consultant fees for general engineering services, firehouse elevator and extinguisher maintenance, fire alarm maintenance, the emergency phone system, firefighting truck inspection and maintenance and HVAC controls system support. Legal expenditures for FY 2023 are projected to be the same as FY 2021.

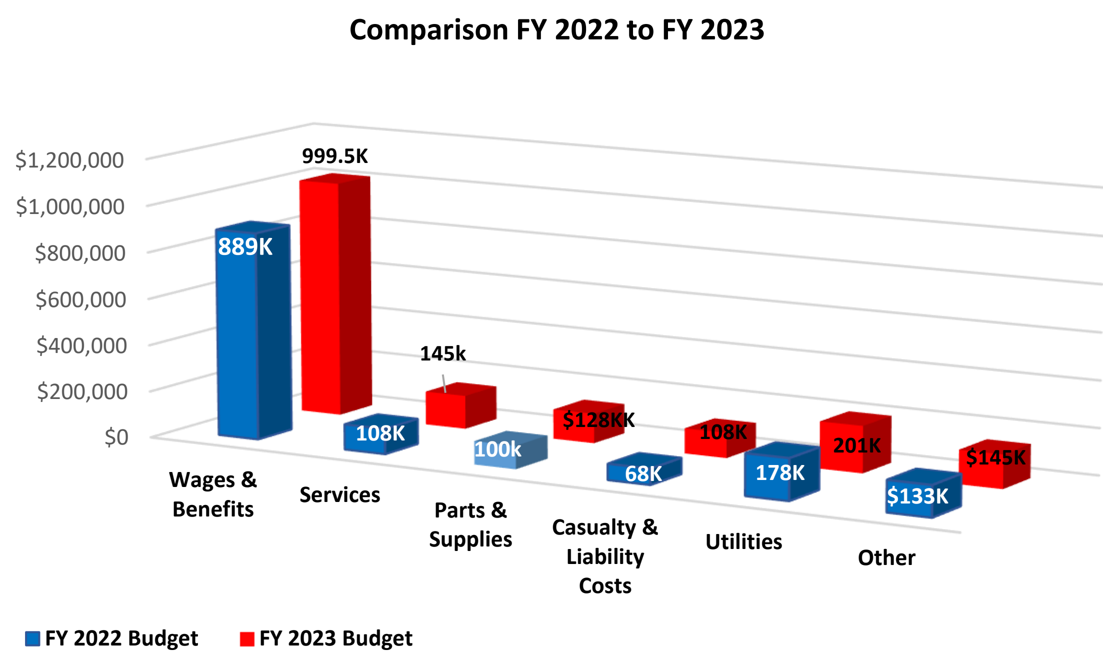
Parts and Supplies are budgeted in FY 2023 to be 28.1% higher than FY 2022. These added costs are for maintenance for consisting of Aircraft Rescue and Firefighting (ARFF) fire tools and equipment.

Casualty and liability costs are budgeted to increase 58.0% over FY2022 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 2023 to be 13.3% higher than the FY 2022 budget.

Other expense includes the following (in thousands):

Management fees to the Agency	$ 94
Travel, training, meetings, and dues	25
Other (including advertising)	25
	$ 144



Income

Net income before depreciation is projected to be $163,054 for FY 2023.

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 2023	**FY 2022**		**FY 2021**
	Target	**Projection**	**Target**	**Actual**
Net income (deficit) before depreciation (in thousands)	$163.1	$(1,058.2)	$282.8	$(188.4)
Fuel sales in gallons (in thousands)	1,300	1,445	1,050	1,176
Aircraft movement	95,000	100,092	79,000	95,997
Based aircraft (monthly average)	590	956	580	594

St. Louis Downtown Airport
FY 2023 - 2025 Capital Projects Summary

Sources of Funds:

	FY 2023	FY 2024	FY 2025	Total
Federal Grants	$ 5,625,000	$ 5,400,000	$ 5,400,000	$ 16,425,000
State and Local	$ 312,500	$ 300,000	$ 300,000	$ 912,500
Airport & Other Funds	$ 462,500	$ 2,315,000	$ 1,305,000	$ 4,082,500
Total Sources of Funds	**$ 6,400,000**	**$ 8,015,000**	**$ 7,005,000**	**$ 21,420,000**

Uses of Funds:

	Projects by Year			
	FY 2023	FY 2024	FY 2025	Total
Construction:				
Reconstruct Taxiway B Phase 3: CENTER		$ 6,000,000	$ -	$ 6,000,000
Reconstruct Taxiway B Phase 3: EAST		$ -	$ 6,000,000	$ 6,000,000
Reconstruct Taxiway B Phase 3: WEST	$ 6,000,000	$ -	$ -	$ 6,000,000
Reconstruct Curtiss Steinberg Drive	$ -	$ 1,600,000		$ 1,600,000
Reconstruct Vector Drive (Location Dependent), Phase 1		$ -	$ 500,000	$ 500,000
Ongoing Pavement Conditioning Project , Phase 1	$ -	$ -	$ 390,000	$ 390,000
Resurface Vector Dr from Curtis Steinberg Dr to Airflite Dr	$ 250,000		$ -	$ 250,000
Equipment and Facilities Replacements:				
ARFF / Operations vehicle	$ 45,000	$ -	$ -	$ 45,000
Airport Director Vehicle		$ -	$ 45,000	$ 45,000
Terminal: Reconstruction		$ -	$ -	$ -
Heavy Duty Tilt Bed Trailer	$ 10,000	$ -	$ -	$ 10,000
Lite Utility Vehicle		$ 25,000	$ -	$ 25,000
T-Hangars replace (3) with new design	$ 20,000	$ 20,000	$ 20,000	$ 60,000
Heavy / Large Equipment Trailer	$ 10,000	$ -	$ -	$ 10,000
Mtnce Dept - John Deere Gator	$ 25,000	$ -	$ -	$ 25,000
Mtnce Dept - Scissor Lift	20,000	$ -	$ -	$ 20,000
Land and Land Improvements:				
Ongoing Patch Projects	$ 20,000	$ 20,000	$ 20,000	$ 60,000
SPCC/SWPPP	$ -	$ -	$ 30,000	$ 30,000
Wildlife Hazard Management Plan	$ -	$ 50,000	$ -	$ 50,000
Utility Ongoing Replacement Project (Location Dependent)	$ -	$ 300,000	$ -	$ 300,000
Total Use of Funds	**$ 6,400,000**	**$ 8,015,000**	**$ 7,005,000**	**$ 21,420,000**

ST. LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL FREIGHTWAY

BU220002

St Louis Regional Freightway

Strategic Focus

The St. Louis Regional Freightway coordinates regional freight development efforts, tightly connecting the private and public sectors. We create a foundation for planning and marketing the industry, while advocating the region's greatest freight and site selection strengths. The path to growth is through leveraging our partnerships, maximizing the opportunities we continue to uncover, while elevating the region's profile as a world class logistics hub.

***Our strategic focus for FY 2023 centers on*:**

AWARENESS

- ✓ We continue to build strategic partnerships with shippers and carriers that attract new business, and engaging our allies to help us build a strong network of regional ambassadors.

INFRASTRUCTURE FUNDING & MULTIMODAL CAPABILITIES

- ✓ We are developing and coordinating regional projects, advocacy strategies, and funding approaches with leaders across transportation and manufacturing/logistics industries

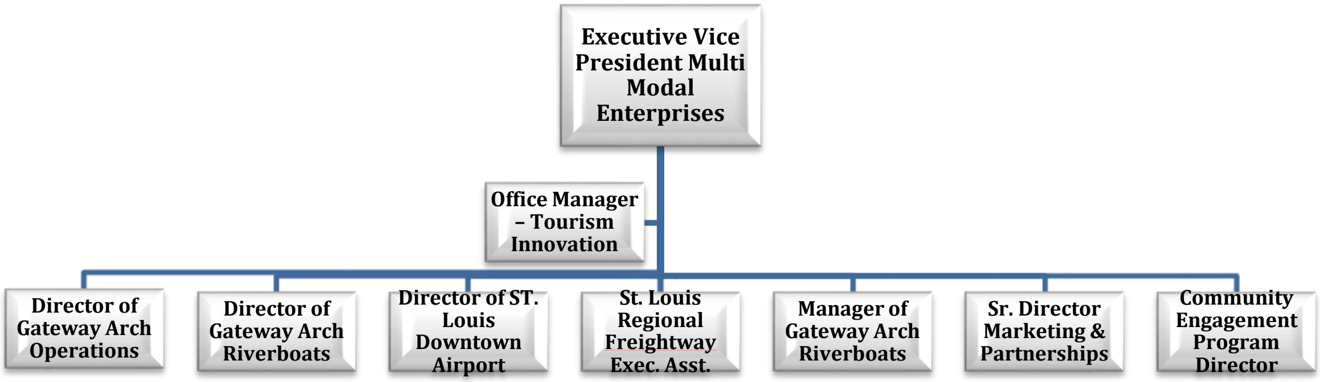
PROMOTING INDUSTRIAL REAL ESTATE

- ✓ Our focus includes leveraging TheFreightway.com as a tool to unify industrial real estate leaders, and utilizing this tool to inform, promote, and share regional success stories and opportunities.

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 - Administrative 2

St. Louis Regional Freightway
Statement of Revenue & Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Regional freight fees	$ 400,000	$ 625,000	$ 500,000	$ (125,000)	
Other operating revenue	11,010	-	-	-	
Total operating revenues	411,010	625,000	500,000	(125,000)	-20.0%
Non-Operating Revenue:					
Total revenues	411,010	625,000	500,000	(125,000)	-20.0%
Operating Expense:					
Wages and benefits	186,451	202,355	250,271	47,916	
Services	253,534	339,400	344,000	4,600	
Fuel, materials and supplies	61	3,500	3,500	-	
Leases, other and admin. charges	28,043	49,000	44,000	(5,000)	
Total operating expenses	**468,089**	**594,255**	**641,771**	**47,516**	**8.0%**
Total expenses	468,089	594,255	641,771	47,516	8.0%
Net income (deficit) before depreciation and transfers	**(57,079)**	**30,745**	**(141,771)**	**(172,516)**	**-561.1%**
Other non-operating expense	(750)	-	-	-	
Net income (deficit)	**$ (56,329)**	**$ 30,745**	**$ (141,771)**	**$ (172,516)**	**-561.1%**

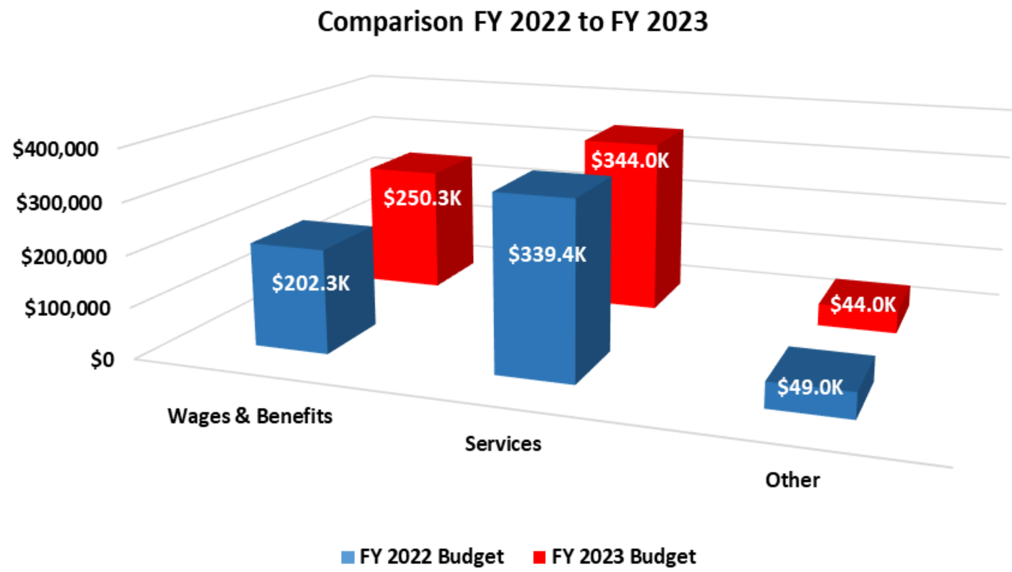
Numbers may not sum due to rounding.

Revenue

In FY 2023, contributions and fees for service provided are expected to generate $500,000 in operating revenue.

Expense

Total FY 2023 operating expense is expected to be $641,771, resulting in a net loss of $141,771. The majority of operating expense is for consulting services, compensation, and benefits.



Net loss before depreciation for FY 2023 is budgeted at $141,771.

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 2023	FY 2022		FY 2021
	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

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, as well as, 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 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Admin Fees - Transit	2,314,830	3,810,921	4,147,786	336,865	8.8%
Admin Fees - Arch	194,790	290,080	659,531	369,451	127.4%
Admin Fees - Airport	81,588	88,491	94,480	5,989	6.8%
Admin Fee - National Park Sv	112,451	177,878	264,645	86,767	48.8%
Total operating revenues	2,703,658	4,367,370	5,166,442	799,072	18.3%
Non-Operating Revenue:					
Interest revenue	915	2,500	1,500	(1,000)	-40.0%
Total revenues	2,704,573	4,369,870	5,167,942	798,072	18.3%
Operating Expense:				-	
Wages and benefits	2,210,511	2,485,413	2,758,273	272,860	11.0%
Services	966,719	1,513,275	1,694,516	181,241	12.0%
Fuel, materials and supplies	6,400	21,900	22,795	895	4.1%
Casualty and liability costs	49,229	57,000	48,000	(9,000)	-15.8%
Utilities	5,474	2,673	4,650	1,977	74.0%
Leases, other and admin. charges	267,500	289,608	384,855	95,247	32.9%
Total operating expenses	**3,505,833**	**4,369,870**	**4,913,090**	**543,220**	**12.4%**
Net income (Deficit) before depreciation and transfers	(801,260)	0	254,852	254,852	-
Net transfers	2,200,781	-	-	-	-
Net income (Deficit)	**(3,002,041)**	**-**	**254,852**	**254,852**	**-**

Numbers may not sum due to rounding.

Revenue

The Metro administration fee provides a significant portion of the revenue for Executive Service. Transit represents 80.2% of the revenue for BSD after eliminations.

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 $659,531 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 $94,480.

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 $264,645, higher by 48.8% due to an anticipated increase in admissions for FY 2023.

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

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.

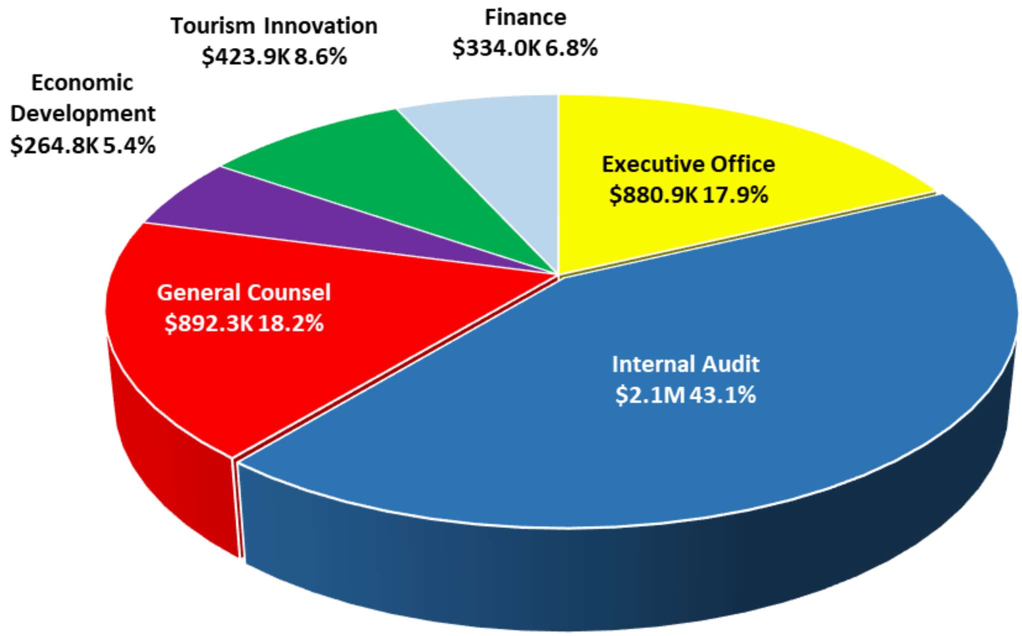
Services consist of fees for outside consultants, auditors, lawyers, and lobbyists and also services for establishing strategic partnerships and investment in Washington DC, Missouri and Illinois. In FY 2023 Executive Service will spend an additional $181,241 for required legal and consulting services.

Parts and supplies include office supplies and equipment, training materials, and data processing supplies. The FY 2023 budget for office and data processing supplies increased slightly.

Utilities consist of mobile device and tablet usage. These expenditures increased by $1,977.

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 32.9% higher in FY 2023.

Expense by Department



Income

Net income before depreciation is projected at $254,852**.**

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. Research Institute ceased activity in FY 2022.

Executive Services - Operating Expense by Functional Area

	Budget 2021	Budget 2022	Budget 2023	Bdgt vs Bdgt $ Change	Bdgt vs Bdgt % Change
Executive Office				0	0.0%
Wages & benefits without OPEB	444,049	452,620	474,443	21,822	4.8%
Other post-employment benefits	4,400	4,400	4,400	0	0.0%
Services	108,000	170,250	163,200	(7,050)	(4.1%)
Parts and supplies	6,000	3,000	2,100	(900)	(30.0%)
Casualty and liability costs	0	0	0	0	0.0%
Utilities	0	0	750	750	0.0%
Leases and other expense	172,800	172,650	236,020	63,370	36.7%
Operating expense	**735,249**	**802,920**	**880,913**	**77,992**	**9.7%**
Internal Audit				0	0.0%
Wages & benefits without OPEB	736,459	878,465	986,457	107,993	12.3%
Other post-employment benefits	5,417	5,417	5,417	0	0.0%
Services	820,276	800,000	998,552	198,552	24.8%
Parts and supplies	10,675	6,600	11,875	5,275	79.9%
Casualty and liability costs	0	0	0	0	0.0%
Utilities	0	0	600	600	0.0%
Leases and other expense	134,202	67,220	114,197	46,977	69.9%
Operating expense	**1,707,028**	**1,757,702**	**2,117,098**	**359,397**	**20.4%**
General Counsel				0	0.0%
Wages & benefits without OPEB	656,729	678,372	673,802	(4,570)	(0.7%)
Other post-employment benefits	3,840	3,840	3,840	0	0.0%
Services	113,863	167,565	191,284	23,719	14.2%
Parts and supplies	5,600	7,800	4,320	(3,480)	(44.6%)
Casualty and liability costs	0	0	0	0	0.0%
Utilities	0	0	0	0	0.0%
Leases and other expense	60,145	30,000	19,100	(10,900)	(36.3%)
Operating expense	**840,177**	**887,577**	**892,346**	**4,769**	**0.5%**

Economic Development					0.0%
Wages & benefits without OPEB	189,815	196,070	198,668	2,599	1.3%
Other post-employment benefits	1,857	1,857	1,857	0	0.0%
Services	84,480	55,480	55,480	0	0.0%
Parts and supplies	1,500	1,000	1,000	0	0.0%
Casualty and liability costs	0	0	0	0	0.0%
Utilities	1,800	1,000	1,800	800	80.0%
Leases and other expense	8,000	6,038	6,038	0	0.0%
Operating expense	**287,453**	**261,445**	**264,844**	**3,399**	**1.3%**
Tourism Innovation Administration				0	0.0%
Wages & benefits without OPEB	275,314	261,487	406,503	145,016	55.5%
Other post-employment benefits	2,886	2,886	2,886	0	0.0%
Services	0	0	0	0	0.0%
Parts and supplies	3,500	3,500	3,500	0	0.0%
Casualty and liability costs	0	0	0	0	0.0%
Utilities	1,500	1,500	1,500	0	0.0%
Leases and other expense	9,500	9,500	9,500	0	0.0%
Operating expense	**292,700**	**278,873**	**423,889**	**145,016**	**52.0%**
Research Institute (closed)				**0**	**0.0%**
Wages & benefits without OPEB	0	0	0	0	0.0%
Other post-employment benefits	0	0	0	0	0.0%
Services	7,475	3,980	0	(3,980)	(100.0%)
Parts and supplies	0	0	0	0	0.0%
Casualty and liability costs	0	0	0	0	0.0%
Utilities	346	173	0	(173)	(100.0%)
Leases and other expense	0	0	0	0	0.0%
Operating expense	**7,821**	**4,153**	**0**	**(4,153)**	**(100.0%)**
Financial Expenses				0	0.0%
Wages & benefits without OPEB	0	0	0	0	0.0%
Other post-employment benefits	0	0	0	0	0.0%
Services	175,100	316,000	286,000	(30,000)	(9.5%)
Parts and supplies	1,000	0	0	0	0.0%
Casualty and liability costs	61,600	57,000	48,000	(9,000)	(15.8%)
Utilities	0	0	0	0	0.0%
Leases and other expense	4,200	4,200	0	(4,200)	(100.0%)
Operating expense	**241,900**	**377,200**	**334,000**	**(43,200)**	**(11.5%)**

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 2023	FY 2022		FY 2021
	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	11	15	11
Internal Audit Recom Accepted Management	100	87	100	90
Audit Recom. Implemented	80	66	80	75
State Safety Audits Planned	10	8	8	6
State Safety Audits Completed	10	8	8	6
State Safety Audits Recom Accept	20	23	20	23
State Safety Audit Recom Implmtd	15	15	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

SELF-INSURANCE FUNDS

BU220002

Health Self-Insurance Fund

Strategic Focus

Providing management with greater visibility and enhanced financial reporting for $41.4 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 Fund
Statement of Revenue & Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Employee health	$ 7,641,311	$ 7,796,050	$ 7,692,399	$ (103,651)	
Employer health	30,376,458	30,026,487	33,743,555	3,717,068	
Total operating revenues	38,017,769	37,822,537	41,435,954	3,613,417	9.6%
Non-Operating Revenue:					
Interest revenue	1,114	2,500	6,800	4,300	
Total revenues	38,018,883	37,825,037	41,442,754	3,617,717	9.6%
Operating Expense:					
Wages and benefits	707,739	763,260	823,477	60,217	
Services	382,807	259,290	352,240	92,950	
Fuel, materials and supplies	14,697	23,000	32,595	9,595	
Utilities	4,088	4,140	4,550	410	
Leases, other and admin. charges	58,008	24,945	71,835	46,890	
Health and welfare self-insurance	38,684,822	36,750,401	40,158,057	3,407,656	
Total operating expenses	**39,852,161**	**37,825,037**	**41,442,754**	**3,617,717**	**9.6%**
Non-Operating Expense:					
Total expenses	39,852,161	37,825,037	41,442,754	3,617,717	9.6%
Net income (deficit)	**$ (1,833,278)**	**$ -**	**$ -**	**$ -**	**0.0%**

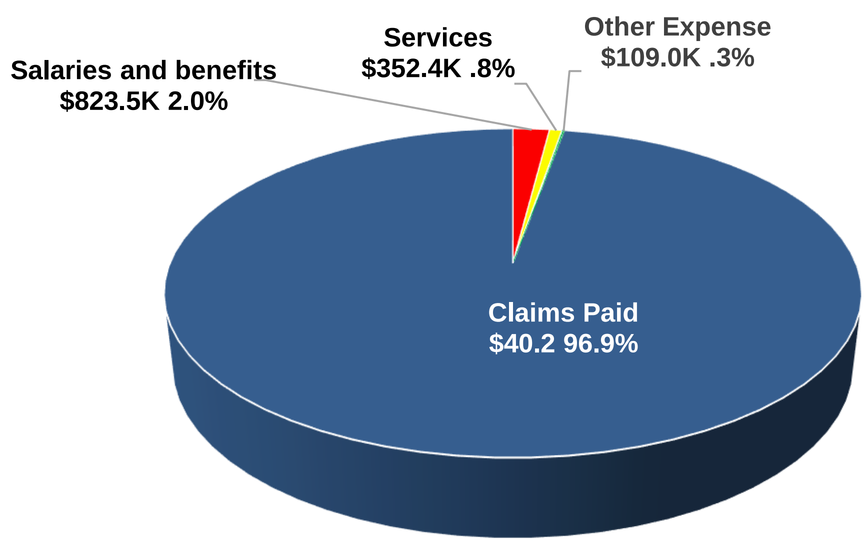
Numbers may not sum due to rounding.

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 18.3% 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 2023 are expected to increase by $3,407,656 or 9.3%.



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 $8.7 million in self- funded risk activities.

Casualty Self Insurance Fund
Statement of Revenue & Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Casualty Insurance Revenue	$ 2,762,917	$ 5,022,756	$ 4,475,749	$ (547,007)	
Total operating revenues	2,762,917	5,022,756	4,475,749	(547,007)	-10.9%
Non-Operating Revenue:					
Interest revenue	2,291	10,000	9,250	(750)	
Total revenues	2,765,208	5,032,756	4,484,999	(547,757)	-10.9%
Operating Expense:					
Wages and benefits	511,457	611,016	153,359	(457,657)	
Services	44,049	46,000	73,500	27,500	
Fuel, materials and supplies	1,042	3,100	100	(3,000)	
Casualty and liability costs	1,875,692	2,643,000	5,324,238	2,681,238	
Utilities	828	1,200	-	(1,200)	
Leases, other and admin. charges	75	2,300	-	(2,300)	
Casualty self-insurance	1,707,039	5,032,756	3,161,328	(1,871,428)	
Total operating expenses	**4,140,182**	**8,339,372**	**8,712,525**	**373,153**	**4.5%**
Non-Operating Expense:					
Total expenses	4,140,182	8,339,372	8,712,525	373,153	4.5%
Net income (deficit) before depreciation and transfers	**(1,374,974)**	**(3,306,616)**	**(4,227,526)**	**(920,910)**	**27.9%**
Net Transfers	(2,657,012)	(3,306,616)	(4,227,526)	(920,910)	
Net income (deficit)	**$ 1,282,038**	**$ -**	**$ -**	**$ -**	**0.0%**

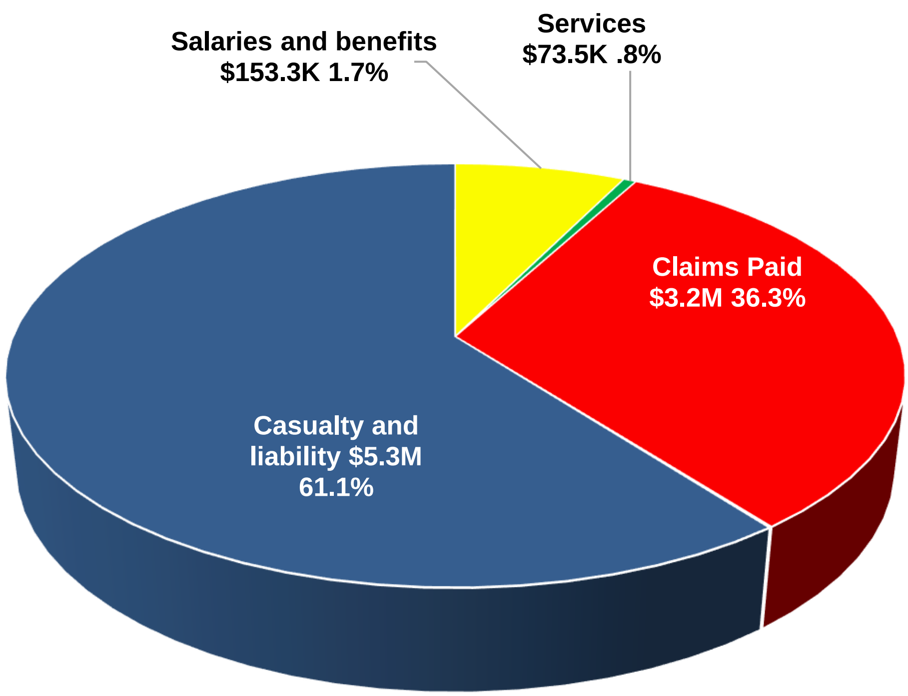
Numbers may not sum due to rounding.

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 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 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 are expected to decrease in FY 2023 by $1.8 million or 37.2%.



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 $7.4 million in self- funded activities.

Workers' Compensation Self Insurance Fund
Statement of Revenue & Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Workers' Comp. Insurance Revenue	$ 6,233,547	$ 6,553,044	$ 6,229,499	$ (323,545)	
Total operating revenues	6,233,547	6,553,044	6,229,499	(323,545)	-4.9%
Non-Operating Revenue:					
Interest revenue	7,220	12,000	12,700	700	
Total revenues	6,240,767	6,565,044	6,242,199	(322,845)	-4.9%
Operating Expense:					
Wages and benefits	314,571	261,086	138,865	(122,221)	
Services	14,880	19,000	12,350	(6,650)	
Fuel, materials and supplies	157	1,500	100	(1,400)	
Casualty and liability costs	221,732	267,000	235,000	(32,000)	
Utilities	471	500	-	(500)	
Leases, other and admin. charges	456,557	603,350	750,850	147,500	
Workers comp self-insurance	5,410,138	6,565,044	6,242,576	(322,468)	
Total operating expenses	**6,418,506**	**7,717,480**	**7,379,741**	**(337,739)**	**-4.4%**
Non-Operating Expense:					
Total expenses	6,418,506	7,717,480	7,379,741	(337,739)	-4.4%
Net income (deficit) before depreciation and amortization	**(177,739)**	**(1,152,436)**	**(1,137,542)**	**14,894**	**-1.3%**
Net transfers	(1,089,588)	(1,152,436)	(1,137,542)	14,894	
Net income (deficit)	**$ 911,849**	**$ -**	**$ -**	**$ -**	**0.0%**

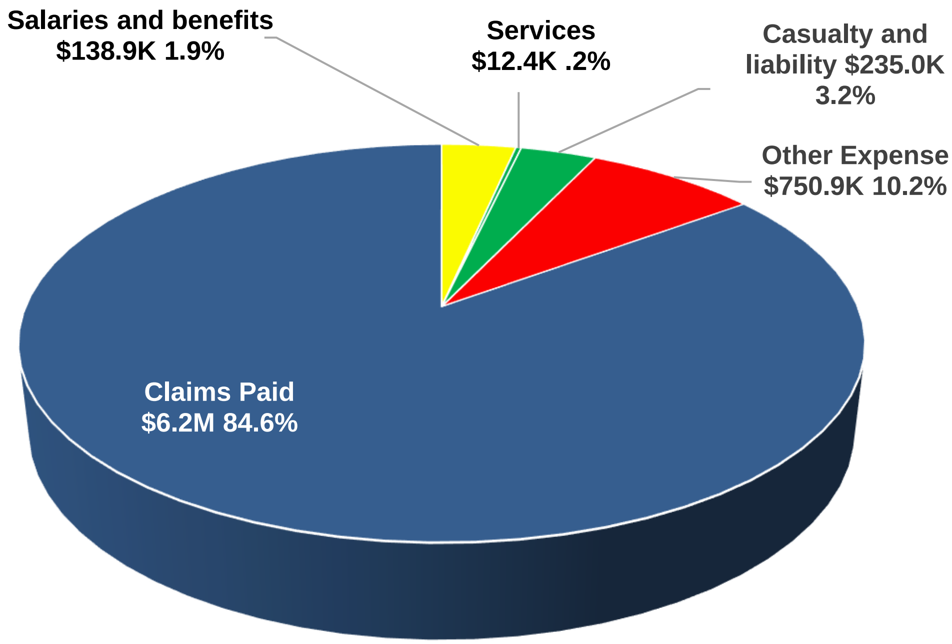
Numbers may not sum due to rounding.

Revenue

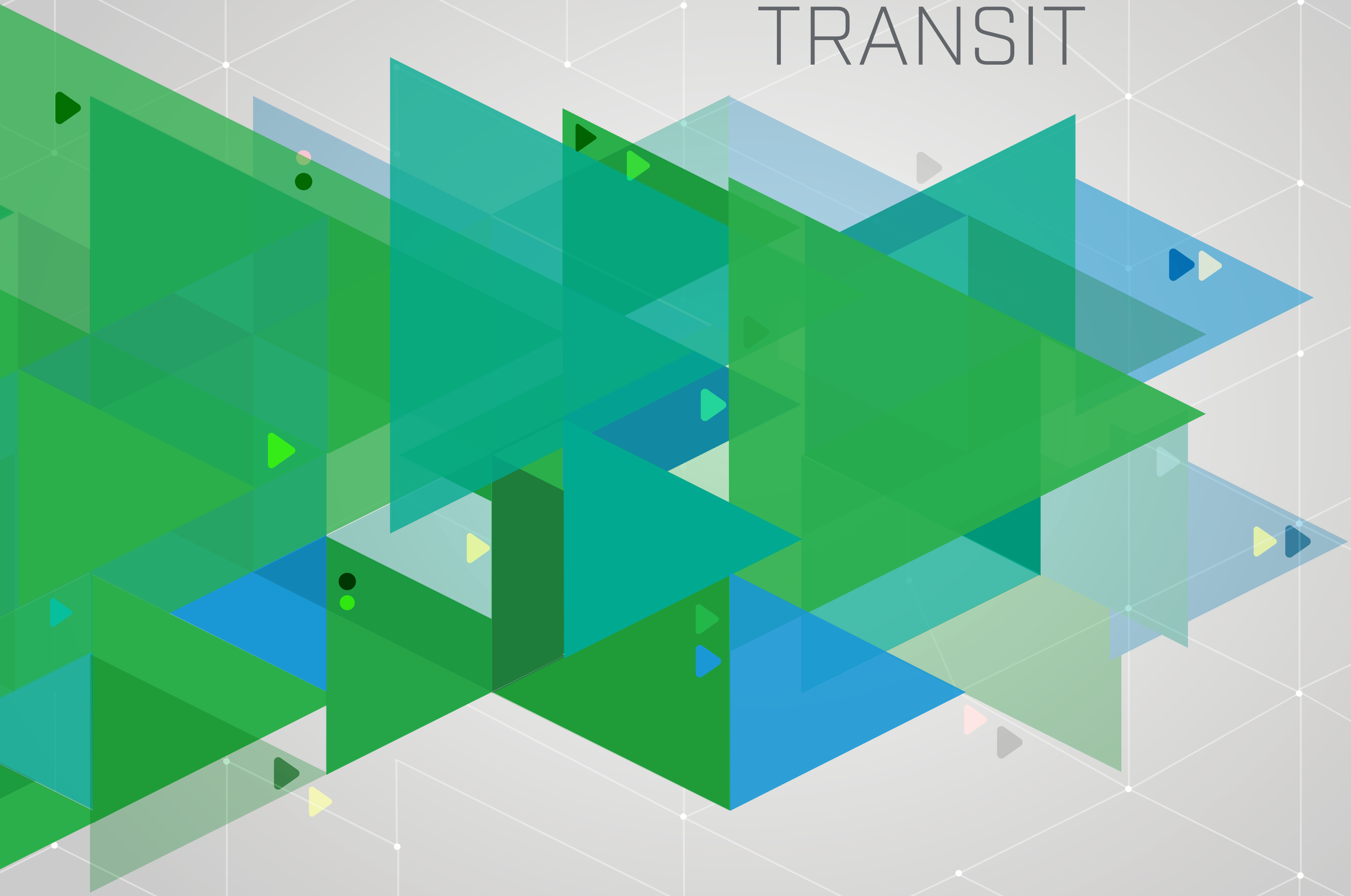
Revenue for the SIF is generated by charges for services provided to other business units within BSD. As insurance claims are incurred, the affected business unit within BSD is charged for the incurred claim and an offsetting revenue is generated within the SIF. The incurred amount charged to each business 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 2023 are expected to decrease $322,468 (4.9%) for FY2023.



ARTS IN TRANSIT



ARTS IN TRANSIT

BU220002

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. The strategic focus for FY 2023 is to:

- 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 art projects that can be integrated into our facilities and rolling fleet.
- Improve the perception of Metro Transit services through AIT programs such as MetroLines (Poetry), MetroScapes (Visual), and Art In Motion (Bus Painting).

Arts In Transit (AIT)
Statement of Revenue and Expense
FY 2021 - FY 2023

	Actual 2021	Budget 2022	Budget 2023	$ Change	% Change
Operating Revenue:					
Not-For-Profit revenue	$ 31,983	$ 94,674	$ 88,329	$ (6,345)	
Other operating revenue	-	15,000	-	(15,000)	
Total operating revenues	31,983	109,674	88,329	(21,345)	-19.5%
Non-Operating Revenue:					
Total revenues	31,983	109,674	88,329	(21,345)	-19.5%
Operating Expense:					
Wages and benefits	15,477	22,464	16,139	(6,325)	
Services	6,568	72,714	58,188	(14,526)	
Fuel, materials and supplies	8	6,844	6,000	(844)	
Utilities	6	-	650	650	
Leases, other and admin. charges	12,758	7,652	7,352	(300)	
Total operating expenses	**34,817**	**109,674**	**88,329**	**(21,345)**	**-19.5%**
Non-Operating Expense:					
Contributions to outside entities	-	-	-	-	
Total expenses	34,817	109,674	88,329	(21,345)	-19.5%
Net income (deficit) before depreciation and transfers	**(2,834)**	**-**	**-**	**-**	**0.0%**
Net income (deficit)	**$ (2,834)**	**$ -**	**$ -**	**$ -**	**0.0%**

Numbers may not sum due to rounding.

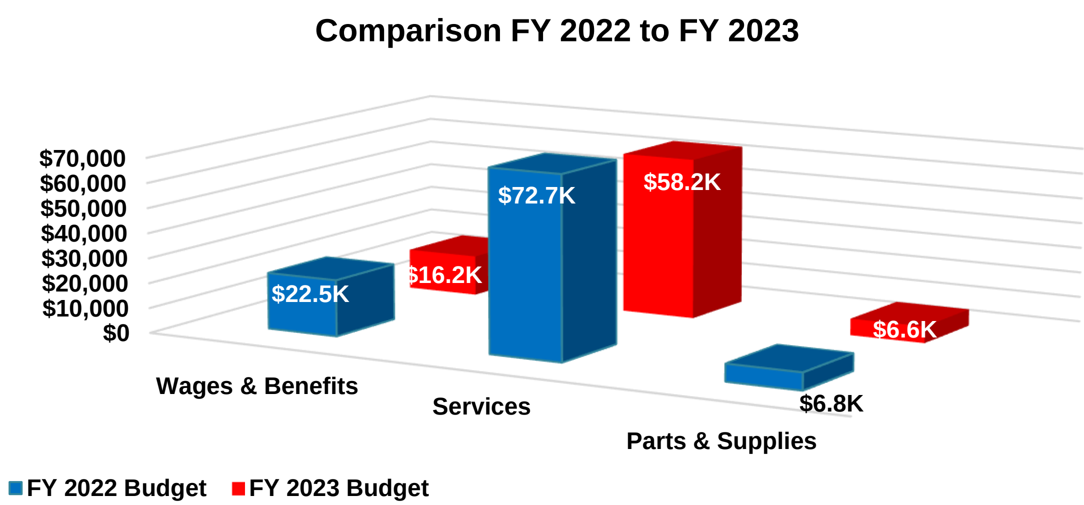
Revenue

Arts in Transit revenue for FY 2023 is expected to be $88,329. 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 2023 operating expenses are projected to decrease $21,345 or 19.5% due to decreased spending for services and materials and supplies.

Arts in Transit is projecting a breakeven for FY 2023.



BUDGET PROCESS

BUDGET PROCESS

BU220002

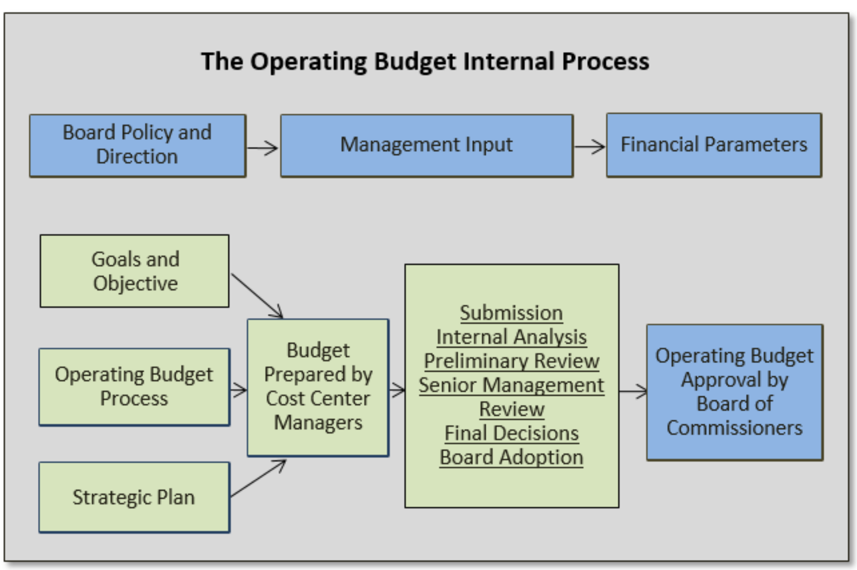
The Budget Process

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.



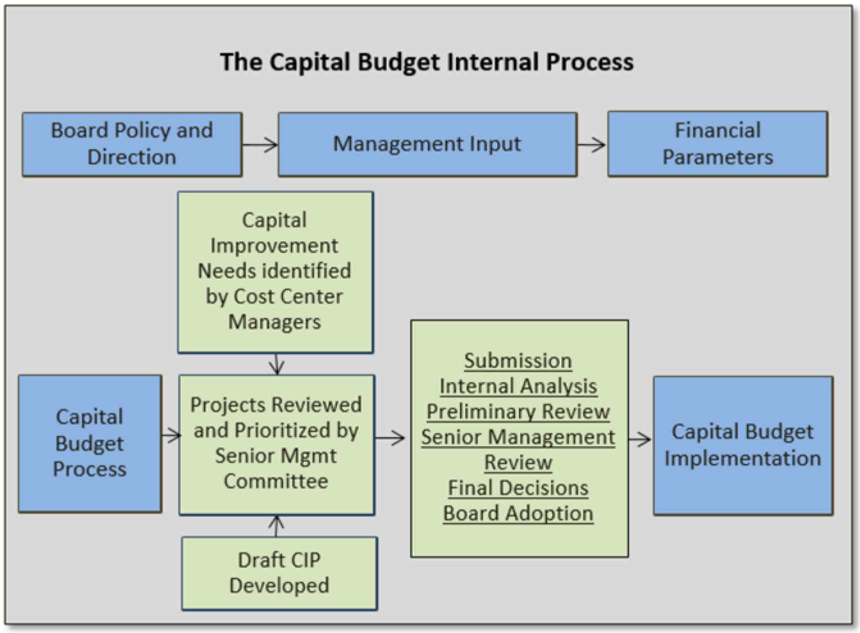
The cost center managers submit operating requests to the budget department using an online application. Bi-State Development's senior management reviews the preliminary operating budgets and sets parameters for the coming year. Through a series of meetings, cost center managers refine their preliminary 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.

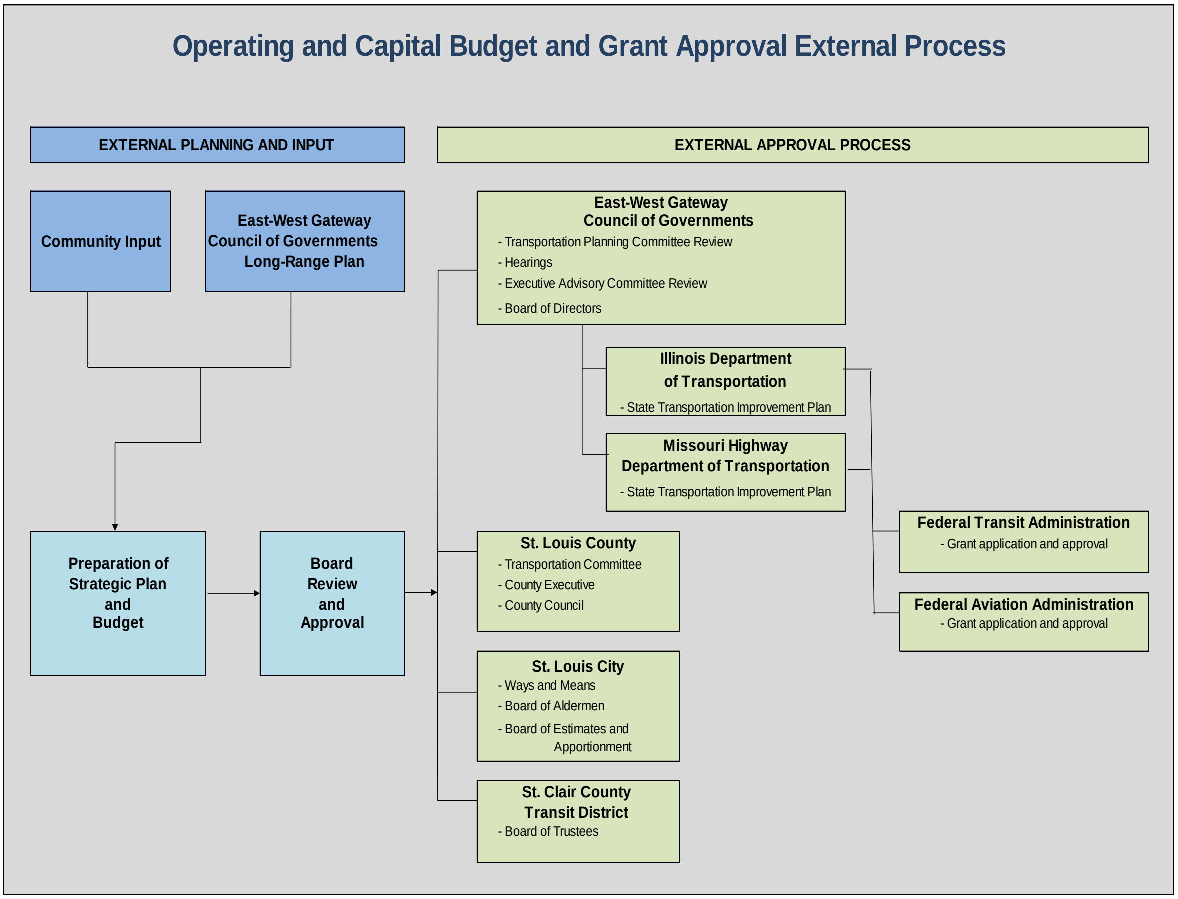


Cost center managers submit capital requests to the budget department. Senior management reviews these preliminary budgets and parameters are set for the coming year. Through a series of meetings with cost center managers, capital budget requests are refined and prioritized. Final decisions are then 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 2023 Operating Budget Calendar

September 2021	• Ready budget system • Review expense and revenue drivers
October 2021	• Division leaders submit goals and objectives • Prepare baseline budget • Budget "kick-off" information released • Budget system opened to management
November 2021	• 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 2021	• 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 2022	• 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 2022	• Review and analyze budget documents • Transit Improvement Plan created • Approved budget reports and documents prepared
March 2022	• 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 2022	• Budget presented to the Board of Commissioners for approval
May/June 2022	• 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

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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.
1999	Received Outstanding Achievement for Light Rail award from APTA.
2001	St. Clair County Illinois MetroLink extension opened. Purchased Tom Sawyer and Becky Thatcher riverboats.
2002	First of nine MetroBus transfer centers and garages opened.
2003	MetroLink opened Illinois Shiloh-Scott extension.
2006	Cross County MetroLink 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

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 engaged with the community on three Transit Oriented Development (TOD) proposed projects. The Forest Park/DeBaliviere TOD project proposes a $90 million, 285-unit, 30,000 square feet retail, apartment development that includes 350 parking spaces. The project will include 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.

BSD staff are also working with the City of Swansea and St. Clair County Transit District on the next phases of TOD development following the 2019 opening of the $11 million, 62-unit Metro Landing active adult project at the Swansea MetroLink station. The next phases will include opportunities for adjacent and on-site mixed-use development as the community works on creating a town center around 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. The MetroBus fleet consists of 409 vehicles planning to operate on 76 MetroBus routes in FY 2022.

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

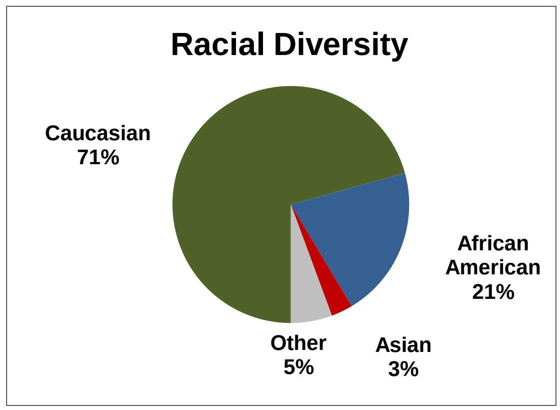
County Transit. Other communities such as St. Charles and Jefferson Counties in Missouri may access Metro Transit Centers and park-and-ride lots near the borders of these communities. The bi-state region also boasts a robust greenway system and miles of on-road dedicated bike lanes supporting those who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



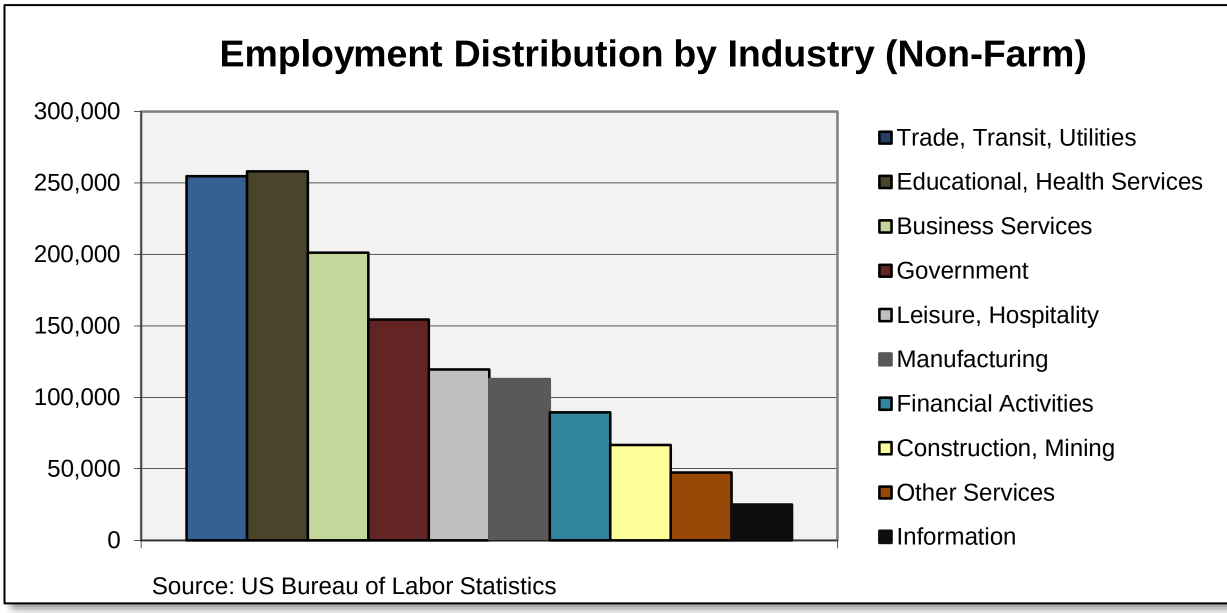
Seniors, age 65 and over, comprise 15.7% of the region's population. The "greying" of the regional workforce is a demographic challenge that policymakers and planners are working to address along with other workforce issues, such as the need to decrease racial disparity through increased access to quality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

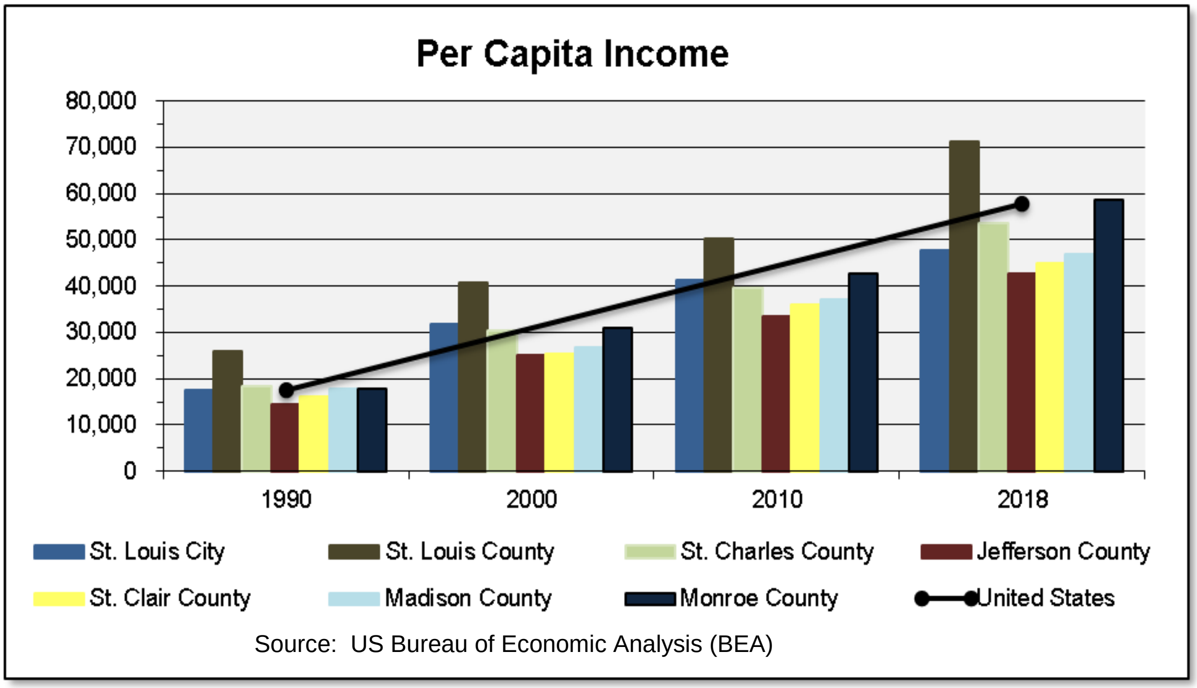


square feet of distribution and manufacturing space, as well as room for growth and expansion. More than 75 companies operate distribution facilities with over 250,000 square feet including some with 1 million square feet. Total non-farm employment is over 1.3 million. The trades, transit and utilities 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.

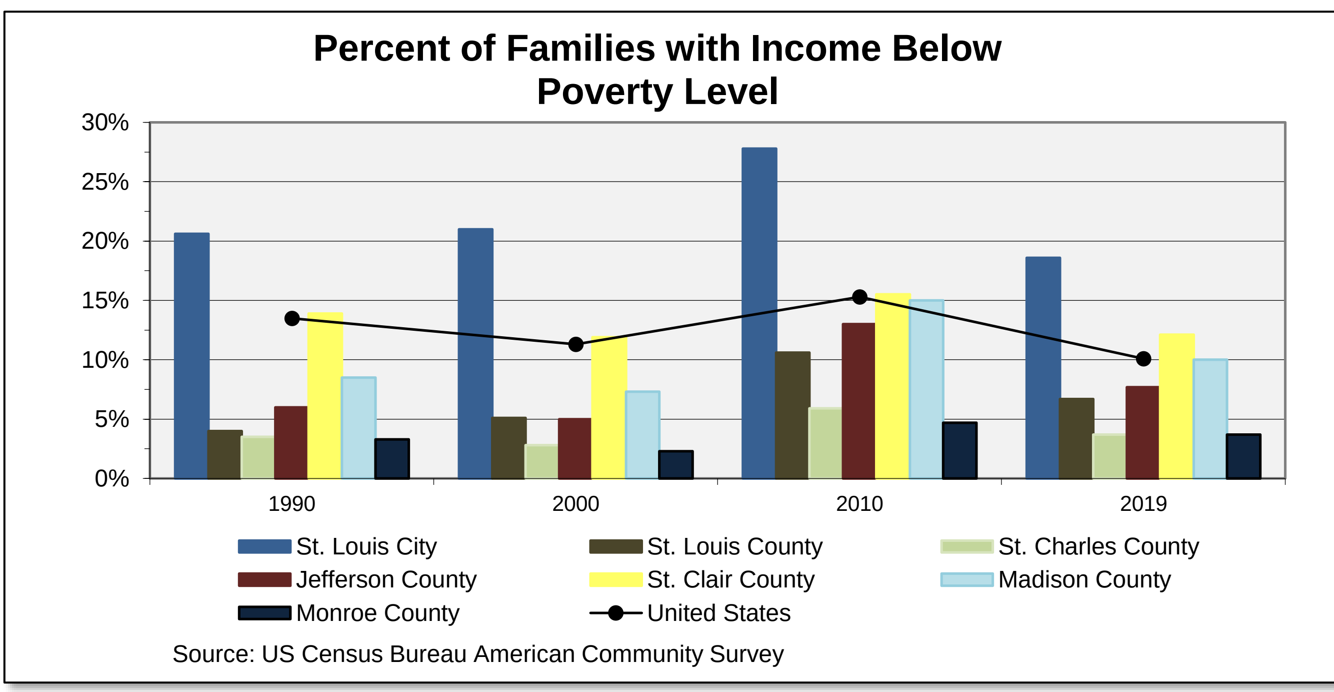
The region is ranked 10th highest in purchasing power in the country (EWG WWS, 2018) as a result of experiencing good real estate development prospects, benefiting from a low cost of doing business as well as living costs. St. Louis scored 3.62 out of 5.0 on perceived development and redevelopment opportunity.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

Regional Income and Poverty

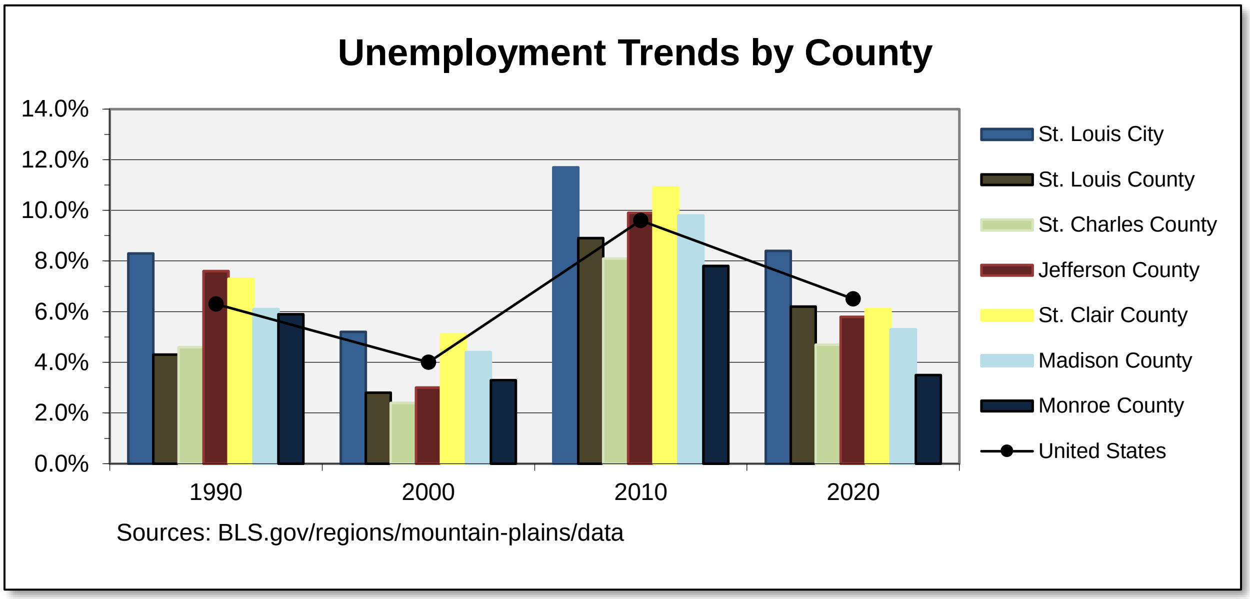
Income levels are relevant to BSD enterprises especially as it relates to public transit ridership. Public transit provides access to work and school for many low-income residents who cannot afford to own or maintain a car. Per capita income is derived by dividing the total income of all people, age 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 2021 & FY 2022 Overview and Highlights

Bi-State Development continued to be an economic development driving force in the bi-state region during FY 2021. BSD promotes and develops opportunities to make the St. Louis region more prosperous and livable for those who call the region home.

Business Events

The St. Louis Regional Freightway hosted the fourth annual FreightWeekSTL in May 2021, once again in a predominantly virtual format, but with a couple of welcome in-person discussions that signaled a return toward normal after a remarkable year. The five-day event brought together freight industry leaders, experts and influencers to share ideas and the latest innovations shaping the future of the freight industry, while also highlighting the global connectivity of the St. Louis region and the continuing investment in infrastructure that is supporting multimodal connectivity and providing enviable global access to shippers and carriers.

The keynote session focused on our partnership with the Port of Virginia and the dedicated rail service to the Port, where more than $900 million in recent investment is translating into time and cost savings for importers and exporters in our region who utilize the Port of Virginia and its ocean carrier services for global connectivity. Another featured topic highlighted how the St. Louis region’s resiliency, economic viability and locational advantages are evident in the successful redevelopment of the former Ford Motor Company and Chrysler Assembly Plant sites in Hazelwood and Fenton and contribute to the continued activity underway at the busy General Motors Wentzville Assembly Plant. Collectively, the three facilities account for more than 7,500 jobs and represent more than $2B in investment in the region. We also explored w the manner in which the ecosystem of the 60-mile Illinois Route 3 manufacturing & logistics corridor in Southwestern Illinois supports complex and integrated manufacturing operations and is sparking new industrial development interest.

FreightWeekSTL also featured the digital release of the Freightway's 2022 Priority Projects List. This is a valuable tool used to advocate for support and funding for critical infrastructure improvements that strengthen the St. Louis region’s position as a world-class freight and logistics hub. This year’s list features 21 projects representing a total investment of $2.75 billion, including the $222 million project underway to replace the Merchants Bridge linking Missouri and Illinois in Downtown St. Louis. This vital rail artery across the Mississippi River is one of the nation’s primary east-west rail corridors serving the nation’s third largest rail hub.

Metro Transit

Over the past year, Metro Transit was faced with unique and unprecedented challenges due to the COVID-19 pandemic. Since March 2020, the primary areas of focus for Metro Transit have been to maintain safe and reliable transportation services for essential workers and others in the St. Louis region, while implementing service adjustments, new policies and procedures, and introducing new technology to protect the health and safety of transit riders, Metro Transit operators and other front-line team members. Steps taken include:

- Increasing the frequency and enhancing the cleaning and disinfecting of Metro Transit vehicles, facilities and high-touch areas throughout the transit system (handrails, ticket vending machines, etc.) with CDC-approved disinfectants.
- Introducing new antimicrobial technology to dramatically reduce the spread of harmful bacteria and viruses on transit vehicles and within BSD facilities.
- Implementing a mask/face covering policy for team members, customers and others while on Metro Transit vehicles and at MetroLink platforms and Metro Transit Centers.
- Temporarily suspending of paper transfers and two-hour passes to minimize exposure and physical exchange of fare media.
- Securing and providing Personal Protective Equipment (PPE) for Metro Transit operators and front-line team members, and all team members.
- Designing, producing and installation of polycarbonate shields to better protect MetroBus operators
- Making adjustments to MetroLink and MetroBus to maintain social distancing between operators and riders.
- All Metro Transit and Bi-State Development employees must participate in a temperature screening before they begin work or operate Metro vehicles.
- Indoor access to transit facilities is temporarily suspended.
- Signs, posters, audio announcements and other communications are present on the Metro Transit system to promote CDC guidelines and educate riders on Metro Transit policies to minimize exposure to COVID-19.
- Participating in the American Public Transportation Association’s Health & Safety Commitments Program as part of our continued efforts to provide safe transportation options for the community.

- Launching a mobile fare option for riders that is convenient, visually validated, and requires no physical exchange of fare media.
- Making ongoing service adjustments throughout the pandemic to promote safe travel while matching service levels with available workforce resources.

In addition, Metro Transit promoted free, transit-accessible COVID-19 testing locations in the region; free, transit-accessible COVID-19 vaccination locations; and secured COVID-19 vaccines for BSD and Metro Transit team members through partnerships with local officials and health services.

As the St. Louis region continued to adjust to the ongoing effects of the pandemic, Metro Transit introduced new programs to provide transit riders with an easier, more convenient and more enjoyable transit experience. This included the launch of Via Metro STL, a new microtransit service where transit users can hail a vehicle directly from their smartphone to travel to any location within service areas in southwest and north St. Louis County. Metro Transit also introduced a number of fare programs to make transit service more accessible and affordable for those in need. It included the Gateway Go Card program that provides half-price fare for area youth, a special $5 Day Pass promotion that provides unlimited daily rides on MetroLink and MetroBus for one low price, and free MetroLink and MetroBus rides for ADA-eligible customers.

In June 2021, Metro Transit put its first battery electric buses into service, including 14 60-foot electric articulated buses from New Flyer that are operating on the #70 Grand MetroBus route, the transit system's highest volume MetroBus route. These new buses, along with four new 40-foot battery electric buses made by GILLIG, provide tremendous cost savings and environmental benefits, while also giving riders one of the quietest, smoothest rides on the market. A charging infrastructure was installed to support these buses at the Brentwood MetroBus Facility and at the North Broadway-Taylor Transit Center, allowing buses to charge while in service. The battery electric bus program was made possible through partnerships with the Federal Transit Administration (FTA), Center for Transportation and the Environment, Ameren Missouri, GILLIG, New Flyer, the City of St. Louis, St. Louis County and St. Clair County. All of the vehicles are zero-emission buses funded through FTA grants (70-80%) and local sales tax sources (20-30%).

Community Engagement

Metro Transit began FY 2021 with community outreach focused on the health and safety of our passengers and team members. Mask distribution across our service area, paired with online incentive contests reinforced the mask requirement on Metro vehicles. Our teams shifted focus from generic company-wide food drives to a community-based approach; at Thanksgiving, each of our facilities chose a local food pantry and worked together to gather donations from team members and deliver them to Hands in Need. Additionally, Bi-State Development team members volunteered their personal time to support other opportunities across the communities we serve, such as Great Rivers Greenway's "Trash Bash" to beautify the Hodiamont Tracks neighborhood near our MetroLink alignment. Engagement efforts will continue to trend toward community-driven activities that matter more to the customers we serve. As the winter rolled through, Metro Transit partnered with local law enforcement partners and Public Safety team members to distribute hats and gloves to keep our riders warm, and facilitate bonds between our customers and the officers and security teams who keep them safe. Continued partnership with Citizens for Modern Transit (CMT) brought several fun engagement activities to our transit centers, including "Transit is a Sweet Ride," a spring Easter egg scavenger hunt with prizes, and a "Destinations" passport challenge that made popular area attractions come to life at transit centers and promoted the many destinations accessible via transit.

We introduced several new fare options for our transit riders in 2021. The rollout of the Reduced Fare Gateway Card commenced in February, giving ADA and Fixed Route customers a way to suspend the use of cash and paper passes and load fares onto smart cards. Summertime ushered in a reduced $5 Day Pass, ADA Free Fares on Fixed Route Service, and the Gateway Go Summer Youth Pass. These passes, and the addition of more MOBILE Metro fares on the Transit app improve our overall rider experience and have been celebrated in our interactions with customers. We supported the introduction of Metro Transit's first battery electric buses in June as well, a tremendous milestone that has already boosted partnerships within the South Grand Business District; many of the first engagement events of FY 2022 incorporate battery electric bus promotion. Finally, our Consumer Pulse Surveys commenced in June 2021. These quarterly surveys measure our riders and non-riders' perception of personal security and satisfaction over time. We look forward to using the data we receive to tailor programs to improve how people feel about Metro Transit.

Bi-State Development achieved significant milestones in FY 2020 by asserting its role as regional leader with broad powers to drive regional economic vitality.

APPENDIX

Bi-State Development Funds, Sources and Uses

The FY 2023 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 $.9 million or .3%. 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 offset expenses that will create no impact on funds balances. 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 2023.

Gateway Arch

The Gateway Arch Tram is expected to operate at a less than positive cash flow of ($497)K or (3.8%). The use of funds can be attributed to additional cost for fuel and supplies and services needed.

Riverfront Attractions

The Riverfront Attractions is planned to have an operating profit and a $100k positive cash flow in FY 2023. 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 2023 are expected to total $6.4 million to include initial phased in outlays for Taxiway reconstruction.

St. Louis Regional Freightway

St. Louis Regional Freightway continues to move forward. Still in the building stage, a negative cash flow of $142 thousand is projected for FY 2023. 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 2023 budget.

Self-Insurance Funds

The three Self-Insurance Funds have a combined source of funds of $52.2 million. The source of funds for Health, Casualty and Workers' Compensation funds are $41.4 million, $4.5 million and $6.2 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 2023 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. The BSD Research Institute will closed in FY 2021. Arts in Transit , Inc. will create a negative cash flow of approximately $88,000.

Bi-State Development
Capital and Operating Budget
Projected Sources and Uses of Funds
Fiscal Year 2023
(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*	**$ 287,967**	**$ 1,201**	**$ 12,929**	**$ 3,607**	**$ 2,888**	**$ 340**	**$ 95**	**$ 13,256**	**$ 9,351**	**$ 8,228**	**$ 339,862**
Sources of funds:											
Operating revenue	24,782	5,166	7,870	3,603	6,351	-	-	-	-	-	47,772
State and local assistance	348,584	-	-	-	313	-	-	-	-	-	348,897
Federal assistance	405,896	-	-	-	5,625	-	-	-	-	-	411,521
Investment Income **	9,717	2	11	-	1	-	-	7	9	13	9,760
Other	11,700	-	-	-	-	500	-	41,436	4,476	6,229	64,341
Total Sources	**800,679**	**5,168**	**7,881**	**3,603**	**12,290**	**500**	**-**	**41,443**	**4,485**	**6,242**	**882,291**
Uses of funds:											
Wages and benefits ***	203,084	2,758	2,972	1,885	999	250	16	823	153	139	213,079
Services	46,030	1,695	1,279	421	145	344	58	352	74	12	50,410
Materials and supplies	32,675	23	728	642	128	4	6	33	-	-	34,239
Utilities and fuel	8,308	5	159	91	201	-	1	5	-	-	8,770
Casualty and liability costs	8,998	48	34	245	108	-	-	-	5,324	235	14,992
Other	8,234	385	1,470	169	145	44	7	40,230	3,161	6,993	60,838
Contributions to Others	1,181	-	1,315	-	-	-	-	-	-	-	2,496
Capital Projects - Metrolink	133,631	-	-	-	-	-	-	-	-	-	133,631
New revenue & support vehicles	146,283	-	-	-	-	-	-	-	-	-	146,283
Facilities new and rehab	138,476	-	-	50	4,000	-	-	-	-	-	142,526
Construction - land improvement	3,114	-	-	-	6,250	-	-	-	-	-	9,364
Capital projects, equipment,	45,011	-	-	-	-	-	-	-	-	-	45,011
and other capital	-	-	-	-	150	-	-	-	-	-	150
Debt service (interest and principal) **	26,574	-	421	-	-	-	-	-	-	-	26,995
Total Uses	**801,599**	**4,914**	**8,378**	**3,503**	**12,126**	**642**	**88**	**41,443**	**8,712**	**7,379**	**888,784**
Ending available funds	**$ 287,045**	**$ 1,456**	**$ 12,432**	**$ 3,707**	**$ 3,051**	**$ 198**	**$ 7**	**$ 13,256**	**$ 5,123**	**$ 7,091**	**$ 333,366**
Change in Balance	**$ (922)**	**$ 255**	**$ (497)**	**$ 100**	**$ 163**	**$ (142)**	**$ (88)**	**$ -**	**$ (4,228)**	**$ (1,137)**	**$ (6,497)**
Percent Change	**-0.3%**	**21.2%**	**-3.8%**	**> 100%**	**5.6%**	**<100%**	**-92.6%**	**-**	**-45.2%**	**-13.8%**	**-1.9%**

* Beginning balances are from the January 31, 2022 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 2020. 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

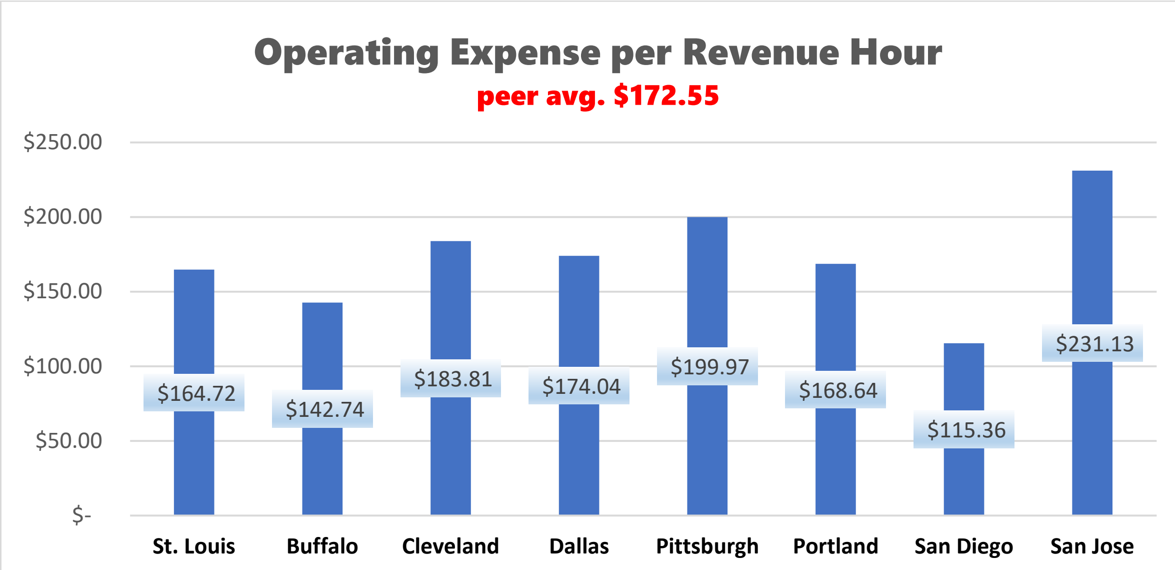
Operational Efficiency

- Farebox Recovery (Fare Revenue per Operating Expense)

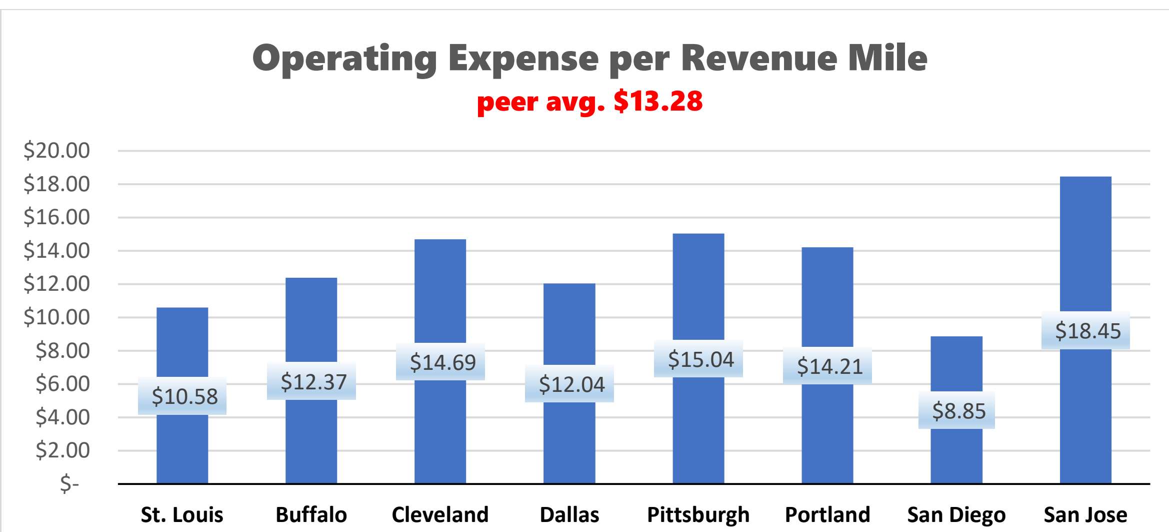
The following charts are prepared using 2020 National Transit Database system data, which is the latest data available at this writing. Most of these comparisons incorporate ridership and revenue related to ridership. Since 2017, ridership has continued to trend downward.

Peer Performance Comparison

Service Efficiency



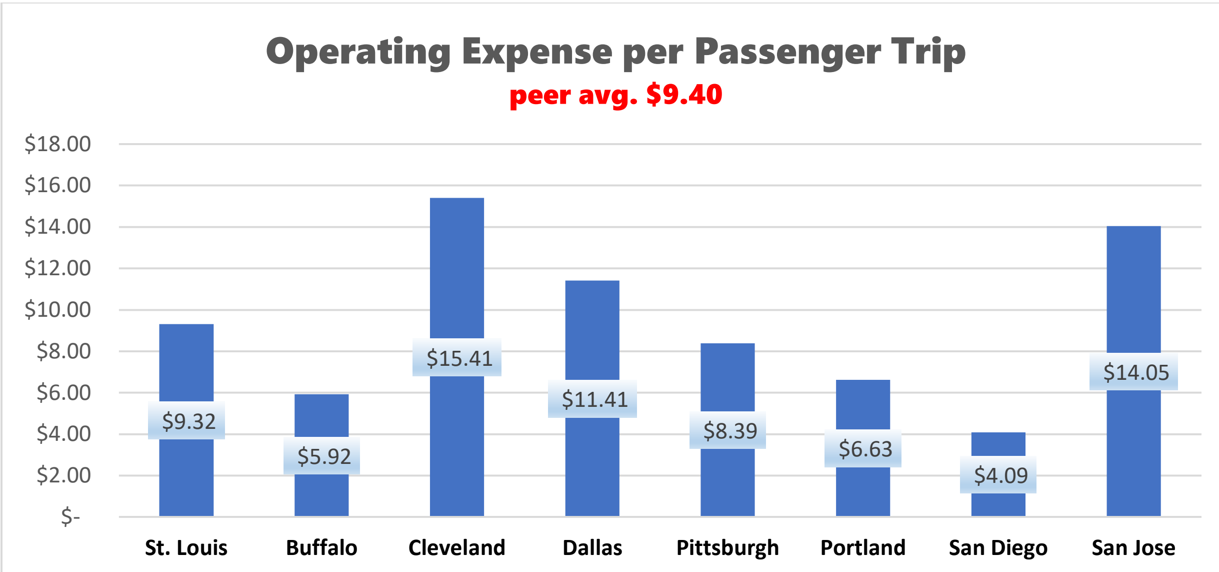
Operating Expenses are the costs associated with the operation of the transit agency and goods and services purchased for system operation. The cost efficiency performance ratio of operating expense per revenue hour shows Bi-State Development transit's cost per hour at 4.5% below the peer average and ranking the third most efficient of the peer group behind both Buffalo and San Diego.



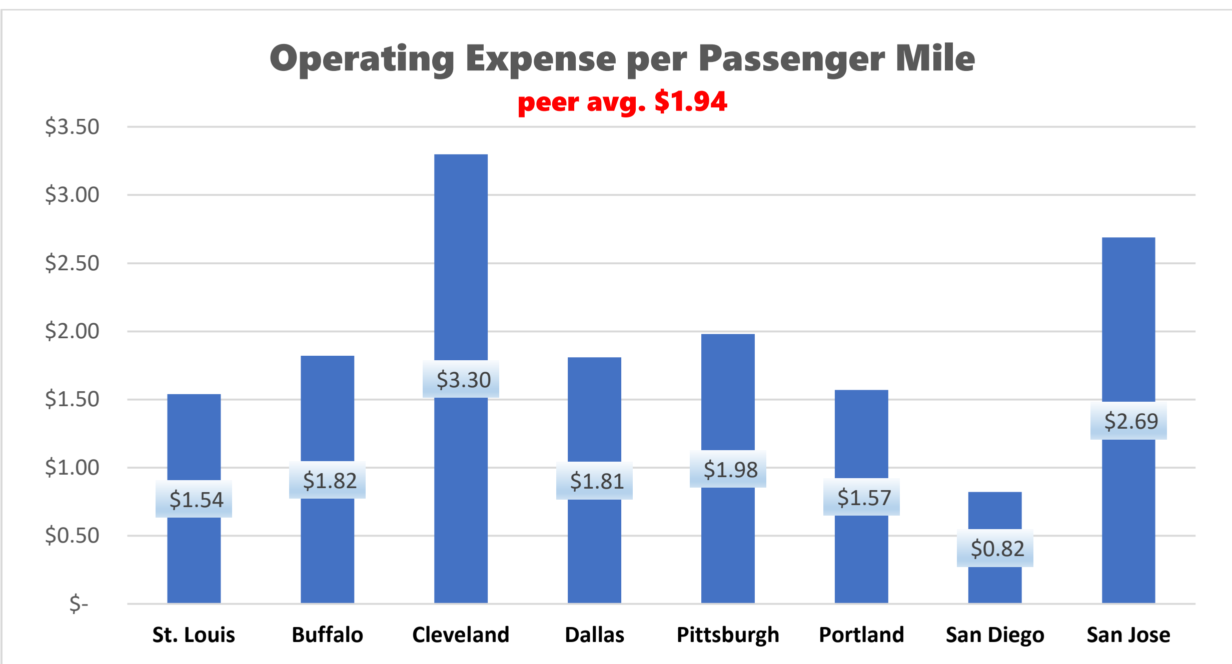
The performance ratio of operating expense per revenue mile has Bi-State Development transit's cost per mile ranking the second lowest of the peer group only behind San Diego and 20.3% below the peer average.

Peer Performance Comparison

Cost Effectiveness



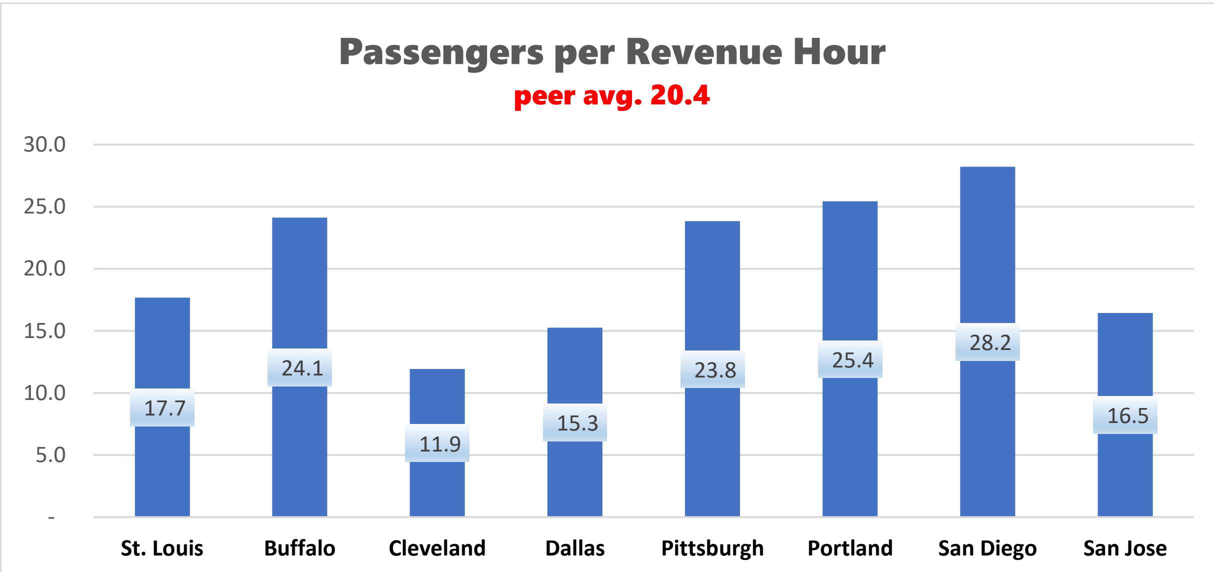
The cost effectiveness performance ratio of operating expense per passenger shows Bi-State Development transit consistent with the average expense for agencies within this peer group. BSD at $9.32 operating expense per passenger trip is ranked near the middle of the peer group and just below the peer average of $9.40.



The performance ratio of operating expense per passenger mile has Bi-State Development transit ranked behind San Diego. BSD transit's operating cost of $1.54 per passenger mile is 20.6% better than the peer average. BSD prides itself on controlling costs beginning with their effective preventive maintenance program.

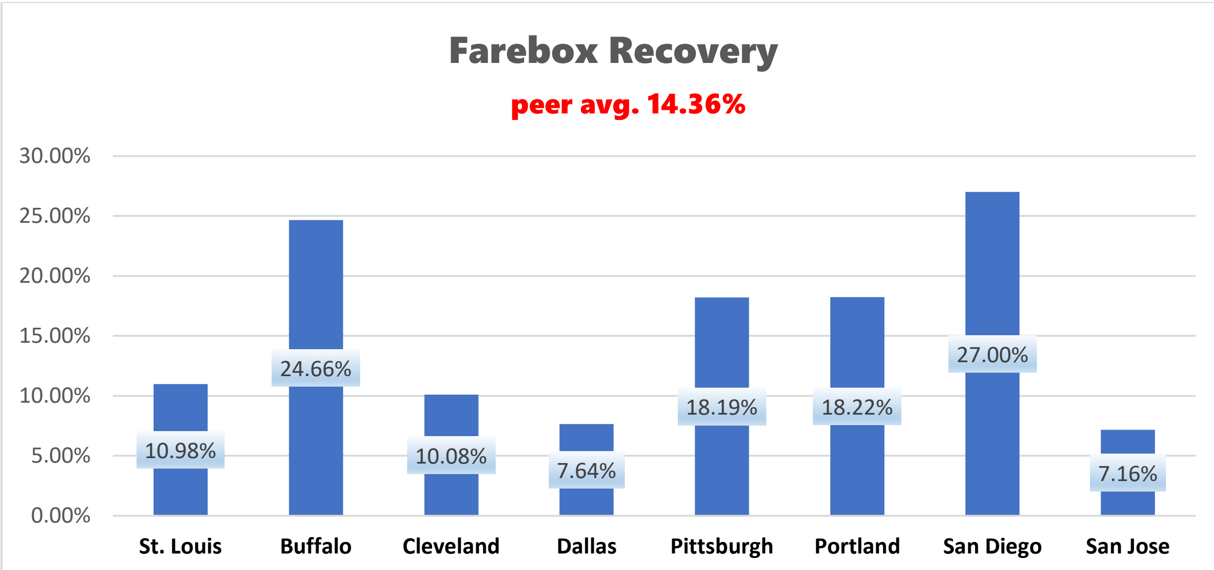
Peer Performance Comparison

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 10.98% is below the peer average, but exceeds Cleveland, 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.

Accounting 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 and an Other Post-Employment Benefit Trust fund.

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 blended component units for FY 2020. 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 CAFR. 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 BSD and for the benefit of BSD. For these reasons, the component units are considered blended and included in the Bi-State Development's CAFR. 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 all of its enterprise funds and fiduciary fund. 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.

Proprietary Fund

Bi-State Development's proprietary fund is 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 Downtown Airport and an adjacent business park located in Cahokia, Illinois;
- 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 Fund

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 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 FY2021 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 12 and 13, respectively. The plans are legally separate trusts. The Plans are included in Bi-State's financial reporting entity because the Bi-State Development Salaried Pension plan's Board of Trustees is appointed entirely by the Bi-State Board of Commissioners, while the OPEB Trust's Board consists of five Bi-State employees assigned to the Board based on their roles at Bi-State (President and CEO; Senior VP, EVP, Director of Benefits and Controller). Bi-State 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'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 and the United States National Park Service (NPS). Based on the agreement, Bi-State 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.

Expense Policies

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 Footnote 4: Fair Value of Financial Instruments.

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.

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, which were acquired with federal or state funds, are 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	3 to 25
Furniture, fixtures, computers and other equipment	3 to 10

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 BSD 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, seventy-five percent of the balance is classified as long term. 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 BSD which were used for additional collateral related to 2001 Light Rail Vehicle leases. The combined funds from BSD 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 53 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 liabilities, and amounts owed by BSD are included in deferred outflows of resources and amounts due to BSD are included in deferred inflows of resources on the Statements of Net Position.

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 to tourists for admissions to attractions at the Jefferson National Expansion Memorial and rentals;

- Gateway Arch Riverfront Attractions – charges to tourists for riverboat excursions along the Mississippi, memorabilia sales and heliport and bicycle rentals;
- 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;
- 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. 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.

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 $4.8 million on June 30, 2021. The combined accrued compensation absence liability for sick and vacation time for bargaining unit employees is $14.2 million on June 30, 2021.

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 Note 3.

Balances of cash, cash equivalents, and investments of the business type activities as of June 30, 2021 were as follows:

	Total
Unrestricted cash and cash equivalents	

	Total
Cash on hand	$240,808
Cash deposits	63,877,933
Cash equivalents	49,946,167
Total unrestricted cash and cash equivalents	114,064,908
Restricted cash and cash equivalents	69,396,510
Total cash and cash equivalents	183,461,418
Unrestricted investments	40,123,929
Restricted investments	41,987,729
Restricted investments held to pay capital lease	134,066,862
Total restricted investments	176,054,591
Total investments	216,178,520
Total cash, cash equivalents and investments	$ 399,639,938

Cash on Hand

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

Cash Deposits

At June 30, 2021, the unrestricted and restricted deposit bank balances were $16,228,940.

Bank balances are insured by FDIC insurance for balances up to $250,000 per financial institution. 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, 2020, 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. As of June 30, 2020, collateral for repurchase agreements was held by Bi-State Development's agent. Bi-State Development's investment policy specifies that collateral for repurchase agreements with a term of longer than 14 days be placed in joint custody with Bi- State Development at the Federal Reserve Bank or other third party custodian. No repurchase agreements in effect at June 30, 2020 had a term of longer than 14 days.

Concentration of Credit Risk

Bi-State Development maintains an investment policy that establishes thresholds for holdings of individual securities. As of June 30, 2021, 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, 2021, more than 5 percent of the OPEB trusts investments were in the Artisan Partners Fund ($3.3 million), Vanguard 500 Index Fund ($13.3 million), DFA Investment Dimensions ($3.8 million), John Hancock ($6.4 million), Goldman Sachs ($6.5 million), Metropolitan West Funds ($10.8 million), Blackstone Hedged Equity ($4.0 million) and Blackstone Park Avenue ($4.3 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, 2020, interest rate risk is not deemed significant to Bi-State Development.

As of June 30, 2020, Bi-State Development had the following maturities of cash, cash equivalents and investments:

	Credit Rating (S&P/Moody's)	**Balance**	**Overnight**	**2-90days**	**90-365days**	**1-5years**	**+5years**
Cash	-	$ 73,842,594	$73,842,594	$0	$0	$0	$0
CDs	-	4,400,034	0	0	4,400,034	0	0
Money Market Funds					0		
& Other Broker Accounts	AAAm/Aaa-mf	109,746,444	109,746,444	0	0	0	0
Commodities Account	-	(127,620)	(127,620)	0		0	0
U.S. Treasury Bills	AA+/Aaa	19,999,832	0	12,002,080	7,997,752	0	0
U.S. Treasury Notes	AA+/Aaa	32,005,644	0	11,920,325	13,962,972	6,122,346	0
Government Agencies:							
FCB Bonds	AA+/Aaa	7,492,811				7,492,811	
FHLB Bonds	AA+/Aaa	5,992,346	0	0	0	5,992,346	0
PEFCO Bonds	unrated	10,910,488	0	0	10,910,488	0	0
Municipal Bonds	See Below	1,310,503	0	0	0	1,310,503	0
Investment Contracts:							
AIG	BBB+/Baa1	20,372,052	0	0	0	0	20,372,052
Assured Guaranty	AA/A2	113,694,810	0	0	0	0	113,694,810
Total		$399,639,938	$183,461,418	$ 23,922,405	$ 37,271,246	$ 20,918,005	$134,066,862

Cash, Cash Equivalents and Investment Maturities
Municipal Bonds

Massachusetts State	**AA/Aa1**	**$ 0**	**$0**	**$0**	**$0**	**$0**	**$0**
Ilinois State	BBB-/Baa3	486,999	0	0	0	0	486,999
Nevada State	AA/Aa2	823,504	0	0	0	0	823,504
Total		$1,310,503	$ 0	$ 0	$ 0	$ 0	$ 1,310,503

Cash, Cash Equivalents and Investments of the Fiduciary Funds

At June 30, 2021, Bi-State Development's OPEB fiduciary activities had the following cash and investment maturities:

	S&P Credit Rating	Balance	Overnight	Less Than One Year	1 to 5 years	Over 5 years
Money Market	n/a	2,774,341	$2,774,341	0	0	0
U.S. Equity						
Artisan Partners Mid Cap Funds	n/a	3,327,027	n/a	n/a	n/a	n/a
Vanguard 500 Index Fund	n/a	13,252,809	n/a	n/a	n/a	n/a
DFA Investment Dimensions Group	n/a	3,823,432	n/a	n/a	n/a	n/a
Non-U.S. Equity						
Goldman Sachs	n/a	6,479,681	6,479,681	0	0	0
John Hancock Disciplined Fund	n/a	6,352,663	6,352,663	0	0	0
Fixed Income						
Metropolitan West Funds	n/a	10,817,721	10,817,721	0	0	0
Hedge Funds						
Blackstone Hedged Equity Offshore Fund	n/a	4,000,753	0	0	4,000,753	0
Blackstone Park Avenue Non-Taxable Fund	n/a	4,327,254	0	0	4,327,254	0
Total		$ 55,155,681	$46,827,674	$ 0	$ 8,328,007	$ 0

At June 30, 2021, the Gateway Arch Tram fiduciary activity had the following cash and investment maturities:

	S&P Credit Rating	Balance	Overnight	Less Than One Year	1 to 5 years	Over 5 years
Cash				-	-	-
PNC Bank, N.A.		4,629,425	4,629,425			
Money Market				-	-	-
Blackrock Fed Fund	AAAm	15,396,525	15,396,525	-	-	-
Total		20,025,950	20,025,950	-	-	-

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, 2021 were the following:

2021 Restricted cash, cash equivalents and investments

	Cash & Cash Equivalents	Investments	Total
Cross county debt service reserve	$15,304,248	$39,583,883	$54,888,131
Regional Freightway	15,000	0	15,000
Self-insurance	26,464,731	2,403,846	28,868,577
Capital lease – collateral	4,708,516	0	4,708,516
Capital tower lease - collateral	1,237,156	0	1,237,156
Gateway Arch debt reserve/project funds	2,690,448	0	2,690,448
Federal Transit Authority	19,104,031	0	19,104,031
Fuel hedge program	(127,620)	0	(127,620)
Total restricted cash and Investments	69,396,510	41,987,729	111,384,239
Restricted investments held to pay capital lease / leaseback liabilities	0	134,066,862	134,066,862
Total restricted cash, cash equivalents and investments	$ 69,396,510	$176,054,591	$245,451,101

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. The debt service reserve fund protects the bondholder in the event of impairment.

Regional Freightway:
The funds are designated for a trucking apprenticeship program. The St. Louis Freightway has a Memorandum of Understanding with St. Louis Community College and Schneider Trucking.

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.

Capital lease collateral funds:
In February 2011, Bi-State Development cured a technical default on the C1 and C2 tranches of the 2001 LRV lease. The transaction required Bi-State Development to purchase collateral. Each year an evaluation of the supplemental collateral is performed to establish the requirement. For 2021, the collateral requirement is $4.7 million and is restricted under the contract agreement.

Capital tower lease collateral funds:
The FTA has remitted funds to Bi-State Development which will be used to pay capital lease obligations in the future.

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

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. Interest earned on the funds is $1.1 million.

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

Restricted investments held to pay capital lease / leaseback liabilities:
In 2001, Bi-State Development entered into transactions to lease multiple LRVs. Bi-State Development received a prepayment equivalent to the net present value of the head lease 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 sublease and to set aside funds to enable Bi-State Development to exercise its repurchase option. Since inception, this amount on deposit has significantly increased.

Operating / Capital Lease Obligations

Bi-State Development leases office space and equipment under operating leases that expire between years 2021 and 2099. Rent expense was $1,537,705 for 2021. Future minimum lease commitments as of June 30, 2021 are as follows:

Fiscal Years	Future Minimum Lease Payments
2022	$1,494,257
2023	1,460,781
2024	1,460,781
2025	1,460,781
2026	1,440,670
2027 to 2031	6,794,419
2032 to 2036	2,712,122
2037 to 2041	1,291,157
2042 to 2099	22,492
Total	$18,137,461

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CAPITAL LEASE/LEASEBACK OBLIGATIONS

In 2001, Bi-State Development entered into transactions to lease thirty-four of its Series 2000 and Series 3000 Light Rail Vehicles (LRV's). There are only two Series 2001 Lease/Leaseback 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 $5.5 million for June 30, 2021. 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 on the subleases for 2021:

	Capital Lease Obligation
Sublease balances, June 30, 2020	$125,818,056
Interest accrued in 2021	8,248,806
Lease payments and reductions	0
Total sublease balances, June 30, 2021	$ 134,066,862
Purchase option dates	January 2025
Sublease termination dates	January 2025

The following is a schedule by fiscal year of future lease payments and purchase option payments, to the extent they are exercised, and interest expense for the above transactions as of June 30, 2021:

Fiscal Year	**Payments**
2022	$0
2023	0
2024	183,231,268
2025	34,310,350
Total future lease payments	217,541,618
Less amount representing future interest	(83,474,754)
Net obligation at June 30, 2021	134,066,864

Non-Current Liabilities

Debt, capital lease obligations and non-current liabilities at June 30, 2021, consisted of the following:

	2020 Beginning Balance	Additions	Reductions	2021 Ending Balance	Due Within One Year
Capital Lease Obligations	$125,818,056	$8,248,808	$0	$134,066,864	$0
Mass Transit Sales Tax Appropriation					
Bonds, Series 2013A	182,175,000	0	160,050,000	22,125,000	10,855,000
Plus: Unamortized debt premium	6,397,703	0	6,050,714	346,989	0
St. Louis County Missouri					
Series 2013B	135,000,000	0	0	135,000,000	0
Gateway Arch Revenue Bonds 2014	7,029,182	0	172,911	6,856,271	179,925
Combined Lien Mass Transit Sales Tax Appropriation Refunding					
Bonds, Series 2019	164,430,000	0	0	164,430,000	0
Plus: Unamortized debt premium	26,031,951	0	2,392,238	23,639,713	0
Tax Appropriation Refunding					
Bonds, Series 2020		171,205,000		171,205,000	1,375,000
Plus: Unamortized debt premium		2,117,973	84,407	2,033,565	0
Net OPEB liability	62,358,747	15,321,383	23,085,048	54,595,082	0
Long Term Self-Insurance Liability	29,794,188	48,353,886	49,412,978	28,735,096	15,531,096
Net Pension Liability	100,853,234	43,419,922	103,334,293	40,938,863	0
Other Liabilities	37,894,492	2,506,917	4,581,208	35,820,201	4,613,359
Total	**$877,782,553**	**$291,173,889**	**$349,163,797**	**$819,792,644**	**$32,554,380**

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

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Debt

Mass Transit Sales Tax Appropriation Bonds 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, 2021, 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 through Fiscal Year 2023

Gateway Arch bonds - Series 2014

On December 3, 2014, Metro closed on the Series 2014 Taxable Arch Tram Revenue Bonds. These bonds have a par value of $7,656,000 and a 30-year term. The initial fixed rate term is 10 years with a fixed interest rate of 4.016%. The bond series is a direct placement with PNC Bank and is secured by revenue generated from the Arch Tram operations. The annual debt service requirement is approximately $454,000 and the cost of issuance was $156,000. The bond proceeds were used as follows:

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

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 2021 through fiscal year 2044. 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.

The total interest expense for the year was $21.44 million. The interest expense breakdown is as follows:

Interest Expense	Dollars (in millions)
Series 2013	$2.20
Series 2014	0.28
Series 2019	7.10
Series 2020	3.50
Capital Lease / Leaseback	8.25
Other	.11
Total	**$ 21.44**

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

Senior Bond: Series 2013 A

Fiscal Year	Principal	Interest
2022	10,855,000	834,875
2023	11,270,000	281,750
Total	$22,125,000	$1,116,625

Subordinate Bond: Series 2013 B

Fiscal Year	Principal	Interest
2022	0	1,413,000
2023	0	1,413,000
2024	0	1,413,000
2025	0	1,413,000
2026	0	1,413,000
2027-2031	0	7,065,000
2032-2036	0	7,065,000
2037-2041	0	7,065,000
2042-2046	0	7,065,000
2047-2050	0	7,065,000
2051-2055	135,000,000	3,994,500
Total	$135,000,000	$46,384,500

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 its 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 is being presented 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.

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

Capital and Operating Assistance Grants

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

- **Federal Transit Administration -** Bi-State Development is the recipient of several Federal Transit Administration Assistance Grants awarded by the United States Department of Transportation under the Federal Transit Act of 1964, as amended.
- **State of Missouri** - In 1996, the Governor of the State of Missouri approved temporary transit operating assistance grant funding through the Missouri Department of Transportation (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 of operations.

Bi-State Development has future contract commitments for construction and purchase of assets in the amount of $70.2 million as of June 30, 2021

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, 2021, $22,565,000 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, 2021, $2,470,000 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

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